



**Te Tari Taiwhenua
Internal Affairs**

2023/ 2024

Annual Report
Pūrongo ā-Tau



Te Kāwanatanga o Aotearoa
New Zealand Government



Te Tari Taiwhenua Internal Affairs

Presented to the House of Representatives pursuant to sections 39 and 40 of the Public Finance Act 1989

ISSN: 1173-8979 (Print) and

ISSN: 1173-9371 (Digital)



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Our purpose

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

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 principles and behaviours – Mātāpono

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.

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.

Whanaungatanga

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

Kotahitanga

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

We're stronger together

Work as a team. Value each other.

We take pride in what we do

Make a positive difference. Strive for excellence.

We make it easy, we make it work

Customer centred. Make things even better.

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1

Our year in review
He tirohanga arotake
ki te tau kua hipa



Secretary for Internal Affairs’ foreword

Tēnā tātou

Waerea te huarahi pai

Waerea te ara tika

Whāia te hīnātore kia mārama

Kia whai take ngā mahi katoa

Tuia kia ōrite, Tuia kia mana

Hui te ora, Hui te mārama

Hui e, Tāiki e

The Department of Internal Affairs touches the lives of all New Zealanders. I am proud to present this report and the stories of how we have improved the lives of New Zealanders over the last year.

The 2023 General Election saw a change of government. The transition required significant work by our Ministerial Services staff, who provide services to the Prime Minister and the Executive. Preparing for the 54th Executive was a months-long programme of work and is one of the important roles we play to ensure New Zealand is a well-functioning democracy.

We met the Government’s call for public sector efficiency by reducing our baseline by 7 percent. While some services have been scaled back or stopped the Department continues to deliver high quality, efficient and responsive services while managing costs effectively. We are focused on our core business and key priorities and are open to doing things differently: this is how we will remain high performing, trusted and continue to deliver services to New Zealanders.

Local Water Done Well is the Government’s plan to address New Zealand’s water services infrastructure challenges. The plan recognises the importance of local decision-making and flexibility for communities and councils to determine how water services will be delivered in the future.

Through the new Digitising Government portfolio, we support the Minister for Digitising Government with delivery of the Government’s digital strategy, digital services delivery, and more.

Te Ara Manaaki, our programme to modernise how people access life and identity services, progressed significant changes this year. Some updates had adverse impacts on passport processing timeframes, which we are making good progress resolving.

The new online portal makes it quicker, easier and convenient for New Zealanders to apply for their passport.

We worked alongside Hawke’s Bay and Gisborne councils to secure funding to clean up sediment and debris following Cyclone Gabrielle. This has allowed communities to get stuck in with the recovery work, leading to the clearance of over 3.5 million cubic metres of silt and woody debris to date.

Whanaketia – the final report from the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions was published in June 2024, with administrative support from the Department. Launched in 2018, the inquiry heard from over 3,000 survivors who demonstrated great courage throughout, and is the longest and largest Royal Commission in New Zealand’s history.

The new archival building in Wellington reached significant milestones and is on-track to provide a state-of-the-art archives repository for Archives New Zealand, the National Library of New Zealand and Ngā Taonga Sound & Vision.

This year for the first time since the Treaty settlement process commenced over 30 years ago, we report on progress towards our Treaty of Waitangi/Te Tiriti o Waitangi claims settlement commitments.

The Department remains a high-performing organisation that New Zealanders trust. This is only possible because of our dedicated team of public servants, who I would like to thank for their work over the past 12 months.

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

Secretary for Internal Affairs, Secretary for Local Government, Government Chief Digital Officer, Chief Executive of the Department of Internal Affairs

Highlights

Ngā tīpako

Supported the transition to the 54th Executive after the 2023 General Election, helping to ensure New Zealand is a well-functioning democracy



Released guidance for public service agencies to use Artificial Intelligence in a safe and responsible way



Improved how people access identity and life event services such as passports and citizenship by completing the biggest set of process and technology changes in over a decade. Over 90 percent of applications for life and identity services are now digital



Supported the Government to develop and implement a framework for the transition to financially sustainable water services under Local Water Done Well



Applied to the Gambling Commission to suspend New Zealand's largest casino operator's licence as we uncovered significant breaches of licence obligations. The operator has volunteered to close their gambling area for five consecutive days, which is an unprecedented move



Worked with Hawke's Bay and Gisborne councils to secure funding to clean up sediment and debris following Cyclone Gabrielle



Assisted the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions in their work to produce their final report



Completed over 10,000 advisory services and processed over 6,000 grants for communities, hāpu and iwi across New Zealand



Established the Trust Framework Authority as the new regulator for accrediting digital identity services in New Zealand



Blocked over 1 million attempts to access harmful digital content online

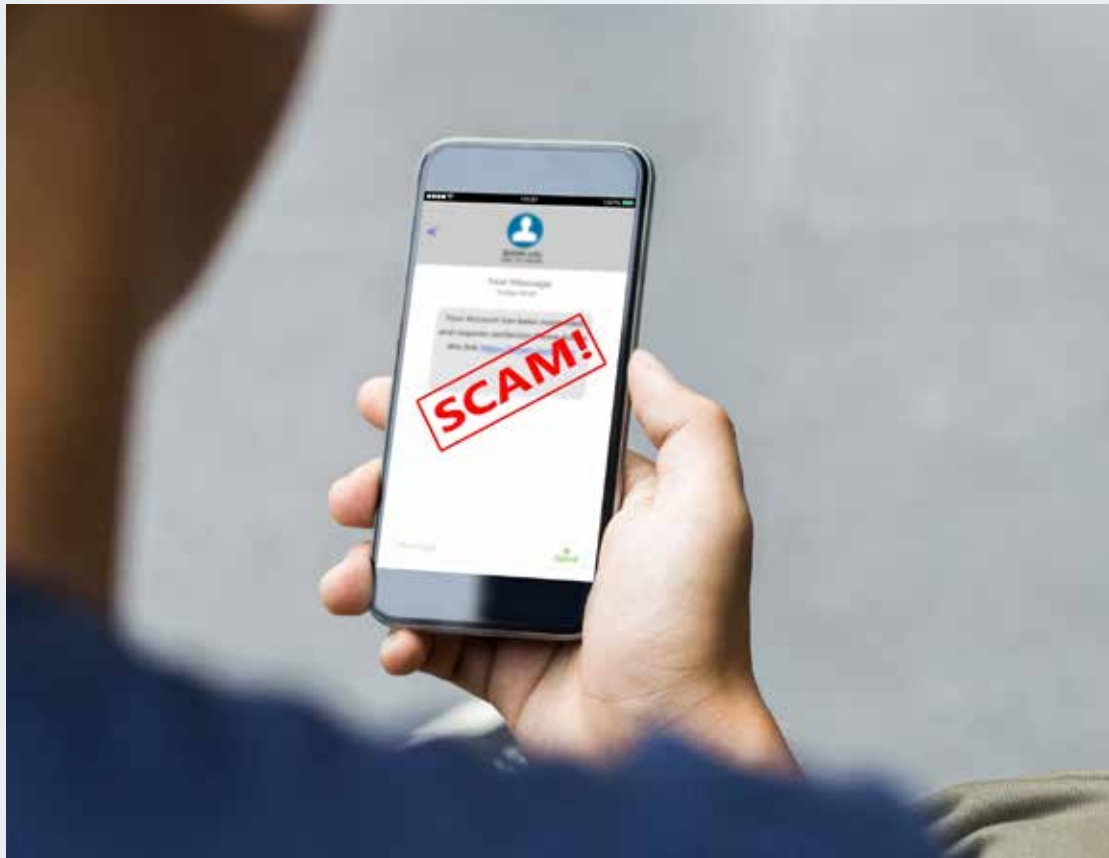


Translated 5 million words and 8,973 official documents.



Feature story

Reducing scams in New Zealand



Led by the Department of Internal Affairs, 'Operation Cargo' uncovered a transnational criminal network of scammers who were responsible for most of the SMS scams in New Zealand.

Operation Cargo was the first of its kind in New Zealand. The Department executed 12 search warrants and seized over 4,000 items used by scammers, including:

- » Over \$35,000 worth of SIM cards and hardware
- » Around \$10,000 worth of luxury items
- » Over \$56,000 in cash.

The success of Operation Cargo was attributed to collaboration with the New Zealand Police, the New Zealand Customs Service, CERT NZ, telecommunications providers and banks leading to an 83 percent decrease in reports of scams through the free 7726 service. Reports to 7726 play a crucial role in locating scammers, ending their operations and preventing future harm and financial loss to New Zealanders.

Nature and scope of our functions

Te āhua me te momo o ā mātau mahi

Our purpose – Tō Tātou Whāinga

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

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.

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 six Ministers, administering six portfolios within Vote Internal Affairs. The Ministry for Ethnic Communities, a departmental agency hosted by the Department, also 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 2024 were:

Department of Internal Affairs

Internal Affairs	Hon Brooke van Velden
Ministerial Services	Rt Hon Christopher Luxon
Racing	Rt Hon Winston Peters
Local Government	Hon Simeon Brown
Community and Voluntary Sector	Hon Louise Upston
Digitising Government	Hon Judith Collins KC

Ministry for Ethnic Communities

Ethnic Communities	Hon Melissa Lee
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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. We 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

- » 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 record-keeping, charities, unsolicited electronic messages, anti-money laundering and financing of terrorism, 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 the 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 of the overall strategy and direction for the Government's digital modernisation and digital service delivery

Our responsibilities

The Department 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 the Water Services Authority – 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.

The Department 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
- » The National Librarian has a system leadership role in the preservation, protection, development and accessibility of New Zealand's documentary heritage.



2

Making New Zealand better for New Zealanders

E ora ai a Aotearoa,
ka ora ai tātou katoa

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 the Department carried out in 2023/24 to contribute towards the achievement of our outcomes.

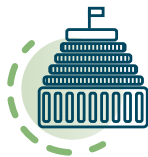
Our Outcomes Framework

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 hīnātoe 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.

We have five outcomes to achieve our purpose, which support and bolster each other.



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



People can easily access the services and information they need



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



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



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

Note

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

Outcome indicators and performance measures

The Department 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 to 10 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 the Department.

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. Result is within 5% of the historical average over the medium to long term (five to 10 years).



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.

A summary of results is below:

Performance measures status	Actual 2022/23	Percentage 2022/23	Actual 2023/24	Percentage 2023/24
 Standard has been met	122	84%	127	87%
 Standard has not been met	21	14%	18	12%
 Standard is on-track to be met	3	2%	1	1%
Total	146¹		146²	

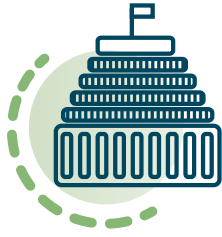
The overarching reasons for measures not being met in 2023/24 are due to:

- limited specialist resources in areas of high demand
- roll out of new systems and processes for our work
- changes in government priorities and specific work being stopped.

For performance and additional information on Budget funded initiatives refer to Appendix A – Budget significant initiatives.

Notes

1. In total for 2022/23, there were 155 performance measures, out of which 146 measures produced results, six measures did not have a standard, three measures were reported in two Crown entities' Annual Reports.
2. In total for 2023/24, there were 155 performance measures, out of which 146 measures produced results, five measures do not have a standard, three measures are reported in two Crown entities' Annual Reports, and the result for one measure was not available.



Outcome: 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.

For information on what our indicators are telling us for this outcome see page 15, and for further information on performance results see *Non-financial Performance Statements* section.

Case study

Supporting the transition of Executive Government following the 2023 General Election

Our aim

Deliver a smooth transition for all incoming and outgoing members of the Executive and staff following the 2023 General Election, and ensure the 54th Executive was well-functioning from day one.

Our role

Ministerial Services kaimahi (staff) were responsible for planning, preparing and delivering the transition by ensuring new Ministers had access to staff, resources, entitlements, technology and offices upon swearing in. This included the recruitment and onboarding of Ministerial office staff with the right experience, knowledge and skills.

The Department also played a critical role in the operational continuity of Executive Government during the caretaker period by maintaining services and preparing to transition the outgoing Executive. This represented a significant logistical exercise with the full change of executive, 55 office relocations and over 200 staff changes managed in the immediate period following the formation of the Government and confirmation of the Executive.

The outcome

The turnaround between the announcement of the Coalition Government and the swearing in of new Ministers was short. The quick and coordinated response ensured the successful delivery of the transition, and that Ministers had the necessary staff and resources to start delivering immediately.

What this means for New Zealanders

Supporting the smooth transfer of Government is central to a well-functioning democracy, and promotes trust and confidence in the operation of New Zealand's democratic process and Executive Government.



Ensuring continuity of Executive Government in a disaster

The Department worked with other agencies to develop a plan to ensure the continuity of Executive Government following a catastrophic event in Wellington. The plan enables the standing up of Executive support functions that will enable the Prime Minister and Cabinet to make decisions and communicate effectively with the public.

Under this plan, a team would be stood up in Auckland following reports of a major disaster. This team will oversee the location and safe transportation of available Ministers, and identify and onboard political and policy advisors, as well as media support staff.

As we have learned through recent national emergency events, it is critical New Zealanders have confidence that their democratically elected leaders are able to make and communicate decisions to support an effective response.

The All-of-Government Portfolio sees significant uptake

The All-of-Government Portfolio of ICT services helps New Zealanders by providing public sector agencies/organisations with access to reliable, secure and fit-for-purpose ICT products and services.

In FY2023/24, 341 public sector agencies/organisations consumed one or more ICT services through the All-of-Government Portfolio, and the total spend surpassed \$1 billion. This is an increase of more than \$80 million from FY2022/23, with 54 percent of the spend with New Zealand owned businesses.

Through using Portfolio services, consuming agencies/organisations avoid primary procurement and supplier management costs, access optimal pricing and commercial terms, and leverage centralised security assurance functions. This allows agencies/organisations to implement digital solutions more quickly, securely and at a significantly reduced cost, freeing up time and resources to focus on improving public services and progressing government priorities.

Since 2017, the Portfolio has delivered approximately \$711 million in savings to the system.

Delivery snapshots

Partnership Directors provide leadership across strategic issues and system challenges that councils face, connecting councils, government agencies and key stakeholders.

Democracy was restored to Tauranga City Council in July 2024 after three-and-a-half years of Commissioners.

We changed the law extending the delivery period for council voting papers, giving New Zealanders enough time to vote.

We completed over 300 facilitations for Ministers and eligible Guests of Government through our airports.

Official visit programmes were delivered for 18 Guests of Government from 11 nations.


What are our outcome indicators telling us?

► Perceptions of corruption are maintained or decreased

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
Score out of 100	87 (Rank = 1)	88 (Rank = 1)	88 (Rank = 2)	87 (Rank = 2)	85 (Rank = 3)	


Source: Transparency International's Corruptions Perceptions Index¹

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

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
Score out of 10	9.26 (Rank = 4)	9.25 (Rank = 4)	9.37 (Rank = 2)	9.61 (Rank = 2)	9.61 (Rank = 2)	

Source: *The Economist's* Democracy Index²

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

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	Data not available	81%	81%	82%	80%	

Source: Kiwi Counts Survey – Public Service Commission³

Our indicators tell us that the level of trust in 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 third equal in the world with Denmark and Finland. While this is a slight decrease from last year, the longer-term trend shows New Zealand has maintained its position 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.

Notes

1. Transparency International's Corruptions Perceptions Index and results for all years can be found by visiting www.transparency.org/en/cpi/2023 and selecting the relevant year.
2. *The Economist's* Democracy Index can be found at www.eiu.com/n/campaigns/democracy-index-2023/.
3. The Kiwi Counts Survey can be found at www.publicservice.govt.nz/research-and-data/kiwis-count/. We use the June quarter results.



Outcome: 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.

For information on what our indicators are telling us for this outcome see pages 19-20, and for further information on performance results see *Non-financial Performance Statements* section.



Case study

Passport system improvements

Our aim

Improving how people access identity and life event services such as for passports and citizenship.

Our role

In March 2024, we released the biggest set of changes in over a decade to passports technology, people and processes.

The outcome

Customers can now track their passport application, and make family and group applications online, irrespective of whether they are adult, child, first-time or renewal applicants. Customers can easily report a lost or stolen passport and use a seamless identity referee or witness portal. Identity proofing is now automated. We used to do this by cross-referencing multiple sources of data to verify a person. Identity proofing forms a cornerstone in the move to digital identity credentials.

We underestimated the impact on processing times as our kaimahi adapted to new systems and ways of working. Analysing data and kaimahi feedback allowed us to fine-tune the technology, adapt our processes and increase training to optimise processing times.

What this means for New Zealanders

Customers now have a one-stop shop for lodging and tracking their application's progress, saving time and effort in applying for a passport.

There has been a positive impact on customers using the new online channel. Digital uptake has increased since go-live in March 2024. As at 30 June 2024, 91 percent of passport applications were made online. Thirty-four percent of online applications were made by groups, saving customers from inputting the information multiple times and using multiple channels. Over time we expect this new functionality will also positively support our ease of getting a passport measure. Passport customer ease was impacted by temporary delays to passports issuance between April and June 2024.

Identity Check service helps New Zealanders by providing easier, more secure ways of accessing services

Over 7,000 New Zealanders use the Department's Identity Check service each month to apply for a Hospitality New Zealand (HNZ) Kiwi Access Card, and Work and Income services.

Identity Check is a quick and secure online identity validation tool. Consent is provided, passport or driver licence details added, and a photo provided to confirm identity. No personal data are shared with third parties. Instead, government records are checked to ensure a match to the data provided. Results show a 94 percent success rate.

Since using Identity Check in 2022, HNZ application times have reduced by up to 20 days and manual handling is down 25 percent. The Identity Check service was a finalist in the innovation category at the 2024 Public Service Spirit of Service Awards. It has potential for wider application across agencies, providing an online identity verification improving access to digital services.



Over 7,000 New Zealanders use DIA's Identity Check service each month



94% success rate using Identity Check



Identity Check service a finalist in the 2024 Public Service Spirit of Service Awards

Modernising New Zealand's government digital services

The Department is working on an All-of-Government (AoG) Roadmap to modernise government digital services across New Zealand. This includes a digital investment plan to support its implementation.

The goal is to improve how New Zealanders experience digital government services, and to deliver greater efficiencies and productivity. By using reusable digital components, interoperable data, strong digital security foundations, and essential capabilities (such as digital skills and new funding models), customer experiences and efficiency will improve. The Roadmap has a rolling three-year horizon and will be updated regularly to reflect government priorities and available resourcing.

Digitising government services offers significant opportunities to deliver more efficient, effective and responsive public services, reduce bureaucracy, and ensure discipline in public spending. Digital done well can help people and businesses quickly and conveniently access government services and information.

Using Artificial Intelligence (AI)

AI has the potential to revolutionise public services for New Zealanders. The Department is exploring the use of AI, and supporting agencies to deploy AI safely and responsibly.

The Government Chief Digital Officer (GCDO) provides AI system leadership for the public sector, which includes providing guidance, stewarding agency uptake, and working with providers to access AI services. The GCDO published Interim Generative AI guidance for the public service in July 2023 and is developing an AI framework and work programme to support responsible AI innovation in government.

The National Library is investigating the use of AI to improve searchability of the 'Papers Past' collection. This proof-of-concept project is helping us understand how AI can improve accessibility to documentary heritage, not just within collections but across collections and entities.

Archives New Zealand has developed guidance to support the use of AI to create and maintain accurate and accessible public sector records. Work continues to understand how AI can enable automated information classification and enhance the efficient management of information.

Delivery snapshots

58,400

births registered

20,400

marriages registered

5 million

words translated

8,973

official documents translated

91%

of passport applications
submitted electronically

450,300

passports issued

36,600

new citizens

41.7 million


successful RealMe
customer logins

The **Trust Framework Authority** is the new regulator for accrediting digital identity services in New Zealand.

Established in July 2023, the **Survivor Experiences Service** offers a safe, confidential space for survivors of abuse in care to share experiences.


What are our outcome indicators telling us?

► Ease of getting passport services is maintained or increases

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	86%	90%	89%	89%	86%	


Source: DIA Customer Experience Survey.¹ For the 2023/24 survey a total of 6,942 customers were interviewed, 43,816 were invited, with a 16% response rate.

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

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	91%	91%	92%	90%	89%	


Source: DIA Customer Experience Survey.¹ For the 2023/24 survey a total of 3,712 customers were interviewed, 26,019 were invited, with a 14% response rate.

► Ease of getting citizenship services is maintained or increases

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	88%	89%	86%	89%	87%	

Source: DIA Customer Experience Survey.¹ For the 2023/24 survey a total of 2,135 customers were interviewed, 10,777 were invited, with a 20% response rate.

► People's trust and confidence in digital identity is improved²

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	94%	93%	88%	87%	85%	

Source: DIA Customer Experience Survey.¹ For the 2023/24 survey a total of 16,857 customers were interviewed across all services being surveyed, 108,597 were invited, with a 16% response rate.

We continue to see a high proportion of people express trust and confidence in the Department's digital channels. However, the longer-term trend shows that this trust and confidence is declining. Trust and confidence among births, deaths and marriages (84 percent) and citizenship (90 percent) remain unchanged from 2022/23. However, there has been a 4 percent decrease in trust and confidence among passport customers compared to 2022/23. This decline is likely a result of the Department's extended application processing times. We will continue to monitor the future trend of trust and confidence. With the Digital Identity Services Trust Framework coming into effect on 1 July 2024, we have identified the need to establish a further indicator focusing on digital identity regulation. We are considering ways to capture and monitor this.

Notes

1. The DIA Customer Satisfaction Survey is run annually by NielsenIQ on behalf of the Department using a sample of customers who have used services in the previous 12 months.
2. This indicator measures trust and confidence from customers using the Department's digital channels for births, deaths and marriages, citizenship and passports services. It uses the following question from the DIA Customer Experience Survey: *If you had to rate your trust and confidence in the Department, on a scale from 0 to 10 where 0 means 'no trust and confidence at all' and 10 means 'full trust and confidence', how would you rate it?*



Outcome: 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.

For information on what our indicators are telling us for this outcome see pages 24-25, and for further information on performance results see *Non-financial Performance Statements* section.



Case study

Increasing connections between New Zealanders and our nation's heritage

Our aim

Te Ara Tahi is a shared journey between Archives New Zealand and the National Library, to better meet the aspirations of New Zealanders in how our nation's documentary heritage is collected, preserved and accessed.

Our role

Te Ara Tahi includes a new purpose-built archival facility, which is on schedule and within budget, and expected to open to the public in 2026. The facility will provide a seismically resilient building that has fit-for-purpose spaces for the institutions, and our close partner, Ngā Taonga Sound & Vision. This will enable them to seamlessly share resources, expertise and technology. It will assist the wider heritage sector to improve long-term efficiency and access to collections.

The outcome

Delivery of the archival facility, and closer collaboration between the institutions, will help to ensure our valuable heritage is protected for future generations. It is an important step towards making it easier for researchers, iwi and the public to connect with and influence the care of and access to the record of government, collections and taonga of interest to them.

This enriches the cultural and economic life of New Zealand by sharing knowledge about our nation's history, providing insight into ancestors or tūpuna, creating art/telling stories, while seeking evidence to enable research and investigations.

This builds a sense of shared national identity and collective belonging for all New Zealanders, who can be proud of and celebrate our heritage.

What this means for New Zealanders

The new archival facility will enable us to better preserve, protect and make accessible the nation's taonga for generations to come.

Utaina preserves the Crown's audio and visual history

National Library and Archives New Zealand are working in collaboration with Ngā Taonga Sound & Vision to digitise precious audiovisual media, preserving and making them accessible for future generations.

These audiovisual items capture the experiences of New Zealanders through the decades, unique events and defining moments, our environment and scenery, and successes and tragedies over the last century. The material being digitised is on obsolete media – it is agreed that beyond 2025 this material will be irretrievable if not preserved now.

Collaborating with a New Zealand-based international vendor, 70,000 items will be digitised, making them easier for New Zealanders to access.

The project is over 50 percent of the way through digitisation, and on-track to complete all in-scope preservation activities by June 2025.



Delivery snapshots

250 very small schools received books as part of a new targeted lending service, removing barriers and encouraging reading.


The National Library and Archives New Zealand digitised over 37,000 items, increasing access to our documentary heritage collections.

The Utaina Project digitised over 354 TB of data to preserve at-risk VHS, audiocassette and vinyl recordings.

Two National Library staff received the Public Service Commissioner's Commendation recognising 40 and 50 years of service.


What are our outcome indicators telling us?

► Satisfaction with citizenship services is maintained or increases

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	90%	90%	84%	88%	87%	

Source: DIA Customer Experience Survey¹

► People's sense of belonging to New Zealand increases

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	No survey	Data not available	88% ²	Data not available ³	Data not available ³	

Source: General Social Survey – Stats NZ³

We are unable to report on the indicator relating to people's sense of belonging as the results from the Stats NZ General Social Survey were not available in time for inclusion in this Annual Report.

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 maintained the satisfaction with citizenship services 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 provides community development and advisory services to support hapū, iwi, communities 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 2023/24, Hāpai Hapori completed over 10,500 advisory services and processed over 9,500 grant requests, which contributed to iwi, hapū and communities across New Zealand being safe, resilient and thriving. An example is a grant made in July 2023 was to Whitianga Volunteer Coastguard to assist in the running of the Alan Jackson Memorial Cadetship 10-week programme. The cadetship introduces 15-17 year olds to leadership, self-discipline, responsibility, and health and safety on the water and in the workplace. Thirty-seven graduates have completed the cadetship in the past four years. The cadetship also offers insight into how the Coastguard works and sets the students up for a lifetime of safe boating knowledge. The grant contributed to the Community Organisation Grants Scheme Hauraki Committee outcome of strengthening tāngata, whānau, families and community wellbeing through locally grown strategies and activities.

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.

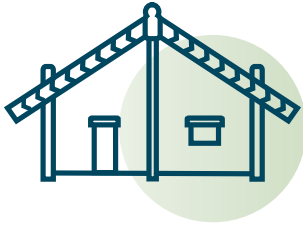
Te Puna Mātauranga o Aotearoa the National Library of New Zealand supports literacy through its Services to Schools, which are nationwide services for school communities to improve literacy and learning through providing resources, building capability, enabling networks and cross-sector leadership. Services 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 books. In 2024, we published the Research Report on the Dargaville Pūtoi Rito Communities of Readers, which had supporting schools in building reading communities as one of its goals. Overall, research participants observed an increase in teachers reading and talking about books with each other and children, acting as reading role models, and providing children with opportunities to read for pleasure. Research participants also observed an increase in children reading, talking about books and using the library. The extent of these positive shifts varied both within and between schools.

During the first five years of the initiative, projects were completed in six communities. Research findings from the six projects included: strengthened connections and growing community support for reading for pleasure; and more support for the cultures and identities of children and young people, their families and communities through reading.

Notes

1. The DIA Customer Satisfaction Survey is run annually by NielsenIQ on behalf of the Department using a sample of customers who have used services in the previous 12 months. For the 2023/24 survey a total of 16,857 customers were interviewed (across all services being surveyed) between 1 July 2023 and 15 June 2024. Further information on this survey can be found at www.dia.govt.nz/Customer-Experience-Survey.
2. 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.
3. The Stats NZ General Social Survey is generally carried out every two years. The 2022 survey was delayed until 2023 and the results were not available in time for inclusion in the 2023/24 Annual Report. The results will be included in our 2024/25 Annual Report.



Outcome: 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.

Across New Zealand there are many different communities, and we need to work with them in different and unique ways, including with iwi, hapū and Māori. The Crown can support their aspirations alongside our associated Treaty of Waitangi/Te Tiriti o Waitangi obligations and settlements. While many aspirations are common among iwi Māori, we also recognise that unique needs exist and we are working in different ways to support individual iwi.

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.

For information on what our indicators are telling us for this outcome see page 30, and for further information on performance results see *Non-financial Performance Statements* section.



Case study

Community grant empowering Tokomaru Bay to take early control of cyclone response

Our aim

Administer funding to support Cyclone Gabrielle recovery and empower communities with resilience against future natural disaster events.

Our role

The Department was quick to support the Tokomaru Bay community following Cyclone Gabrielle. Department kaimahi connected with the Chair of the local distribution committee for the Community Organisation Grant Scheme (COGS) asking what support was needed.

An initial \$10,000 in funding support from a collaboration between a local funder and the Lottery Emergency Natural Disaster Relief (ENDR) fund enabled the purchase of satellite-based internet, traffic management and recovery equipment. This was crucial to support the community's safety and immediate response.

The outcome

The funding empowered the community to take early control of parts of its recovery that otherwise would have not been possible. The purchase of Starlink satellite systems meant communications in and out of the community were retained. The purchase of food processing machinery meant that the community could continue to provide for itself, and the traffic management system provided security for the damaged homes and assurance to homeowners.

What this means for New Zealanders

Purchases made through the funding has left Tokomaru Bay community more resilient than before, empowering them to be better prepared for future natural disaster events. Tokomaru Bay was one of over 30 communities that received early response grants from the Lottery ENDR fund, supporting affected communities in their response to and recovery from the cyclone.

Better Off funding and transitioning to Local Water Done Well

Better Off funding was set up as part of the previous government's Three Waters programme, allowing councils to invest in projects that support the wellbeing and aspirations of their communities. We allocated \$500 million using a consistent formula and appointed Crown Infrastructure Partners (CIP) to oversee the use of funding. The current Minister of Local Government has asked territorial authorities to use the unspent funding on water infrastructure or to help roll out Local Water Done Well.

Better Off funding has been used to support water services projects such as:

- » Far North District Council's Drinking Water Reliability and Safety Risk Reduction Programme and its Rāwene Wastewater Improvements
- » Hastings District Council's Cyclone Gabrielle Recovery – Three Waters Assets Restoration Programme
- » Upper Hutt City Council's City Centre Water Main Renewal
- » Buller District Council's Westport Stormwater and Wastewater Separation and Critical/Emergency Water Supply projects.

You can find more information about Better Off projects on CIP's website:

- » www.crowninfrastructure.govt.nz/wp-content/uploads/CIP-BoF-Report-DEC-2023_FINAL.pdf
- » www.crowninfrastructure.govt.nz/wp-content/uploads/CIP-BOF-Project-List-Report-April-2024_FINAL.pdf

As part of Local Water Done Well, using information developed under the previous government's Three Waters programme, the Department provided guidance to councils via a secure portal to successfully roll out Local Water Done Well.

Local Water Done Well

Local Water Done Well is the Government's plan to address New Zealand's water infrastructure challenges. It restores council ownership of water assets, sets expectations for water infrastructure management, and makes it easier to operate in a financially sustainable way.

In February 2024, we worked with the Minister of Local Government to repeal the previous government's Three Waters laws.

The second Bill, the Local Government (Water Services Preliminary Arrangements) Bill, requires councils to develop Water Services Delivery Plans. It establishes and embeds preliminary economic measures for a regulatory regime, making it easier for councils to set up water services council-controlled organisations. It also provides a mechanism for Watercare to operate in a financially independent manner to its owner Auckland Council, and operate in a financially sustainable manner.

We worked with Auckland Council to develop a financially sustainable model for Watercare. This model was unanimously approved by the Auckland Council, meaning Watercare's proposed increase in water charges to ratepayers is 7.2 percent instead of the 25.8 percent previously proposed.

A third Bill will set the long-term rules for water services in New Zealand. The Minister will introduce the Bill in December 2024 and it will become law by mid-2025.

Sediment and debris funding – supporting the Cyclone Gabrielle recovery

We worked alongside Hawke's Bay and Gisborne councils to secure funding to clean up sediment and debris. Our goal has been to empower local decision-making as rapidly as possible while ensuring appropriate financial oversight.

We made this happen by building pragmatic, high trust, and responsive working relationships with council staff. These councils know their communities best and have proven themselves to be well placed to manage locally led clean ups. We supported these programmes, with contract guidelines set by Ministers. This has allowed communities to get stuck in with the recovery work, leading to the clearance of over 3.5 million cubic metres of silt and woody debris to date.

We made this happen by building pragmatic, high-trust and responsive working relationships with council staff.

Repairing and regrowing Te Tairāwhiti post-Cyclone Gabrielle

Te Tairāwhiti was one of the areas hit hardest by Cyclone Gabrielle. One of our kaimahi, a local community advisor, was directly affected by both Cyclone Hale and Cyclone Gabrielle. Through personal experience and whakapapa, this gave insight and empathy into the impacts to communities. Existing relationships meant our kaimahi's advice and support was accepted by communities as they planned and progressed their recovery from Cyclone Gabrielle.

In collaboration with the Ministry of Social Development, we established a 'Taskforce Green' concept to help local marae, whānau, farmers and others to clean up silt, houses, land, repair fences and re-grow the environment. Huitangiora Foundation was the governing body for the kaupapa (programme), receiving \$30,000 from the Lottery Emergency Natural Disaster Fund to support this project.

Several homes, two urupā (burial ground), a marae and grounds were cleared. Those involved gained skills in fencing, chainsawing, light digger use and maintenance.

Delivery snapshots

We developed a framework for Regional Deals to improve cooperation between central and local government. Together we will promote growth, infrastructure and affordable housing.

Developing regulations for natural hazard information in Land Information Memorandums will provide greater clarity about property risks to New Zealanders, helping them to make better informed decisions.


Launched in July 2023, Gambling Aotearoa enables gambling operators to manage their information and licensing application process entirely online.

Senior Investigator, Jon Peacock, is the first New Zealander to lead Interpol's Specialist Group on Crimes Against Children.

Two of our Senior Investigators received the Director General's Commendation from the UK's National Crime Agency.

What are our outcome indicators telling us?


► Overall life satisfaction is maintained or increases

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	No survey	85%	81%	81% ¹	79% ¹	

Source for 2020/21 and 2021/22: General Social Survey – Stats NZ²

Source for 2022/23 and 2023/24: Stats NZ Household Economic Survey

► People’s sense of purpose is maintained or increased

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	No survey	Data not available	85%	Data not available ¹	Data not available ¹	

Source: General Social Survey – Stats NZ

We are unable to report on the indicators relating to people’s sense of purpose as the results from the Stats NZ General Social Survey were not available in time for inclusion in our Annual Report.

The Stats NZ Household Economic Survey provides an alternative source for the rating of overall life satisfaction. This survey reported that 79 percent of households across all incomes rated their overall life satisfaction at 7 or above. While this result is slightly lower than last year, it still shows that New Zealanders continue to rate their overall life satisfaction highly. We are not able to compare results from years before 2021/22.

Notes

1. The Stats NZ General Social Survey is generally carried out every two years. The 2022 survey was delayed until 2023 and the results were not available in time for inclusion in the 2023/24 Annual Report. The results will be included in our 2024/25 Annual Report. The data for the 2022/23 and 2023/24 results were 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, sampled population and 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.
2. We use the Stats NZ General Social Society survey question *Things you do in life are worthwhile* for this indicator. This is rated on a 0–10 scale where 0 is not at all worthwhile and 10 is completely worthwhile.



Outcome: Oranga hapū, iwi and Māori is improved through an enduring, equitable and positive Māori-Crown relationship

About this outcome

The Department has Treaty of Waitangi/Te Tiriti o Waitangi obligations that require strong relationships, engagement and consultation with Māori to be effective. The Department has 66 commitments across 23 Treaty Settlements and is also party to 12 Accord Agreements.

This outcome places our relationship with hapū, iwi and Māori at the centre of our decision-making in matters relating to Māori. 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.

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.

For information on what our indicators are telling us for this outcome see page 34, and for further information on performance results see *Non-financial Performance Statements* section.



Case study

Cyclone response preservation work supports iwi to save taonga

Our aim

Following the devastating impacts of Cyclone Gabrielle, the National Library supported iwi in affected communities to safeguard their taonga.

Our role

The National Library provided disaster response, salvage advice and training directly to marae, in support of iwi salvaging their flood-damaged collections.

We leveraged media relationships and social media channels to share critical information across the country on how to care for precious collections and salvage whānau memories and taonga. We distributed printed resources via local connections with whānau, libraries and Civil Defence.

The outcome

This response contributed to iwi being able to rescue and preserve special taonga. A quick and effective response was possible thanks to strong cross-agency collaboration between the National Library, Pouhere Taonga Heritage New Zealand, and Te Papa National Services Te Paerangi.

Following the initial response, we developed and delivered a six-week training programme in Wairoa, where National Library kaimahi collaborated with other agencies to provide wellbeing training, whakapapa research, oral history training, and the preservation of disaster-affected collections.

Our work in this space is ongoing and will inform future disaster responses.

What this means for New Zealanders

The preservation and conservation of taonga is important both for iwi and for our shared history as Aotearoa New Zealand. This response has ensured precious taonga was salvaged and has provided iwi and communities with the resources, tools and knowledge to support preservation and conservation through a disaster for years to come.

Te Aitanga-a-Hauiti researchers uncover significant history in Wellington collections

Invaluable insights were discovered when a group of Te Aitanga-a-Hauiti researchers visited the Alexander Turnbull Library and Archives New Zealand to rediscover their history.

Library and Archives kaimahi immersed the group in materials and applied manaakitanga and tino rangatiratanga principles to offer a personalised experience that included orientation, ongoing advice and research support.

During their five-day visit to Wellington, the researchers spent nearly 460 hours exploring archives. They accessed Sir Āpirana Ngata's files, and listened to sound recordings taken by Ngāti Porou kaumātua and Māori education pioneer Koro Dewes. They examined records of the Māori Purposes Board, East Coast Commission, as well as letters, newspaper articles and photographs.

Oranga Marae Fund: Kāpehu Marae – ensuring sustainability for the future

Kāpehu Marae, near Mititai in the Kaipara, was opened in 1999. After 20 years, it needed urgent renovation and upgrading. Due to COVID-19 and health and safety concerns, it had been closed since November 2020. Kāpehu Marae was awarded a \$1.14 million grant from the Oranga Marae Fund to complete urgent renovations and upgrades to the marae's facilities.

The marae consulted across marae whānau and developed a 50-year plan to ensure its future and preserve the mana, tapu and tikanga of the marae urupā and papakāinga. It reopened in February 2024 with a ceremony and celebrations, with upgraded facilities ready to be used by its hapū and many other community groups that use their facilities.

Delivery snapshots



The Alexander Turnbull Library acquired

5,000 photos


capturing te ao Māori from newspapers spanning the 1920s to 1990s.

What are our outcome indicators telling us?

The Department has developed two foundational indicators for this outcome. The first one focuses on lifting the capacity of Māori leadership at tier 4 level and above, because when Māori are involved in decision-making or in leadership roles there are positive results for hapū, iwi and Māori. The second indicator is designed to gain a better understanding of our Treaty of Waitangi/Te Tiriti o Waitangi commitments and obligations across the organisation. These two indicators provide a solid foundation towards creating a high-quality Māori-Crown relationship.

Further work is underway to develop an additional indicator to measure the quality and impact of our engagement with hapū, iwi and Māori. This in turn will help us understand the importance of building relationships to progress our Treaty of Waitangi/Te Tiriti o Waitangi settlement commitments.

► Māori leaders in the Department at tier 4 level and above is maintained or increased¹

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	New indicator	13.2% (20 people leaders)	14.3% (25 people leaders)	13.1% (24 people leaders)	14.5% (28 people leaders)	

Source: DIA

We are seeing an increase in trend in the recruitment of kaimahi Māori as leaders from 20 people in 2020/21 to 28 people in 2023/24.

► The Department's settlement commitments as reported in Te Haeata is maintained or increased

Metric	2019/20	2020/21	2021/22	2022/23	2023/24	Trend
%	New indicator				50% (33 out of 66)	Not applicable

Source: Te Arawhiti – Office for Māori Crown Relations

We monitor our Treaty of Waitangi/Te Tiriti o Waitangi settlement commitments through Te Haeata – a Settlement Portal administered by Te Arawhiti, the Office of Māori Crown Relations. This indicator provides an update on progress of completing our commitments. Sixty-six live commitments are captured in 22 pieces of legislation. Of the live commitments, 33 (50 percent) are reported as complete.

Note

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



3

A high-performing organisation and a great place to work

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

About this section

We continue to build on the strong organisational capabilities that support us to delivery results for New Zealand and make the Department 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 2023/24 to reflect the communities that we serve and put customers at the centre. This supports the Department to fulfil a spirit of service and make New Zealand better for New Zealanders.

A high-performing organisation and a great place to work

We continue to invest in the development of our organisational capabilities, harnessing our strengths to operate effectively and efficiently to deliver our organisational strategy, adapt to change and drive optimal performance.

Keeping our people healthy, safe and well

To ensure our people can perform their roles as effectively as possible, we are committed to providing an environment where staff are well, healthy and safe. This year we:

- » Introduced a Psychosocial Risk Management Plan to meet our obligations under the Health and Safety at Work Act, protect the mental health of our kaimahi, and improve the psychological environment kaimahi work in
- » Rolled out a Critical Risk Management Framework to manage risks that could cause serious harm or injure kaimahi
- » Delivered a Due Diligence Framework so our leaders understand all aspects of health and safety and are accountable for ensuring their kaimahi are safe and well
- » Created a Workplace Health and Safety Assurance Framework to monitor how well our Health and Safety Management System is working and for continuous improvement
- » Continued to promote a workplace culture that prioritises wellbeing, health and safety, with ongoing engagement and training opportunities.



Ensuring our people have what they need to work effectively

Having the right technology ensures we deliver our services efficiently as technological tools and software help improve our processes and save time. We have continued to support kaimahi with reliable IT so they can collaborate and work effectively, wherever they are located.

As part of the Department's focus on baseline reduction, we have made changes to reduce the costs of technology. At the same time, we are focused on maintaining and modernising our systems to ensure they remain stable and secure.

We are constantly improving systems to ensure they are quicker and easier for kaimahi to use. For example, we have made improvements to Rehutai, our Finance and HR system. We streamlined delegation and approval workflows to support budget holders and automated the set up of user access based on an employee's position, which improved data entry accuracy. Improvements have also been made to reduce the time it takes to complete recruitment requests. Further changes have improved the way we load information into the payroll system, which saves time during pay cycles.

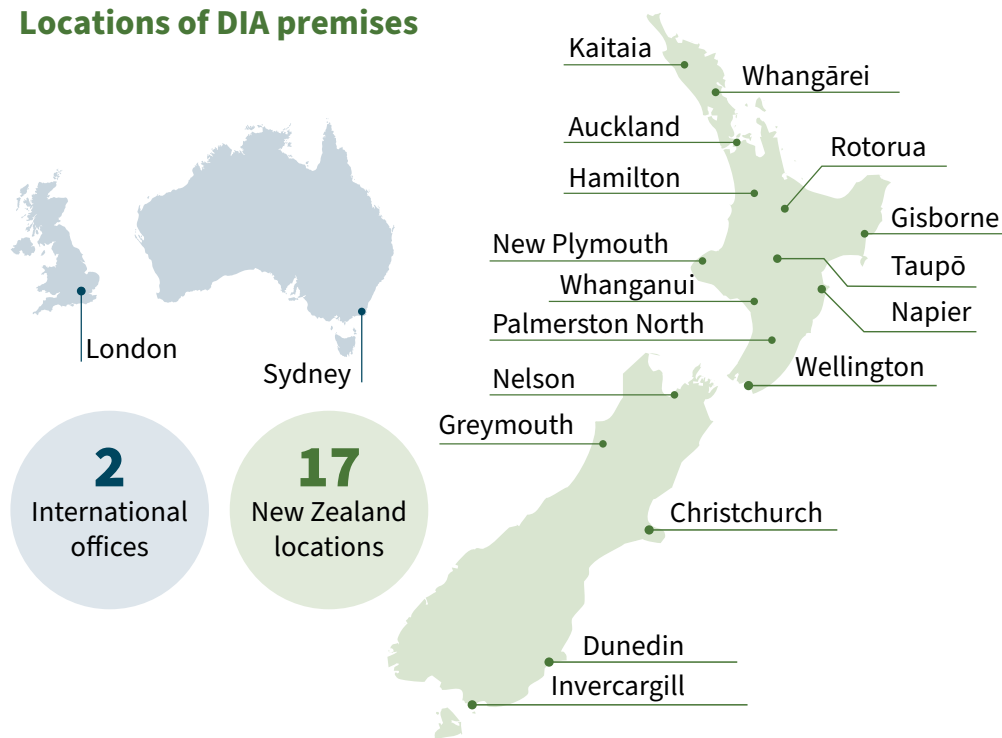
We have introduced new processes and controls for our leaders to reduce our use of contractors and consultants and therefore reduce costs.

Providing safe and secure workspaces for our people and the public

The Department has 17 locations nationwide and two overseas (Sydney and London). Our focus is on sites that are fit-for-purpose and where staff can effectively perform their work and that are safe for visitors and the public.

We view all property related projects through a sustainability lens and where possible we implement emissions reduction initiatives to minimise our environmental impact. Investing in better energy efficiency in our sites is not only good for the environment but also reduces operating costs in the long term.

Locations of DIA premises



The Property Capital Forward Works five-year deferred maintenance programme (2020–2025) continues to make progress across the Department's owned property portfolio. During the year we:

- » Upgraded CCTV cameras, installed bollards, rolled out new access cards, and provided training to improve security at our sites
- » Continued the seismic uplift of our Archives building in Wellington and began assessing how to make the National Library building in Wellington more resilient to withstand earthquakes
- » Began replacing the critical mechanical plant at the National Library in Wellington to mitigate risks to the collections
- » Replaced emergency lights and upgraded to LED lighting at the Archives building in Whanganui.

We also reduced energy consumption, costs and our carbon footprint by:

- » Replacing over 2,000 fluorescent lights with energy efficient LEDs and are gradually upgrading end-of-life equipment to more energy efficient and cost-effective options
- » Introduced Demand Control Ventilation to reduce energy consumption without impacting the health and safety of the buildings and our taonga.





Improving how we manage and protect information

We are improving our content management system and moving it to SharePoint Online in 2024/25. This will deliver cost savings and kaimahi will find it easier to use, meaning they can perform their work faster.

We have a trusted role as the guardian of identity information, including passports, births, deaths and marriages, and citizenship information. We also collect other personal information to fulfil the wide range of functions we are responsible for. We take our obligations to keep people's data secure seriously, so are continually improving our privacy practices and ensuring they are consistent across the Department.

All kaimahi complete annual Information Management and Privacy training.

Our kaimahi's service recognised by the Public Service Commissioner's Commendation:

-  **Seven** kaimahi recognised for 30 years' service
-  **Two** kaimahi recognised for 40 years' service
-  **Two** kaimahi recognised for 45 years' service
-  **One** kaimahi recognised for 50 years' service



Diversity, equity and inclusion

Diversity, equity and inclusion in our workforce

Our aim is for our people to experience an inclusive workplace where they feel supported, connected, and empowered to be themselves and deliver what New Zealanders need.

We want a workforce that reflects the diversity of the communities we serve. Our permanent workforce includes 2,347 employees. Details of our workforce profile are contained in Appendix B – Statistical information about our employees.

Taura Herenga Waka, our Inclusion and Diversity strategy, is aligned with our principles (mātāpono) and reflects the five priority areas of Papa Pounamu – a comprehensive programme of work led by Te Kawa Mataaho Public Service Commission. We are committed to delivering and implementing this strategy alongside our Kia Toipoto – Closing Gender, Māori, Pacific, and Ethnic Pay Gaps Action Plan. By 15 November 2024, we will publish a Diversity and Inclusion plan on our website that captures our approach to inclusion and diversity and Kia Toipoto.

Addressing bias and discrimination

Some examples of how we take action to address bias and discrimination include:

- » Creating awareness by 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
- » Eliminating unconscious bias through online e-learning and resources for our leaders
- » Delivering our 'Above the Line, Below the Line' workshops about managing unacceptable behaviour
- » Maintaining an external Speak Up line to give kaimahi a confidential channel for discussing workplace concerns.

Strengthening cultural competence

We continue to strengthen cultural competence through a range of programmes:

- » Mana Āki, our intercultural competence programme, helps build intercultural awareness and understanding
- » The Mataora Programme, a marae-based initiative designed to enhance te ao Māori capability
- » The Avei'a Pacific Leadership Programme, which focuses on creating a pathway for public sector leadership development, with the goal of increasing Pacific representation in tier 1 to 3 roles
- » Te Aka Matua, our long-running Māori Leadership Programme ceased in 2023/24. Following a review, a new Māori Leadership Programme is under development as part of the Te Ao Māori pou of our He Waka Eke Noa strategy. The new programme is scheduled to launch in 2025.

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

In June 2024, we held regional Pasifika fono in Auckland and Wellington to bring our Pacific kaimahi together to discuss issues and challenges relating to their roles in the Department.

Supporting our employee-led networks

Kaimahi are encouraged and supported to participate in employee-led networks like the Tangata Whenua Network, Taha Moana Pacific Network, Women's Network, DIAsians and Authentic Self (LGBTQ+). In 2023, the AND (Accessibility, Neurodiversity, Disability) Network was established.

We hold employee-led events throughout the year, and representatives from networks attend induction days to welcome new-starters to the Department. This ensures all kaimahi can connect to the networks that interest them at the beginning of their time with us.

Building inclusive leadership

Leaders play a critical role in creating a culture where kaimahi feel they can perform at their best.

In 2023/24, we developed a new Leadership Development Framework and programmes to support our leaders to improve their leadership skills, connect with other leaders, and be better equipped to lead our people.

The Leadership Framework covers what it takes to lead at the Department of Internal Affairs and puts leaders through training that develops the competencies outlined in the Framework, including inclusive leadership.

Providing equal employment opportunities for everyone

In 2023, we updated our Kia Toipoto Plan, which sets out how we will reduce gender and ethnic pay gaps. The gender pay gap was 7.3 percent on 30 June 2024.

Making our services accessible to all New Zealanders

We are committed to ensuring the work we do and services we provide are accessible by all New Zealanders in a way that meets their needs. Changes we have made to improve accessibility over the past year included the launch of an online accessibility learning module for staff. We also continue to improve the accessibility and plain language resources available to staff and provide training for staff to upskill in plain language.

We hold employee-led events throughout the year, and representatives from networks attend induction days to welcome new-starters to the department. This ensures all kaimahi can connect to the networks that interest them at the beginning of their time with us.

Our asset performance

Managing our technology and property assets to support better outcomes

Technology assets

Our technology assets play a critical role in enabling kaimahi to work efficiently and ensure that the Department 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.

This year we saw an increase in the average service time our ICT systems were available, reflecting an ongoing focus on service resilience. Our incident resolution timeframes measure how long it takes to resolve IT incident tickets. Our results declined this year, driven by a one-off event following a major upgrade of the passport system. We do not expect this to have an impact in future years. Of the changes made to IT systems during the year, 99.5 percent were made successfully, exceeding our target. We measure asset utilisation by the amount of workstation devices in service. Due to significant headcount changes driven by the closure of Water Services Reform, our utilisation decreased this year. We are working on process improvements to drive efficiency in this area.

Property assets

Our focus is on managing our property assets to ensure our buildings comply with legislative and health and safety regulations and provide an efficient environment for kaimahi to work and a safe place for visitors. We do this by setting and monitoring key asset performance indicators. Work delivered over the last year included:

- » We have completed seismic assessments for most of our properties. We have obtained NBS ratings for all the properties we own, and they are above the earthquake prone rating of 34 percent New Building Standard. This supports their resilience during earthquakes and other natural disasters
- » All our buildings have current building warrant of fitness certifications. This ensures compliance with fire safety regulations and the Building Act 2004
- » We have met the requirement for our office space use target of no more than 16 square metres per person
- » We continue to exceed optimal humidity and temperature targets in our Archive storage environments for the preservation of our taonga
- » We continuously improve the reliability and availability of our physical assets through regular monitoring and maintenance.

Asset condition performance for ICT and Property assets is detailed in Appendix C – Asset performance.

Our leadership and governance

The Executive Leadership Team of the Department of Internal Affairs 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

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, Māori Strategy and Performance Te Urungi



Ann-Marie Cavanagh

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



Maria Robertson

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



Hoani Lambert

Deputy Chief Executive, Enterprise Partnerships Te Haumi



Suzanne Doig

Acting Deputy Chief Executive, Regulation and Policy¹ Toi Hiranga



Michael Lovett

Deputy Chief Executive, Local Government Ue te Hināture



Darrin Sykes

Deputy Chief Executive, Organisational Capability & Services, He Pou Aronui



Note

1. Marilyn Little was Deputy Chief Executive until February 2024.

Our governance

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

It 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 declaration of interest process.

Three governance committees support the Executive Leadership Team:



Finance and Performance Governance Committee:

provides direction, approval and assurance of the organisation's strategy and delivery through oversight of its financial sustainability and organisational performance. This is achieved by regularly monitoring and reporting on the Department's financial position, considering budget strategies and management of the integrated planning approach.



Risk and Assurance Governance Committee:

provides direction, approval and assurance on the effectiveness of the risk and assurance system, culture and practice that serves to keep the business, people and their work safe. This is achieved by regularly monitoring internal and external assurance and audit reports and considering key organisational risk management systems and strategies.



Investment Governance Committee:

provides direction, approval and assurance of the health and performance of the Department's portfolio management investment system. This is achieved by regularly reviewing project and programme business cases and investment decisions, and related performance matters.

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

Risk and assurance

Effective risk and assurance systems and good practices are key components of effective governance. Good risk management practice helps to identify key risks to delivery and enables early intervention before risks impact on outcomes. 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. Applying more consistent risk and assurance advice and support over priority and/or higher-risk projects and programmes is helping to further embed good risk management practices as integral to the Department's mahi (work), and ensure we focus on the right things. The Department's Assurance Policy and Framework supports an integrated view of assurance.

Responding to the Government's efficiency and effectiveness priority

In December 2023, the Minister of Finance announced an ongoing Fiscal Sustainability Programme to embed a culture of responsible spending across government. For Vote Internal Affairs, this meant identifying savings to deliver a permanent baseline reduction of 6.5 percent from the 2024/25 financial year.

In early 2024 we were asked by Ministers and The Treasury to identify other possible savings options and Ministers decided to include these options in our baseline reduction. This meant Vote Internal Affairs delivered annual operating baseline savings of 7 percent from 2024/25 or \$28.1 million. This includes \$1.2 million from the Ministry for Ethnic Communities, which receives its funding from Vote Internal Affairs.

We identified a wide range of initiatives to meet the Government's requirement. About 60 percent of savings involved changes to the services we deliver and how they are delivered. This included scaling back or stopping some services, finding operating efficiency savings, reviewing funding and investments, and being more efficient in the way that we deliver our work. The remaining 40 percent of savings impacted people and were managed through an organisational change process.

We will continue to operate in a tight fiscal environment for the foreseeable future. Our core responsibilities will continue to be delivered, but some programmes have been deferred or scaled back to fit within the reduced budget. Over the coming years, we expect a greater focus on restraint, reprioritisation, value-for-money, alignment to priorities and efficiencies.

**Vote Internal
Affairs delivered
annual operating
baseline savings of**

7%

**from 2024/25 or
\$28.1 million.**



4

Māori-Crown relations capability

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

About this section

This section highlights some of the improved outcomes for our communities and it outlines how we are building our capability in Māori-Crown relations, to engage more effectively with our Treaty of Waitangi/Te Tiriti o Waitangi partners through several initiatives. These initiatives support wider public service goals of empowering and equipping our people with knowledge and skills.



Improved outcomes for communities

The Department is party to 12 Accord Agreements (that resulted from the Treaty of Waitangi/Te Tiriti o Waitangi settlement process) with hapū, iwi and Māori organisations. One is with Ngāti Tūwharetoa, represented by the Tūwharetoa Māori Trust Board (the Trust Board). The Department supports two key projects in relation to this Accord. Project 1 is the licensing regime and Project 2 is the Lake Taupō Harbourmaster function. To ensure a healthy and ongoing relationship, the Department is working closely with the Trust Board to complete a register that captures new structures and commercial users undertaking activities on Lake Taupō. The Department continues to collaboratively build capability to devolve Harbourmaster functions and Crown-owned facilities to the Trust Board in due course.

Hāpai Hapori Community Operations kaimahi are in the forefront of supporting communities to improve outcomes. The Funding for Change programme in the Waikato region is making an impact by supporting Waahi Pā (Marae)

with mobile digital kiosks and a mātauranga (knowledge) succession repository. This approach preserves and shares the rich cultural heritage of Waahi Pā with younger generations. By providing access to pūrākau (traditional stories), waiata (songs or chants), interviews with kaumātua (elders), and the history of Waahi Pā, the project ensures that these valuable resources are accessible and engaging for current and future beneficiaries of Waahi Pā.

Our community advisors worked hard well after the devastating impact of Cyclone Gabrielle to ensure marae, hapū and iwi are safe, resilient and thriving. This has been from being actively involved in collective inter-agency approaches, to connecting iwi with relevant agencies for direct support, through to assessing marae and community needs and matching it with the required support. It is testament to the kaimahi who continue to ensure communities are safe and thriving.



Whāinga Amorangi – building capability

The Whāinga Amorangi Framework was introduced through the Public Service Act 2020 to help chief executives of public service departments meet their new responsibilities and to lift and maintain the capability of their people to engage with Māori.

Our plan to lift and maintain capability is called He Waka Eke Noa. This is our implementation plan that also gives effect to Ā Mātou Mahi (our strategic outcomes) and Te Aka Taiwhenua (strategic framework for working effectively with Māori).

He Waka Eke Noa has three pou (workstreams), each representing a foundational part of our journey. Kaimahi are supported to build their cultural capability in te reo Māori me ōna tikanga (Māori language and practices), te ao Māori (Māori worldview) and Te Tiriti o Waitangi. This will assist kaimahi to apply their learnings to their daily mahi. The work programme will improve our Māori-Crown relationships and work towards our strategic outcomes in Ā Mātou Mahi.



Maihi Karauna

Maihi Karauna is the public services strategy for Māori language revitalisation. The Department continues to revitalise te reo Māori in several ways. Here are some examples over the last year:

- Kaimahi were supported to enrol in free Te Ara Reo Māori (Māori language learning pathways) online classes levels 1-3 with Te Wānanga o Aotearoa
- Kaimahi were encouraged to share pepeha through mihimihi and whanaungatanga, giving-it-a-go as a focus and supporting pronunciation of te reo Māori
- Kaimahi were supported to attend the New Zealand history programme and wānanga on the Treaty of Waitangi/Te Tiriti o Waitangi of Waitangi – Wall Walks
- Our mobile application Tai Ako is used by kaimahi as a resource to build te ao Māori and te reo Māori capability
- We acknowledge and participate in events such as Te Rā o Waitangi, Matariki, Te Wiki o Te Reo, mahuru Māori and E Oho
- Digital Public Service branch (Te Kōtui Whitiwhiti) introduced a Te Matahiko Reo Plan in July 2023 to help lift competency
- Service Delivery Operations branch (Kawai ki te Iwi) introduced a Te Wharekura capability uplift plan with three focus areas – te reo me ōna tikanga, te ao Māori and Te Tiriti o Waitangi
- Service Delivery Operations branch developed the Whāikorero uplift programme to support kaimahi to develop confidence to speak in formal settings (such as marae).

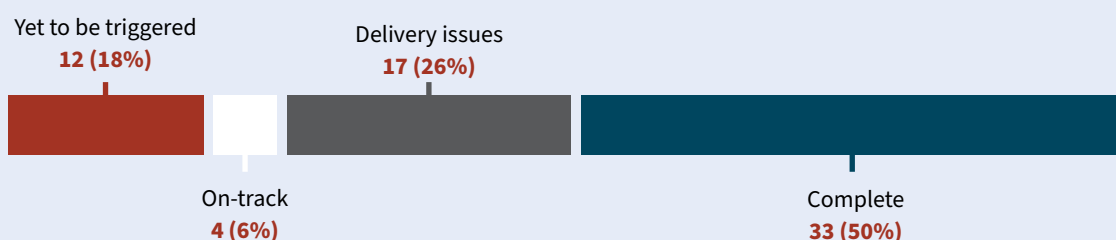


Te Haeata – the Treaty Settlement Portal

He Korowai Whakamana, a Cabinet agreed framework, requires Crown agencies to record, track and report annually on the status of Treaty of Waitangi/Te Tiriti o Waitangi settlement commitments. We have participated in the settlement process of historical claims with hapū, iwi and Māori and are responsible for a diverse range of commitments.

In November 2023, Te Tiriti and Partnerships team was established as part of the Te Urungi Branch. A core aspect of this team’s work has been to ensure the full and timely delivery of settlement commitments. We monitor our Treaty of Waitangi/Te Tiriti o Waitangi settlement commitments through Te Haeata – the Settlement Portal, which is administered by Te Arawhiti, the Office of Māori Crown Relations. Te Haeata provides an online record of all legislated settlements and related arrangements. Each commitment is listed as either: *complete, on-track, yet to be triggered or delivery issues*. From 1 July 2024, post-settlement governance entities will have full access to Te Haeata. The information recorded to date reflects not only the nature of our relationship with hapū, iwi and Māori, but is an integral part of the settlement process to ensure positive Treaty of Waitangi/Te Tiriti o Waitangi partnerships.

The following infographic provides a progress update on our 66 Treaty of Waitangi/Te Tiriti o Waitangi settlement commitments for 2023/24:



Source: Te Arawhiti – Office of Māori Crown Relations



5

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

About this section

As part of the Carbon Neutral Government Programme (CNGP), the Department of Internal Affairs 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 2023/24.

Carbon Neutral Government Programme

The Department is required to measure, verify and report GHG annually, set gross emissions reduction targets and compile longer-term work programmes for emissions reduction. A carbon neutrality date for the programme is currently under review and has not been confirmed at this stage.

Reducing our emissions enhances operational efficiency and presents an opportunity for us to transform the way we think about the use of resources to make better decisions for our planet and people. This needs to be carefully balanced against economic outcomes and delivering our services to the people of New Zealand.

2024 performance

The Department reports emissions from departmental and non-departmental activities. Departmental activities include the Ministry for Ethnic Communities, a departmental agency hosted by the Department. Non-departmental activities include travel by Members of the Executive and approved accompanying parties and the operation of Ministerial properties.

We re-stated the base year in 2022/23 due to the impacts of COVID-19 on operations. Total gross emissions for 2023/24 from mandatory sources was 6,449 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 our ability to influence these activities is limited. In 2023/24, the Department purchased 1,309 carbon credits through Toitū Envirocare (Enviro-Mark Solutions Limited) to partially offset emissions from Ministerial travel.

Table 1: Summary of 2023/24 greenhouse gas (GHG) gross emissions in tCO₂e

Emissions source	2023 Base year	2024	Change tCO ₂ e	% Change	% of total	2024 Departmental	2024 Non-departmental
Scope 1: Direct emissions	1,166	1,192	26	2%	19%	1,158	34
Refrigerant gases ¹	11	70	58	509%	1%	70	0
Stationary combustion (LPG diesel & natural gas)	898	930	32	4%	14%	896	34
Transport fuels (Fleet)	257	192	(64)	(25%)	3%	192	0
Scope 2: Indirect emissions from imported energy	738	678	(60)	(8%)	11%	672	6
Electricity	738	678	(60)	(8%)	11%	672	6
Scope 3: Other indirect emissions	5,400	4,579	(1,033)	(18%)	71%	2,826	1,752
Business travel – air travel	3,964	2,976	(989)	(25%)	46%	1,317	1,659

Emissions source	2023 Base year	2024	Change tCO ₂ e	% Change	% of total	2024 Departmental	2024 Non-departmental
Business travel – other	390	402	12	3%	6%	313	89
Freight	795	787	(8)	(1%)	12%	787	0
Staff working from home	136	104	(32)	(23%)	2%	104	0
Waste (to landfill)	109	135	27	24%	2%	133	2
Wastewater	89	91	2	2%	1%	91	0
Transmission and distribution losses (Electricity & natural gas)	114	83	(32)	(28%)	1%	81	2
Total gross emissions (tCO₂e)	7,502	6,449	(1,052)	(14%)	100%	4,656	1,792
Scope 3: Non-mandatory							
Staff commuting (non-mandatory)	826	1,054	228	28%		1,054	0
2023 Departmental²	5,284						
2023 Non-departmental	2,218						

Notes

1. Refrigerant gases have a high global warming potential. Small fluctuations can have a big impact on this emissions source. In 2023/24, additional top-ups were required for heating, ventilation & air conditioning equipment, hence the relatively large year-on-year fluctuation.
2. In 2022/23, 109 tCO₂e for Crown fleet was included in non-departmental emissions. This has been reclassified to departmental emissions in 2023/24. 2022/23 emissions have been re-stated for comparison.
3. The Departments's GHG emissions measurement (emissions data and calculations) has been independently verified against ISO 14064-1:2018 by Toitū Envirocare (Enviro-Mark Solutions Limited). Emissions factors used aligned with criteria set out in the international standards: ISO 14064-1:2018 (International Organization for Standardization, 2018); The Greenhouse Gas Protocol 2004 and the Carbon Neutral Government Programme Guide.

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

To 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 the number of staff.

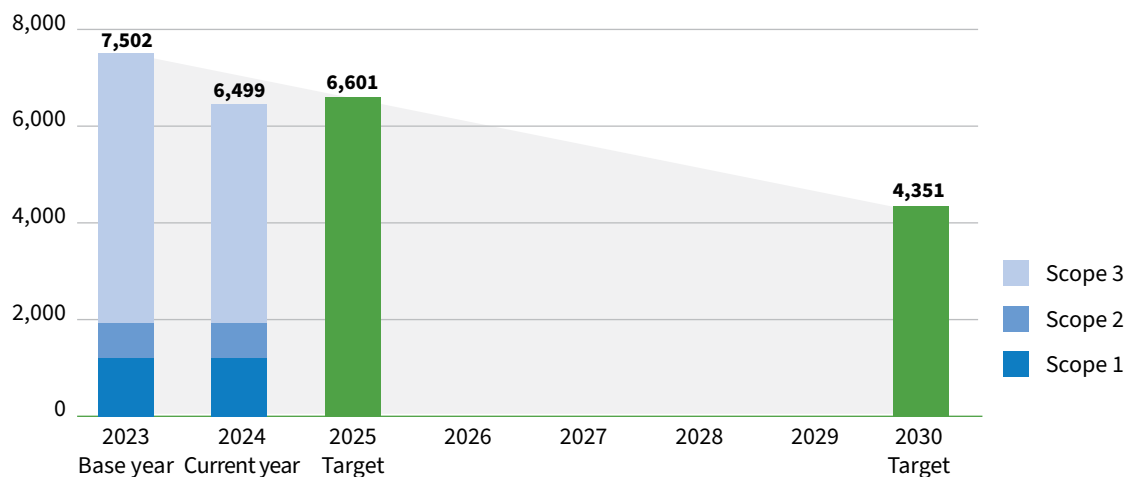
Table 2: Emissions intensity by FTE staff and expenditure (incl. staff commuting)

Emission intensity - Departmental	2023	2024
Gross emissions (tCO ₂ e) – Departmental (incl. staff commuting)	6,110	5,712
Key performance indicator		
FTE staff ¹	2,644	2,785
Operating expenditure (\$m)	661.9	687.1
Emission intensity		
Total emissions per FTE (tCO ₂ e)	2.31	2.05
Total emissions per million dollars of expenditure (tCO ₂ e)	9.23	8.31

Note

1. FTE staff includes permanent, fixed-term and events-based employees (refer to Appendix B, Table 3).

Figure 1: 2024 performance compared to base year and 2025 and 2030 CNGP targets



The Department has made good progress during 2023/24, but to meet the 2030 target significant operational change and investment will be required.

Key achievements in 2023/24

tCO₂e
savings



Deliberate focus on decision-making around air travel in 2023/24 has resulted in a 29% reduction for Departmental air travel. This surpasses the 15% reduction target set for 2023/24 and it demonstrates real buy in from kaimahi to reduce emissions

531



Further optimisation of fleet and transition to electric vehicles where possible has resulted in a 25% reduction in fuel from fleet. At the start of 2023/24 the Department had 74 vehicles (1EV) and are now down to 52 vehicles (32 EV)

64



Further reductions in electricity consumption have been achieved through replacement of lighting with LED. 2,150 lights were replaced in 2023/24 with estimated savings of 400kwh of electricity (a total of 6,822 lights have been replaced since 2021/22)

Approx 30

Upcoming initiatives



Focus on property portfolio for future energy efficiency and savings including proactive planning for replacement of end-of-life equipment. HVAC tuning and controlled shutdowns in sites responsible for preservation of collection are also in the pipeline



10% reduction for Departmental air travel compared to 2023/24 budget



Continued optimisation and transition of remaining fleet to EV where possible



Reducing per passport emissions through engagement with suppliers and deliberate inclusion of carbon criteria in decision-making for passport design and shipment (passport demand fluctuations influence gross emissions)

We continue to refine our data collection and reporting processes, enhancing accuracy and transparency. Empowering our kaimahi with knowledge, data and tools helps to guide business decisions with data-driven carbon insights and facilitates deliberate action aimed at reducing carbon. Our policies and processes similarly are continuously reviewed to ensure that carbon considerations are integrated into everyday operations.

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

2023/24

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

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2023/24 Highlights

Ethnic Research Hui 2023

Key components of the inaugural hui included a panel discussion with distinguished experts, presentations on research and evaluation, and interactive discussions within five essential streams. **The discussions covered the following topics:**



Nothing about us
without us



Networks
and active
collaboration



Results
dissemination
and evidence use
by practitioners
and policy-makers



Existing research
and evaluation
funds and models



Intercultural capability resources

Over **2,000** times people accessed our eLearning modules

138 people completed a voluntary survey, **93%** of them said they were likely or very likely to **recommend our eLearning modules to others.**



Second Ministerial Business Roundtable 2024

20 leaders attended, representing businesses working across trade and investment, the construction industry and other sectors. Topics included:

- ▶ support for women-led businesses
- ▶ the importance of forming relationships with mainstream businesses (and associations support for employers)
- ▶ retail safety.

A common theme was making sure support for businesses was culturally and linguistically appropriate.

Connecting communities in the times of conflict

In November 2023, we established a dedicated team to support community-led initiatives promoting stronger social bonds amidst the Israel/Palestine conflict.



Engaging with impacted communities and creating safe spaces for dialogue and wellbeing support.



Facilitating discussions between communities and government agencies.



Leveraging the Ethnic Communities Development Fund (ECDF) funding and expediting projects promoting unity and social cohesion.





Chief Executive's foreword

Kupu Takamua a te tumu whakarae

It's my pleasure to introduce this year's Annual Report for the third year of our Ministry. Our Ministry's aim is to make every New Zealander feel safe and valued for their contributions.

As we reflect on the past year, our Ministry has demonstrated resilience and adaptability amidst significant internal and external changes.

The 2023/24 year has seen a change in government, public service cuts, an increased cost of living and the unfolding humanitarian crisis in the Middle East.

The change of government brought shifts to our priorities and direction. Our ability to realign our strategies and operations ensured that we continued to effectively discharge our role as the Government's chief advisor for ethnic diversity and serve our communities.

We engaged proactively with the new Government, articulating the needs and aspirations of our Ethnic Communities and securing their support for our initiatives.

The impact of public service cuts presented another challenge. Nevertheless, our teams displayed ingenuity and dedication, finding innovative ways to maximise our resources and ensure continuity in our programmes. We streamlined our processes and prioritised key initiatives, supported by the Ministry's culture of collaboration.

Mervin Singham

Chief Executive

Ministry for Ethnic Communities – Te Tari Mātāwaka

We remained focused on continuing our role, brokering dialogue between our communities and government agencies and supporting our communities.

The Middle East conflict has deeply affected many within our Ethnic Communities, especially those with ties to the region. In response, we intensified our efforts to support and nurture social cohesion.

Our initiatives (such as safe spaces for dialogue, community-led projects funded through the Ethnic Communities Development Fund, and wellbeing workshops) have helped our communities navigate these difficult times.

These efforts have also strengthened the bonds of understanding and solidarity across different cultural groups in New Zealand.

Despite the challenges, we achieved several important milestones, including organising the first Ethnic Research Hui and the second Ministerial Business Roundtable and producing valuable resources in different languages for the public service and our communities.

I want to thank our team for their dedication and professionalism. I also thank all our public agency partners and community stakeholders for their ongoing support and collaboration.

With everyone's contribution, we will continue to build an inclusive, cohesive and resilient society for all New Zealanders.

*Ethnic Communities refer to the Ministry's remit, which includes people in New Zealand who identify as African, Asian, Continental European, Latin-American and Middle Eastern. They include former refugees, asylum seekers, new and temporary migrants, long-term settlers and multi-generational New Zealanders.



Who we are

Ko wai mātau

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 terrorist attack on Christchurch mosques in March 2019.

Since our inception on 1 July 2021, we have embraced our role as the Government's lead for supporting Ethnic Communities and working to maximise the benefits of diversity and inclusion for all people in New Zealand.

We are continuously reviewing our plans and work programmes to ensure that they remain responsive to the evolving needs of Ethnic Communities and are still valid in the constantly changing national and local contexts.

Our values

At the Ministry, we lead by example, living the values we champion among the Ethnic Communities we serve. These values are the guiding principles of our work, helping us create a truly inclusive Aotearoa.

We are dedicated to honouring tāngata whenua by integrating a te ao Māori perspective throughout our mahi.

We encourage all our employees to embody our core values: show Manaakitanga (kindness), practice Whakakotahitanga (inclusivity), display Whakamanawanui (courage), and be Ngākau pono (authentic).



Our people

We are a relatively small agency. Our Ministry has a total headcount of 71 individual employees as at 30 June 2024. As some employees work part-time, our total full-time equivalent (FTE) staff number is 69.2.

Our staff numbers fluctuate from one year to another due to the number of graduates on our Ethnic Communities Graduate Programme.

Our staff (including graduates¹)

Total headcount:

71

Comprised of:

Fixed-term
(including graduates):
30

Permanent: **41**

Total FTE:

69.2

Comprised of:

Fixed-term: **30**

Permanent: **39.2**



Occupation

Chief Executive's office: **1**

Policy and Analytics: **25**

Strategic Engagement and Partnerships: **13**

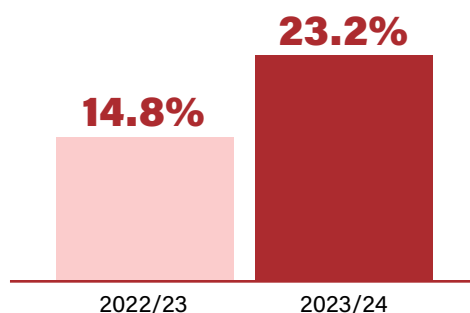
System Capability and Programmes: **16**

Graduates: **16**

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

Unplanned staff turnover

The Ministry's unplanned turnover (permanent staff lost due to reasons not planned for such as resignations) as at 30 June 2024 was 23.2 percent (compared to 14.8 percent in 2022/23). This figure includes a number of exits as a result of the Ministry's change process.



Papa Pounamu, Kia Toipoto and Whāinga Amorangi

Papa Pounamu is a government-wide, diversity, equity and inclusion programme, led by the chief executives. It has five priority areas: fostering diverse leadership, building inclusive leadership, building cultural competence, addressing bias, and supporting employee-led networks.

Papa Pounamu is part of other separate, but related, work programmes to strengthen public sector capability for Māori-Crown relationships (Whāinga Amorangi) and close public service pay gaps (Kia Toipoto).

The Ministry's role in supporting diversity, equity and inclusion initiatives in the public service is both internal and external:

- » Internally, we 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 staff (kaimahi)
- » Externally, given one of the foundational pou is specific to Ethnic Communities, we ensure that the diversity, equity and inclusion work across government includes Ethnic Communities. We also provide advice, tools and resources to help the public sector with intercultural capability and language.

Kia Toipoto: Our progress towards a more inclusive workplace

We have made progress in achieving the milestones outlined in our [Kia Toipoto action plan](#).²

We constantly monitor our recruitment and remuneration processes to balance our gender pay gap as much as possible.

To monitor this, we produce regular reports on staff demographics, salaries and pay gaps. This data plays a crucial role in guiding our Human Resources decisions.

Whāinga Amorangi: Increasing our Māori-Crown capability

We continued meeting our Whāinga Amorangi obligations and building our 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 provided our people with learning opportunities to help them increase their capability in te reo, tikanga and kawa, te ao Māori concepts, New Zealand history, the Treaty of Waitangi/Te Tiriti o Waitangi, whakawhanaungatanga and racial equity.

Note

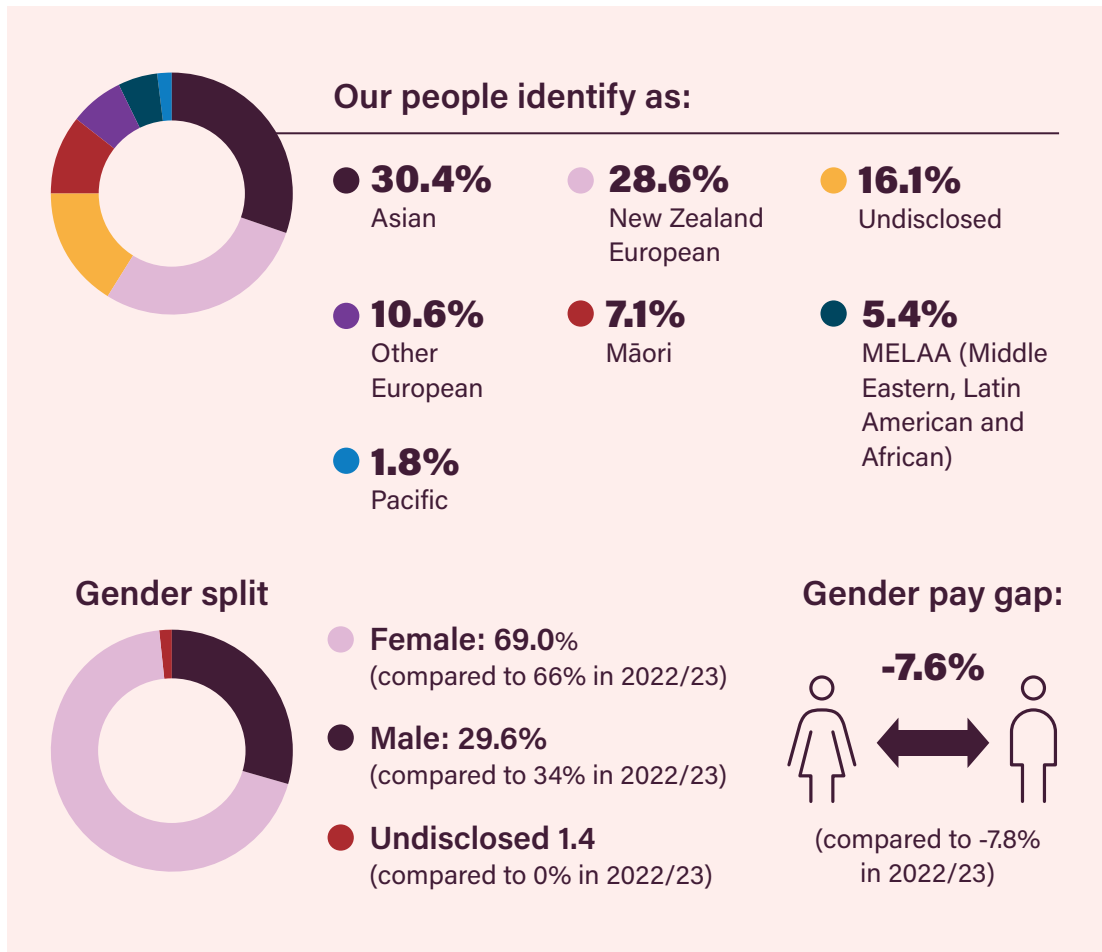
2. www.ethniccommunities.govt.nz/assets/AboutUs/Kia-Toipoto-Action-Plan.pdf



Our diverse team

Our diverse mix of ethnicities reflects our role and the communities we support.

Our people may identify with multiple ethnicities and the figures below reflect their primary identity (excluding graduates).



In our Ministry, we are committed to gender equality. Currently, female employees have higher average pay than male employees. This is influenced by our size, the higher proportion of females compared to males, and having more females in higher paying roles.

Working in a constrained fiscal environment

The second half of the year has seen a tighter fiscal environment. This was reinforced by the new Government’s directive to the Ministry to achieve a 6.5 percent baseline saving, which necessitated change. We embarked on a review of our delivery approach and an organisational change process, resulting in a reduction in our overall headcount by 30 June 2024.



What we do

Ā mātou mahi

Our functions

This year, we have continued our work raising the visibility of issues that impact Ethnic Communities. We have used our convening power to bring communities together to discuss complex and sensitive issues. We have also supported communities with funding via the Ethnic Communities Development Fund (ECDF).

We have provided advice to support the Minister for Ethnic Communities and the wider public sector. We have continued developing foundational tools and resources to help employers improve organisational intercultural capability, with an initial focus on public service.

We have further developed our data and analytics capabilities to provide insights into the needs of Ethnic Communities and visibility about diverse communities' contributions.

This year, we fully assumed the administration of the ECDF from the Department of Internal Affairs. The ECDF has \$4.2 million a year available to support Ethnic Communities in growing their skills, celebrating their culture and participating in society.

We have also established a Security and Resilience team. This team will engage with Ethnic Communities to confidentially learn about their experiences of foreign interference, how it impacts them, and what support they may need. By understanding their experiences, agencies will also be better placed to support those affected, and to build resilience to foreign interference and its impact together.

The communities we serve

Ethnic Communities in New Zealand are the fastest-growing populations and are becoming more diverse, tripling in size since 1996.

Within the next decade, Ethnic Communities will make up more than 25 percent of the population, as New Zealand's Asian population reaches one million people.

Our 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.

The workforce of the Ethnic Communities is highly skilled and has a high labour market participation rate. However, they face lower income levels despite their qualifications. Ethnic Communities also contribute to New Zealand's economy by increasing business ownership. Ethnic businesses are uniquely placed to positively contribute to international trade by fostering relationships and opportunities between New Zealand and the countries they have migrated from.

Our Ethnic Communities are incredibly diverse, and based on the 2018 Census 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. We are looking forward to more updated ethnic data about our Ethnic Communities as part of the 2023 Census being released in the future.



A year in review

He arotake i te tau

Delivering on the Ministry's priorities

Our Strategy 2022–2025 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 2023 to 30 June 2024, we designed and delivered several key initiatives addressing each priority.

PRIORITY

2023/24 INITIATIVES

<p>1. Promoting the value of diversity and improving inclusion of Ethnic Communities</p>	<ul style="list-style-type: none"> » Supporting ethnic representation on public sector boards and committees » Case study one: Inaugural Ethnic Research Hui Aotearoa 2023 » Celebrating youth voices
<p>2. Ensuring equitable provision of, and access to, government services for Ethnic Communities</p>	<ul style="list-style-type: none"> » Intercultural capability and language work programme » Improving access to data and insights about Ethnic Communities » Emergency preparedness videos » Ongoing collaboration with agencies to improve the accessibility and consistency of ethnicity data in the system » Measles, Mumps and Rubella (MMR) videos » Case study two: Language support resources
<p>3. Improving economic outcomes, including addressing barriers to employment</p>	<ul style="list-style-type: none"> » Addressing barriers to migrant employment » Highlighting inspiring stories of successful Kiwi-ethnic professionals » Case study three: The second Ministerial Business Roundtable » Ethnic Communities Graduate Programme
<p>4. Connecting and empowering Ethnic Community groups</p>	<ul style="list-style-type: none"> » Empowered Ethnic Communities via funding support » Celebrating community events at Parliament » The New Zealand Symphony Orchestra's 'Beyond Words' concert series » Case study four: Promoting social cohesion and wellbeing amidst the Israel/Palestine conflict » Faith Leaders Hui



Priority 1. Promoting the value of diversity and improving inclusion of Ethnic Communities

Supporting ethnic representation on public sector boards and committees

We manage a nominations database of 272 individuals who identify with ethnic heritage and are interested in serving on public sector boards/committees.

This year, we continued to promote and upskill people on our nominations database.

From January to June 2024, we started emailing the database contacts fortnightly to inform them about public sector board/committee vacancies.

Feedback received about the fortnightly emails has been positive. The feedback also confirmed that this approach increased awareness about the range of available public sector board/committee vacancies. It has prompted individuals to self-nominate for roles that are of interest rather than relying on the Ministry's nominations.

To help people on the database build their governance knowledge and capability, we collaborated with other nominating agencies to deliver six online learning sessions: the Ministry for Women, Whaikaha – the Ministry of Disabled People, Te Puni Kōkiri – the Ministry of Māori Development and the Ministry for Pacific Peoples.

These learning sessions were delivered with the support of a range of guest speakers who shared their knowledge and advice.



Recordings of the online training sessions are made available at [Leadership Learning Hub | Ministry for Women](#).³

The learning sessions covered:

- » LinkedIn presence
- » Learning about the Crown boards that the Ministry of Business, Innovation and Employment administers
- » Learning about the portfolio of the Ministry of Health administered boards/committees
- » Introduction to governance – how to write a governance curriculum vitae (CV) and craft a compelling cover letter.

In August 2023, we supported another initiative aiming to increase ethnic representation on boards. We sponsored the Women in Governance Summit and our Chief Executive participated in the main panel session.

Note

3. www.women.govt.nz/women-and-leadership/leadership-learning-hub



The summit aimed to support those new to governance or with experience in board directorship looking to increase their skills and knowledge. It also aimed to support executives seeking career transition to governance and boards wanting to diversify their board membership.

Celebrating youth voices

Over 100 youth participated in the Race Unity Aotearoa Speech Awards, including finalists who gave speeches at the May 2024 finals. We are proud to have sponsored these awards since 2009. This programme, a nearly two-decade-long tradition, has become a nationwide cornerstone event for schools and students.

The seven finalists, a diverse group representing high schools across New Zealand, shared their visions for a racist-free Aotearoa. Year 13 Otago Girls' High School student Tanya Moeono was honoured with the Tohu Whetumatarau – Ministry for Ethnic Communities Award for Vision for her inspiring vision of a multicultural society founded on Te Tiriti o Waitangi.

The Award's Founding Partners include the New Zealand Baha'i Community and the New Zealand Police. These Awards highlight the initiatives we support for youth development, race unity and a socially cohesive and inclusive Aotearoa New Zealand.



Photo of the Race Unity Awards seven finalists.

Case study one

Inaugural Ethnic Research Hui Aotearoa 2023

Our objective

To explore how to better integrate ethnic voices and evidence into public policy, enhancing the visibility and impact of New Zealand's diverse communities.

What we did

The Ministry, in collaboration with Ethnic Research Aotearoa, hosted the Ethnic Research Hui Aotearoa 2023⁴ at the National Library. The hui drew over 100 participants, including researchers, policy analysts and community leaders.

Key components included a panel discussion with distinguished experts, presentations on research and evaluation, and interactive discussions. The discussions covered the following topics:

- » Nothing about us without us
- » Networks and active collaboration
- » Results dissemination and evidence use by practitioners and policy-makers
- » Existing research and evaluation funds and models.

What was the result

The event successfully facilitated meaningful dialogue, the sharing of insights and the formation of networks among participants.

The hui also highlighted the importance of capturing ethnic voices and building an evidence base to inform effective policies.

The discussions provided knowledge and offered valuable insights on available funding opportunities and research models tailored to the needs of Ethnic Communities.

What this means for all New Zealanders, including our Ethnic Communities

The hui represented a significant step towards long-term change rather than a one-time event. It aimed at bridging the gap between Ethnic Communities and public policy, fostering a sense of belonging and empowerment.

The initiative supports the development of more equitable and effective public services for all New Zealanders by emphasising the inclusion of ethnic perspectives in policy-making.



Photo from one of the stream's working groups.

Note

4. www.ethniccommunities.govt.nz/news/inaugural-ethnic-research-hui-aotearoa-2023-bridging-ethnic-voices-and-public-policy/



Priority 2. Ensuring equitable provision of, and access to, government services for Ethnic Communities

Intercultural capability and language work

Intercultural capability is the ability to communicate and work across cultural boundaries. Our intercultural capability and language work is to help improve the design and delivery of, and Ethnic Communities access to, government services.

Key resources produced during the 2023/24 financial year include:

- » eLearning for public servants on accessing and using interpreting services
- » [Resources for communities on accessing interpreters](#)⁵
- » [Multilingual greetings](#)⁶
- » Support materials for agencies to identify language needs.

Our eLearning modules were accessed over 2,000 times. We ask users to participate in a voluntary survey. The survey was completed by 138 people, with 93 percent saying they were likely or very likely to recommend the course to others.

**eLearning
modules
accessed over
2,000
times**

Emergency preparedness and response videos

Data shows that Ethnic Community members are among the least prepared for disasters and emergencies.

We therefore worked with the National Emergency Management Agency (NEMA) to create a series of videos. The videos help communities understand how to prepare for different disasters and emergencies, what to do when they happen, and what to do after they occur.

There are eight videos, each focusing on a different aspect of disaster and emergency preparedness and response. The videos include:

1	How to make an emergency plan	5	What to do in a flood
2	What you will need in an emergency	6	What to do in a storm
3	What to do in an earthquake	7	What to do in a fire
4	What to do in a tsunami	8	What to do during volcanic activity.

The videos are available in English and have also been translated and voiced into 20 languages.

Ongoing collaboration with agencies to improve the accessibility and consistency of ethnicity data in the system

We have worked with the Ministry of Business, Innovation and Employment to start publishing regular [Asian](#)⁷ and [Ethnic Communities](#)⁸ Labour Market Statistics Snapshots, which show employment data trends. This provides visibility of the contributions by Ethnic Communities to New Zealand's labour market.

Notes

5. www.ethniccommunities.govt.nz/resources/language-resource-hub/government-interpreting-services/

6. www.ethniccommunities.govt.nz/resources/language-resource-hub/greetings-in-different-languages/

7. www.mbie.govt.nz/dmsdocument/28306-asian-labour-market-statistics-snapshot-march-2024-pdf

8. www.mbie.govt.nz/dmsdocument/28305-ethnic-communities-labour-market-statistics-snapshot-march-2024-pdf



Improving access to data and insights about Ethnic Communities

In 2024, we started developing an Indicators Report to improve access to data and insights about Ethnic Communities. Our aim is to strengthen the evidence base across the public sector by providing baseline data on the needs and contributions of Ethnic Communities in New Zealand.

This report will be the first of its kind. This work will improve the visibility of Ethnic Communities in existing data and improve the collection and reporting of ethnicity data at more disaggregated levels.

Policy-makers will be able to draw on robust evidence and insights into Ethnic Communities.



Indicator Report engagement session in Wellington, moderated by Professor Dr Edwina Pio.

Key milestones completed by 30 June 2024 were:

- » A stocktake of available data
- » New methods, in collaboration with agencies, to make more data available about Ethnic Communities
- » Use of research evidence to address data gaps
- » Engagement with researchers and community peak bodies to provide context to the data.

The report is expected to be published in late 2024.

Measles, Mumps and Rubella (MMR) videos

Vaccination rates have dropped in New Zealand, putting the community at a high risk of a measles outbreak. We needed to raise awareness about measles and make the information available to as many people as possible.

We worked with Health New Zealand | Te Whatu Ora to produce a video series on the MMR vaccine. The videos explain what measles is, how to protect ourselves and our families and where to access reliable health information.

We have removed language barriers by producing the videos in English and 20 languages so more people, particularly those from Ethnic Communities, can access this information.

The videos were shared widely with community leaders and organisations across the government sector and the health sector. They were featured on social media, in various newsletters, and played on screens in hospital waiting rooms.

The videos were released on 29 May 2024 and had been viewed more than 74,500 times by the end of June 2024.

[Our health videos are available on our website.](https://www.ethniccommunities.govt.nz/resources/videos/health-videos/)⁹

Note

9. www.ethniccommunities.govt.nz/resources/videos/health-videos/



Case study two

Language support resources

Our objective

To empower Ethnic Communities and ensure that language is not a barrier to accessing government support by raising awareness of government interpreting services.

Improve access to government services by:

- » lifting the public sector's intercultural capability skills
- » meeting diverse language needs of New Zealand's population.

What we did

Resources for both the public sector and the general public include:

- » Interactive guides in 21 languages outlining the process of requesting interpreters
- » Flyers with instructions on accessing interpreting services when calling government agencies in 26 languages (interpreting services are not limited to these languages)
- » Social media to promote interpreting services in 26 languages
- » Posters and flyers to help government services (for example, Civil Defence centres) identify language needs
- » eLearning for public servants to improve understanding of the role of interpreters and how to access and use them when helping members of the public.

What was the result

The resources were produced and promoted shortly before this report. It was too early to determine their impact.

We will continue promoting them to reduce barriers to accessing government services.

What this means for all New Zealanders, including our Ethnic Communities

These resources aim to improve the accessibility and effectiveness of government services for all New Zealanders. They provide crucial language support for Ethnic Communities, a significant and growing segment of our society.

Figures

Since 1 January 2024, hundreds of people have viewed our 'Language support' pages. The most popular languages are English, Simplified Chinese and Japanese.

Many agencies requested the public-facing eLearning modules for their in-house online training. We will continue to promote these resources and monitor use.



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

Case study three

The second Ministerial Business Roundtable

Our objective

To improve economic outcomes for Ethnic Communities and support ethnic businesses in unlocking their potential to contribute to New Zealand's economic performance.

To explore and identify how to make ethnic businesses faster-growing and more successful and to identify the impediments to success.

What we did

We organised the second Ministerial Roundtable¹⁰ in March 2024. This initiative builds on the success of the first Ministerial Roundtable with ethnic business leaders and organisations in April 2023 and the first EthnicBiz Forum in May 2023.

This meeting, hosted by Chief Executive Mervin Singham, was an opportunity for business leaders and representatives to connect with the Hon Melissa Lee, the Minister for Ethnic Communities and the Minister of Economic Development.

What was the result

About 20 leaders attended, representing businesses working across trade and investment, the construction industry and other sectors.

Topics included support for women-led businesses, the importance of forming relationships with mainstream businesses and associations, support for employers and retail safety. A common theme was making sure support for businesses was culturally and linguistically appropriate. The Ministry received positive feedback from attendees.

What this means for all New Zealanders, including our Ethnic Communities

By supporting ethnic business, they can better contribute to the economy for the benefit of New Zealand's economy. We will continue prioritising economic development initiatives, including the Business Symposium (Ethnic Xchange) in late 2024.



Photo from the discussions during the second Ministerial Business Roundtable.

Note

10. www.ethniccommunities.govt.nz/news/business-roundtable/

Addressing barriers to migrant employment

In 2023/24, the ECDF provided \$10,000 to the Migrant Careers Support Trust based in Auckland to fund jobseeker 'boot camps.' These are intensive one to two-day workshops for about 30 people seeking employment.

The camps covered CV writing, interview preparation and an induction into business in New Zealand. Funding also covered two workshops on governance skills for people who want to contribute their skills and experience at that level.

The ECDF funding of the Trust's work directly contributes to addressing barriers to employment for Ethnic Communities.

Highlighting inspiring stories of successful Kiwi-ethnic professionals

In collaboration with the New Zealand Centre for Digital Connections with India, the Ministry organised the 'Inspiring Stories – from COBOL to Cloud and CleanTech' event as part of the New Zealand TechWeek 2024.

The event aimed to celebrate the contributions and potential of Ethnic Communities, especially women, in New Zealand's technology and business sectors.

The event featured a line up of six speakers in two engaging panel discussions. The audience included professionals, students and government representatives.

This initiative highlighted the importance of diversity and inclusion in the technology industry. It also promoted equitable opportunities, empowering Ethnic Communities to contribute meaningfully to New Zealand's economic growth.

Ethnic Communities Graduate Programme

The Ethnic Communities Graduate Programme¹¹ provides skilled graduates from Ethnic Communities with a meaningful first employment opportunity in the public sector.

The programme was originally designed to address the low representation of ethnically diverse employees and the barriers they face accessing employment in the public sector.

However, the percentage of ethnic graduates in the public service has improved over the last five years to be more representative of New Zealand's population.¹²

During the 2023/24 financial year, the second intake of graduates completed the programme and the third intake began.

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

The third intake consists of 16 graduates across six public sector 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.

Graduates are working in a variety of fields, such as policy, intelligence, data and analytics, people and capability, and communications.

Intake three began in August 2023 and will finish by February 2025. Priority 4. Connecting and empowering Ethnic Community groups



From right to left: the Ministry's Programme Lead with intake three graduates, 2024

Notes

11. www.ethniccommunities.govt.nz/programmes/ethnic-communitiesgraduate-programme/

12. www.publicservice.govt.nz/research-and-data/workforce-data-diversity-and-inclusion/workforce-data-ethnicity-in-the-public-service

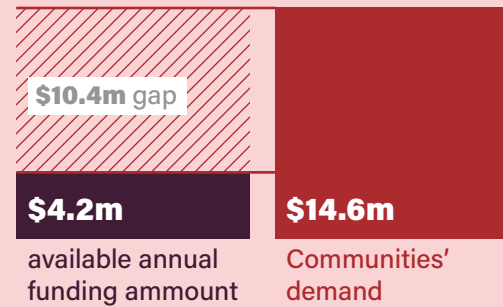
Empowered Ethnic Communities via funding support

The Ethnic Communities Development Fund¹³ has \$4.2 million a year available to support Ethnic Communities in growing their skills, celebrating their culture and participating in society.

The Fund provides accessible, quick funding for one-off projects and initiatives. To be eligible for funding, projects must align with at least one of the Ministry's strategic priorities, which are:

- » Promoting the value of diversity and improving the inclusion of Ethnic Communities in wider society
- » Ensuring government services are provided fairly and are easily accessible for Ethnic Communities
- » Improving economic outcomes for Ethnic Communities and looking at the barriers to employment
- » Connecting and uplifting Ethnic Community groups.

ECDF funded 306 projects in 2023/24



During the 2023/24 financial year, the ECDF received 583 applications totalling \$14.6 million. The \$4.2 million of funding was distributed across over 306 projects.

Celebrating community events at Parliament

We delivered the Lunar New Year¹⁴ and Eid¹⁵ Parliamentary events in February and April 2024, hosted by the Hon Melissa Lee, the Minister for Ethnic Communities.

The February event marked the name change to Lunar New Year in recognition of the diverse Asian populations celebrating this significant cultural festival.

The Lunar New Year festivities expanded to embrace several East and Far East Asian traditions, including Chinese, Korean and Vietnamese. Other communities also joined us to learn more about the richness of different cultures. One participant commented, "Thanks for a beautiful event. I loved Pokarekare Ana played soulfully on the traditional Chinese musical instrument."



Lunar New Year celebration at Parliament, February 2024.

Notes

13. www.ethniccommunities.govt.nz/funding/ethnic-communitiesdevelopment-fund/

14. www.ethniccommunities.govt.nz/news/parliaments-first-lunar-new-year-celebration-spotlights-cultural-harmony-and-diversity/

15. www.ethniccommunities.govt.nz/news/eid-al-fitr-celebrated-at-parliament-2024-a-festive-evening-of-unity-and-inclusivity/



At Eid in Parliament, guests from diverse communities mingled and shared stories. From recitations of the Quran to poetry to children enchanting Nasheed and inspiring speeches by faith leaders, the event was a true celebration of culture and faith.

Organising these community events at Parliament reaffirms our commitment to fostering understanding, respect and unity in New Zealand.



Group photo of the children 'Nasheed' at the Eid at Parliament event.

'Beyond Words' concert series marking the fifth remembrance of March 15

Marking the fifth remembrance of the Christchurch Mosque terrorist attacks of 15 March 2019, we partnered with the New Zealand Symphony Orchestra Te Tira Pūoro o Aotearoa, the Central Iqra Trust and Muslim communities nationwide to present the 'Beyond Words' concert series.¹⁶

With support from our ECDF, the concerts and community engagement events attracted thousands of participants across Christchurch, Wellington and Auckland.

The concerts garnered significant attendance, with over 90 percent occupancy in Christchurch, 79 percent in Wellington, and 53 percent in Auckland, totalling an audience of 3,905. Also, community engagement events attracted over a thousand participants across the three cities.

'Beyond Words' is an example of the transformative power of art in creating understanding, healing wounds and uniting communities in the face of adversity. The feedback from organisers, participants and audience members alike has been positive, with praise for the concert's emotional resonance, cultural significance and message of unity.

Beyond Words concert occupancy

Christchurch
90%

Wellington
79%

Auckland
53%

Total audience of
3,905



The New Zealand Symphony Orchestra's 'Beyond Words' concert in Wellington.

Note

16. www.ethniccommunities.govt.nz/news/unity-through-music-nzsos-beyond-words-concert-series-pays-tribute-to-christchurch-victims/



Case study four

Promoting social cohesion and wellbeing amidst the Israel/Palestine conflict

Our objective

To support affected Ethnic Communities in New Zealand by fostering social cohesion, understanding and wellbeing in response to the humanitarian crisis resulting from the Israel/Palestine conflict.

What we did

In November 2023, we established a dedicated team, as a one-off initiative, to support community-led initiatives promoting stronger social bonds for affected Ethnic Communities in New Zealand. This programme was not to discuss the conflict happening in Israel and Palestine but was about encouraging social co-hesion for these ethnic communities within New Zealand. Our efforts included:

1. Engaging with impacted communities:
 - Created safe spaces for dialogue and support among Muslim and Jewish communities.
 - Hosted wellbeing workshops tailored to Kiwi-Muslim women.
 - Held an interfaith meeting with faith leaders, including Muslim and Jewish, in collaboration with the Religious Diversity Centre.
2. Facilitating discussions:
 - Brokered and attended discussions between the Kiwi-Jewish and Palestinian communities and respective government agencies, such as the Department of Prime Minister and Cabinet and the Ministry of Business, Innovation and Employment, to address specific needs related to the Gaza situation.
3. Leveraging the ECDF:
 - Expedited funding for projects aimed at promoting unity and understanding.

What was the result

The positive feedback and tangible outcomes of our initiatives underscore the importance of our continued support to ensure a cohesive and harmonious New Zealand for all.

Key ECDF-supported initiatives included:¹⁷

Awareness campaigns:

Funded the Asturlab Cultural Centre's three-month digital campaign to raise awareness about the humanitarian situation in Gaza, engaging 5,000 to 10,000 New Zealanders.

Note

17. www.ethniccommunities.govt.nz/funding/ethnic-communities-development-fund/stories/from-conflict-to-connection-community-led-initiatives-amidst-the-middle-east-conflict/



Wellbeing workshops:

Conducted workshops, particularly for women, providing crucial support and connection, with participants expressing gratitude for the safe spaces created.

Educational content creation:

Supported the Jewish Museum of New Zealand in developing online content about Jewish culture and history, reaching thousands and raising awareness to combat antisemitism.

What this means for all New Zealanders, including our Ethnic Communities

Strengthening social cohesion in New Zealand through community-led efforts promotes peace, understanding, and a more resilient, united society.

In times of conflict, creating counter-hate narratives and establishing safe spaces for our New Zealand communities to voice their concerns is crucial. The Ministry's initiatives ensure all New Zealanders feel included, valued and heard.

Faith Leaders Hui

In line with our commitment to promoting unity, inclusion and social cohesion among Ethnic and Faith-based Communities, we convened two Faith Leaders Forums¹⁸ in Auckland in August 2023 and February 2024.

The forums aimed to establish a space where all involved parties could work collectively and to form a sustainable relationship among leaders, based on transparency, trust and mutual respect.

These forums built on previous work the Ministry, and former Office, have done to connect faith leaders, such as the Connecting Faith | Interfaith Communities Hui in 2020.

The inaugural forum featured a Lecture by Professor Paul Morris from Victoria University of Wellington on Diversities and Religions: Aotearoa in the Past Decade.

At the second forum, faith leaders met the Hon Melissa Lee, the Minister for Ethnic Communities. They also heard from John Price ONZM, Director of Civil Defence Emergency Management, NEMA.

Note

18. www.ethniccommunities.govt.nz/news/bringing-faith-leaders-together/



The way forward

Te ara whakamua

As we look ahead to the upcoming year, we will focus on building the advocacy and resilience capabilities of ethnic New Zealanders, empowering them to participate actively in society.

We will also prioritise supporting improved economic outcomes for our Ethnic Communities and businesses and boosting their contributions to New Zealand's social and economic fabric.

We will continue with our Security and Resilience work programme, which aims to enhance the wellbeing and resilience of our Ethnic Communities in an ever-changing world.

We are excited about the positive changes we can collectively make and look forward to a truly inclusive future.

Statement of Responsibility

Te tauākī noho haepapa

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

Ministry for Ethnic Communities – Te Tari Mātāwaka

30 September 2024



Digital Executive Board

2023/24

Digital Executive Board
Annual Report

Pūrongo ā-Tau a te Poari
Whakahaere Matihiko

**The Digital Executive Board operates as an
Interdepartmental Executive Board serviced
by the Department of Internal Affairs**

Introduction

The Digital Executive Board (the Board) was established in August 2022 as an Interdepartmental Executive Board (IEB), by Order in Council. There was a reset of the Board in September 2023.

Established under the Public Service Act 2020, the Board is accountable for supporting digitisation and integration of public services around common citizens, clients and customers.

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 departments that are included in the Board's remit. The Commissioner could also appoint one or more independent advisers to the Board.

The Board is coordinated and administered by the following agencies:

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

The Chair of the Board is Paul James, Chief Executive of the Department of Internal Affairs.

Strategic Intentions and performance reporting

Since September 2023, as per the Cabinet paper [GOV-23-MIN-0022], the Board is accountable for:

- » Leading and managing the whole-of-system transformation of digital public services, including producing and implementing a system 'Blueprint' for digital public services which enables clear sequencing and prioritisation of investment
- » Joining current work programmes at key points of overlap to build on progress already being made across the public service.

The Digital Executive Board will undertake the following functions to support these strategic intentions:

- » Meet regularly to discuss issues and opportunities to progress
- » Receive reporting on progress on the system Roadmap for digital public services
- » Advise the Minister on progress against the work programme for the Roadmap for the digital public services.

1. The name 'Blueprint' was used in the original Cabinet paper which changed the Board's original remit [GOV-23-MIN-0022], but is now referred to as the 'Roadmap'.

Reset of the Board

The Board's remit and functions were reset by Cabinet decision in June 2023 to lead and drive a whole-of-system approach to joining up and modernising digital public services [GOV-23-MIN-0022 refers]. The Order in Council meant the Board's new remit came into force in September 2023.

Before September 2023, the Board was accountable for:

- » Leading and driving implementation of the Digital Strategy for Aotearoa (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.

The Board was coordinated across the Digital Economy and Communications portfolio and was administered by the following agencies:

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

The inaugural Chair of the Board was Mark Sowden, Chief Executive of Statistics NZ – Tatauranga Aotearoa. During this time the Board provided governance and oversight of the Strategy's Action Plan across the four agencies and supported the Digital Economy and Communications Minister.

Despite efforts of the Board to support cross-agency initiatives in the digital area, Cabinet determined that this previous scope and functions were not broad enough to drive and lead a whole-of-system approach. The change in the Board's functions also had implications for its remit, which was amended to include other system leaders who have roles and the expertise necessary to support the integrated service delivery and transformation of digital public services. It also removed those agencies that do not have a direct role in these functions.

Repurposing the Board in this way provide Ministers with a single point of contact for information, advice and issues about digital public service transformation.

Structure and resourcing

The Department of Internal Affairs remains the servicing department for the Board and hosts the Board Secretariat.

As noted above, the Commissioner could appoint an independent adviser, but this has not occurred. The Board has no staff.

Board performance

During the first months of operation, between September 2023 and June 2024, the Board focused on setting up and establishing processes to fulfil its strategic intentions. These activities included setting up a way of working with the individual agencies and setting the Board's terms of reference. The Board has agreed to meet monthly, to receive regular updates on progress.

Progress on leading and managing the whole-of-system transformation of digital public services

A 'step-change' is required in how we digitise government services. The system 'Blueprint' referred to in the 2023 Cabinet paper is now referred to as 'the Roadmap'. The Government agreed to support the development of an All-of-Government (AoG) Roadmap to accelerate the digitising of government services and an associated digital investment plan.

The Board was directed by Cabinet to drive and lead this work on the Roadmap, work programme and system-wide digital investment plan.

The creation of the Roadmap is underway. It will likely include initiatives at different layers of activity: from system/foundational settings, through enablers like standards and interoperability, to the customer-facing layer of service delivery. Each of the Digital Executive Board agencies have been involved with this process.

The Minister for Digitising Government, the Hon Judith Collins KC, has also set up a Ministerial Oversight Group to provide oversight of the Roadmap. The Board will advise the Group on the progress of the Roadmap.

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.



Paul James

Chief Executive
Department of Internal Affairs



Mark Sowden

Chief Executive
Statistics New Zealand



Andrew Clark

Chief Executive
Government Communications Security Bureau



Heather Baggot

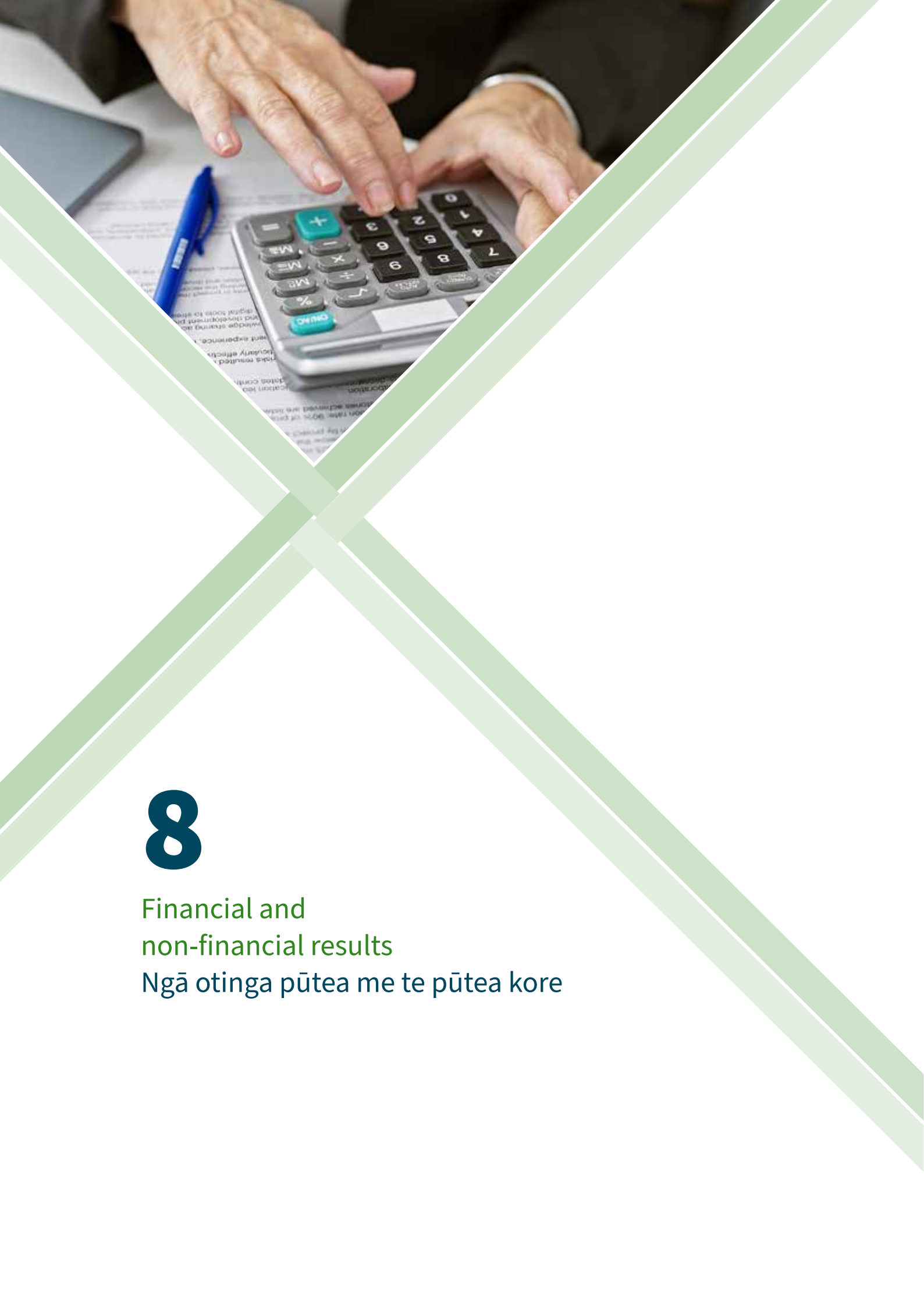
Acting Chief Executive
Public Service Commission



Peter Mersi

Chief Executive
Inland Revenue





8

Financial and
non-financial results

Ngā otinga pūtea me te pūtea kore

Statement of responsibility

Te Tauākī Noho Haepapa

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 2024 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 2025 and its operations for the year ending on that date.



Paul James

Secretary for Internal Affairs

30 September 2024



Sharyn Mitchell

Chief Financial Officer

30 September 2024

Independent auditor's report

Te Pūrongo a te Kaiarotake



Independent Auditor's Report

To the readers of the Department of Internal Affairs' annual report for the year ended 30 June 2024

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 on pages 90 to 130 that comprise the statement of financial position, statement of commitments, statement of contingent assets and liabilities as at 30 June 2024, 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 for the year ended 30 June 2024 on pages 10 to 34 and 171 to 221;
- the statements of expenses and capital expenditure of the Department for the year ended 30 June 2024 on pages 156 to 169; and
- the schedules of non-departmental activities which are managed by the Department on behalf of the Crown on pages 132 to 154 that comprise:
 - the schedules of assets; liabilities; commitments; and contingent assets and liabilities as at 30 June 2024;
 - the schedules of expenses; and revenue for the year ended 30 June 2024;
 - the statement of trust monies for the year ended 30 June 2024; and
 - the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- the financial statements of the Department:
 - present fairly, in all material respects:

- its financial position as at 30 June 2024; 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 for the year ended 30 June 2024:
 - 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.
- 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 2024; and
 - expenses; and revenue for the year ended 30 June 2024; and
 - the statement of trust monies for the year ended 30 June 2024.

Our audit was completed on 30 September 2024. 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 for preparing:

- Financial statements that present fairly the Department’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.
- 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 for assessing the Department’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, 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 2023/24 for Vote Internal Affairs, and the 2022/23 forecast financial figures included in the Department and group's 2022/23 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'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.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Secretary for Internal Affairs, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department'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 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 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, 4 to 8, 35 to 81 and 223 to 240 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 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.



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

Financial Statements – Departmental

Financial Statements 2023/24 Departmental

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Statement of comprehensive revenue and expense

for the year ended 30 June 2024

Parent and group

Actual		Note	Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2023			2024	2024	2024	2025
\$000			\$000	\$000	\$000	\$000
Revenue						
476,091	Revenue Crown	2	465,342	454,522	465,342	350,234
204,319	Other revenue	2	212,341	173,091	210,931	188,225
365	Gain on sale of property, plant and equipment		123	-	-	-
680,775	Total revenue		677,806	627,613	676,273	538,459
Expenses						
340,875	Personnel costs	3	363,115	324,896	358,887	305,723
53,758	Depreciation, amortisation and impairment	7, 8	76,358	53,141	51,703	59,131
23,156	Capital charge	13	26,916	26,913	26,915	32,555
473	Finance costs	12	446	446	446	5,139
243,646	Other operating expenses	4	220,238	273,270	301,770	230,693
661,908	Total expenses		687,073	678,666	739,721	633,241
18,867	Net surplus/(deficit)		(9,267)	(51,053)	(63,448)	(94,782)
Other comprehensive revenue and expense						
<i>Item that will not be reclassified to net surplus/(deficit)</i>						
1,262	Asset revaluation gains/(losses)	7, 13	-	-	-	-
20,129	Total comprehensive revenue and expense		(9,267)	(51,053)	(63,448)	(94,782)

Explanations of significant variances against budget are detailed in Note 19.
The accompanying notes form part of these financial statements.

Statement of financial position

as at 30 June 2024

Parent and group

Actual	Note	Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2023		2024	2024	2024	2025
\$000		\$000	\$000	\$000	\$000
Assets					
<i>Current assets</i>					
80,828		70,931	24,999	23,404	25,000
62,667		145,108	154,558	130,750	146,209
27,809	6	20,785	19,760	18,459	16,540
2,976		2,616	1,920	1,982	2,000
12,592		10,249	7,770	7,220	7,000
-		249	-	-	-
186,872		249,938	209,007	181,815	196,749
<i>Non-current assets</i>					
8		-	200	150	-
302,008	7	335,203	370,245	332,640	376,232
212,137	8	207,260	240,579	227,130	239,227
514,153		542,463	611,024	559,920	615,459
701,025		792,401	820,031	741,735	812,208
Liabilities and taxpayers' funds					
<i>Current liabilities</i>					
77,285	9	59,393	62,472	66,625	57,303
670	10	6,441	3,774	4,955	4,250
33,357	11	35,709	23,825	30,777	25,777
458	12	486	486	486	516
39,196	13	25,544	-	-	-
150,966		127,573	90,557	102,843	87,846
<i>Non-current liabilities</i>					
4,071	9	-	-	-	-
136	10	136	1,811	3,171	2,500
3,012	11	3,348	2,740	3,013	3,013
7,189	12	6,705	6,705	6,705	6,189
14,408		10,189	11,256	12,889	11,702
165,374		137,762	101,813	115,732	99,548
535,651		654,639	718,218	626,003	712,660
Equity					
445,367	13	528,664	625,078	532,863	619,520
(2,855)	13	32,836	-	-	-
93,139	13	93,139	93,140	93,140	93,140
535,651		654,639	718,218	626,003	712,660

Explanations of significant variances against budget are detailed in Note 19.
The accompanying notes form part of these financial statements.

Statement of changes in equity

for the year ended 30 June 2024

Parent and group

Actual		Note	Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2023			2024	2024	2024	2025
\$000			\$000	\$000	\$000	\$000
458,608	Balance at 1 July		535,651	535,652	535,652	644,667
18,867	Operating surplus/(deficit) for the year		(9,267)	(51,053)	(63,448)	(94,782)
1,262	Other comprehensive revenue and expense		-	-	-	-
20,129	Total comprehensive revenue and expense		(9,267)	(51,053)	(63,448)	(94,782)
	Owner transactions					
101,423	Capital injections	14	191,771	233,619	191,771	166,275
(5,313)	Capital withdrawals	14	(37,972)	-	(37,972)	(3,500)
(39,196)	Return of operating surplus	13	(25,544)	-	-	-
56,914	Total owner transactions		128,255	233,619	153,799	162,775
535,651	Balance at 30 June		654,639	718,218	626,003	712,660

Explanations of significant variances against budget are detailed in Note 19.
The accompanying notes form part of these financial statements.

Statement of cash flows

for the year ended 30 June 2024

Parent and group

Actual		Actual	Unaudited Budget	Unaudited Revised Budget	Unaudited Forecast
2023		2024	2024	2024	2025
\$000		\$000	\$000	\$000	\$000
Cash flows from operating activities					
491,486	Receipts from the Crown	382,901	362,631	397,259	361,764
188,935	Receipts from third parties	217,585	180,839	219,857	189,844
(669)	Net goods and services tax	(2,088)	(1,820)	6,712	(1,144)
(584,040)	Payments to suppliers and employees	(583,937)	(615,012)	(659,036)	(555,757)
(23,156)	Payments for capital charge	(26,916)	(26,913)	(26,915)	(32,555)
72,556	Net cash flows from operating activities	(12,455)	(100,275)	(62,123)	(37,848)
Cash flows from investing activities					
1,266	Receipts from sale of property, plant and equipment	436	480	553	480
(37,533)	Purchase of property, plant and equipment	(64,412)	(93,429)	(59,429)	(74,042)
(51,564)	Purchase of intangible assets	(47,613)	(56,571)	(50,571)	(40,958)
(87,831)	Net cash flows from investing activities	(111,589)	(149,520)	(109,447)	(114,520)
Cash flows from financing activities					
101,423	Capital injections	191,771	233,619	191,771	166,275
(5,313)	Capital withdrawals	(37,972)	-	(37,972)	(3,500)
(48,599)	Repayment of surplus to the Crown	(39,196)	(39,196)	(39,196)	(9,920)
(432)	Payment of finance leases	(456)	(457)	(457)	(486)
47,079	Net cash flows from financing activities	114,147	193,966	114,146	152,369
31,804	Net increase/(decrease) in cash and cash equivalents	(9,897)	(55,829)	(57,424)	1
49,024	Opening cash and cash equivalents	80,828	80,828	80,828	24,999
80,828	Closing cash and cash equivalents	70,931	24,999	23,404	25,000

Explanations of significant variances against budget are detailed in Note 19.
The accompanying notes form part of these financial statements.

Statement of cash flows (continued)

for the year ended 30 June 2024

Parent and group

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

Actual 2023 \$000		Actual 2024 \$000
20,129	Total comprehensive revenue and expense	(9,267)
	Add/(deduct) non-cash items	
53,758	Depreciation, amortisation and impairment	76,358
(1,262)	Asset revaluation gains	-
(252)	Acquisition of donated assets	(289)
52,244	Total non-cash items	76,069
	Add/(deduct) items classified as investing activities	
311	Losses/(gains) on non-financial assets	6,371
311	Total investing or financing activities	6,371
	Add/(deduct) movements in Statement of financial position items	
2,457	(Increase)/decrease in debtors and other receivables	(75,416)
(6,383)	(Increase)/decrease in other current assets	2,710
1,814	Increase/(decrease) in creditors and other payables	(19,307)
2,066	Increase/(decrease) in other current liabilities	6,050
(82)	Increase/(decrease) in non-current liabilities	335
(128)	Total net movement in working capital items	(85,628)
72,556	Net cash flows from operating activities	(12,455)

Reconciliation of movement in finance leases arising from financing activities

Actual 2023 \$000		Actual 2024 \$000
8,079	Balance at 1 July 2023	7,647
-	Cash inflows (Acquisition)	-
(432)	Cash outflows (Payment)	(456)
7,647	Balance at 30 June 2024	7,191

The accompanying notes form part of these financial statements.

Statement of commitments

as at 30 June 2024

Parent and group

Actual 2023 \$000		Note	Actual 2024 \$000
Capital commitments			
32,702	Intangible assets		16,148
72,928	Leasehold improvements		44,501
225	Plant and equipment		148
250,395	Finance lease assets	12	246,375
356,250	Total capital commitments		307,172
Non-cancellable operating commitment leases as lessee			
<i>The future aggregate minimum lease payments to be paid under non-cancellable operating leases</i>			
21,862	No later than one year		19,972
17,743	Later than one and not later than two years		17,768
45,896	Later than two and not later than five years		43,924
64,163	Later than five years		54,007
149,664	Total non-cancellable operating commitment leases as lessee		135,671
505,914	Total commitments		442,843

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for acquiring property, plant and equipment and intangible assets that have not been paid for, or are not recognised as a liability, at balance date.

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 \$0.909 million (2022/23: \$0.916 million).

The accompanying notes form part of these financial statements.

Statement of contingent assets and liabilities

as at 30 June 2024

Parent and group

Quantifiable contingent assets

As at 30 June 2024, the Department had five quantifiable contingent assets totalling \$0.318 million relating to insurance claims subject to insurer approval (2022/23: nil).

Unquantifiable contingent assets

As at 30 June 2024, the Department had no unquantifiable contingent assets (2022/23: nil).

Quantifiable contingent liabilities

As at 30 June 2024, the Department had:

- One quantifiable contingent liability of \$0.020 million relating to a legal action (2022/23: nil).
- No quantifiable contingent liabilities relating to employment issues (2022/23: two quantified contingent liabilities totalling \$0.225 million).

Unquantifiable contingent liabilities

- As at 30 June 2024, the Department had four unquantifiable contingent liabilities relating to legal action (2022/23: nil).
- As at 30 June 2024, the Department had no unquantifiable contingent liabilities relating to employment issues (2022/23: nil).

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.

Dispute with a software vendor

The Te Ara Manaaki work stream to replace the Civil Registration system has not progressed as planned leading to terminating the contract with its vendor. The outcome of this matter is uncertain and remains ongoing.

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 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Department's operations include the Public Finance Act 1989 (PFA) and the Public Service Act 2020. The Department's ultimate parent is the New Zealand Crown.

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 2024 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 (refer to Note 17). Unless explicitly stated, references to the Department cover the Department, the Ministry for Ethnic Communities and the Digital Executive Board. The 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 (refer to Note 16). The Department and the Foundation operate independently but consolidation is required for financial reporting purposes.

The financial statements are for the year ended 30 June 2024 with comparative figures for the year ended 30 June 2023. The financial statements were authorised for issue by the Department's Chief Executive on 30 September 2024.

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, 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) unless stated otherwise.

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 2024

PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets

Amendments to PBE IPSAS 19 require that, when considering whether the contract is onerous, the Department should consider the unavoidable costs which is the lower of the costs of fulfilling a contract and any compensation or penalties arising from failure to fulfil a contract. The amendment added a description of the “costs of fulfilling a contract” when determining the unavoidable costs under the onerous contracts.

This change did not result in a material impact on the Department’s Statement of comprehensive revenue and expense for the year ended 30 June 2024.

Standards issued and not yet effective but early adopted

Standards and amendments issued and not yet effective that are relevant and have been early adopted by 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 is presentation and disclosure.

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.

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. The Department is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

Overseas bank accounts are converted at the closing mid-point exchange rate.

Inventories

Inventories held for distribution or consumption in the provision of goods and services that are not issued on a commercial basis are measured at cost (determined on the first-in, first-out method) adjusted for any loss of service potential. Otherwise, they are measured at the lower of cost and net realisable value.

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.

Assets held for sale

As at 30 June 2024, the Department has some property, plant and equipment that have been transferred to assets held for sale. A property, plant and equipment is classified as held for sale when its carrying amount will be recovered principally through sale, it is available for immediate sale in its present condition and the sale is highly probable.

Assets held for sale are carried at the lower of the carrying amount and fair value less costs to sell.

Budget and forecast figures

Basis of the budget and forecast figures

The 2023/24 budget figures (Unaudited Budget 2024) are for the year ended 30 June 2024. 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 2023/24 unaudited revised budget figures (Unaudited Revised Budget 2024) are for the year ended 30 June 2024. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Supplementary Estimates of Appropriations (Supps 2024) for 2023/24.

The 2024/25 forecast figures (Unaudited Forecast 2025) are for the year ending 30 June 2025. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for 2024/25. The forecast financial statements have been prepared as required by the PFA 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 2025 forecast figures have been prepared in accordance with and comply with PBE Financial Reporting Standard (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 2024/25. The forecast figures have been compiled based on existing government policies and ministerial expectations at the time BEFU 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 including incorporating the impact of the repeal of the previous Government's Three Waters Programme and implementing the Local Water Done Well initiative,
- personnel costs are based on full-time equivalent staff, take into account staff turnover, and the impact of restructuring across the organisation that was known at the time of preparing the forecast financial information,
- remuneration rates are based on current wage and salary costs, adjusted for anticipated remuneration increases,

- 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 2023/24 is used as the opening position for 2024/25 forecasts,
- known impact of the Te Ara Tahī project with approved funding has been included in the forecasts, and
- includes all Cabinet decisions and forecast changes up to 22 April 2024 which includes the baseline reduction outlined in the Fiscal Sustainability Programme provided by the Government.

The actual financial results achieved for 30 June 2025 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 2024/25 actual financial statements include:

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

Any changes to budgets during 2024/25 will be incorporated into the Supplementary Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2025.

Authorisation statement

The forecast financial statements were approved for issue by the Chief Executive on 22 April 2024. 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 2025 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.

Critical judgements, estimates and assumptions applied by the Department are disclosed in Notes 7, 8, 11 and 12. Changes in assumptions, judgements and estimates are included in the relevant notes (refer to Note 8 for details of the change in digital collections' useful life).

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 is measured based on the Department's funding entitlement for the reporting period. 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 \$465.342 million (2023: \$476.091 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

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 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
2023		2024	2024	2025
\$000		\$000	\$000	\$000
Other revenue from non-exchange transactions				
252	Other third-party revenue	289	-	-
252	Total other revenue from non-exchange transactions	289	-	-
Other revenue from exchange transactions				
87,345	Passport fees	84,018	65,733	72,775
21,616	Non-casino gaming licences and fees	20,954	20,337	19,464
12,581	e-Government development and operations	20,194	10,658	16,046
18,855	Citizenship fees	17,745	17,451	17,926
15,332	Birth, death, marriage and civil union fees	15,100	15,256	15,256
13,064	Recovery from New Zealand Lottery Grants Board	15,238	11,367	12,203
8,723	VIP Transport	9,076	9,000	9,000
5,707	Casino operators' levies	5,390	5,274	6,147
4,987	Electronic Purchasing in Collaboration	4,966	3,595	3,595
-	Northern Water Services Entity expense recoveries	3,419	-	-
3,058	Translation services	2,504	2,700	3,200
2,808	Kōtui library services	2,285	2,199	2,199
819	Te Puna catalogue and inter-loan library services	1,438	464	470
1,008	Lake Taupō boating facilities	1,031	980	980
874	New Zealand Gazette	970	844	844
820	Charities registrations	892	852	852
778	RealMe	403	910	2,000
-	National dog database levy	400	400	400
650	Rental revenue from sublease	363	350	350
337	National Library auditorium	121	216	300
-	Net foreign exchange gain	3	-	-
4,705	Other third-party revenue	5,542	4,505	4,218
204,067	Total other revenue from exchange transactions	212,052	173,091	188,225
204,319	Total other revenue	212,341	173,091	188,225

3. Personnel costs

Accounting policy

Salaries, wages, employee entitlements and contractor expenses

Salaries, wages and contractor expenses are recognised in the Statement of comprehensive revenue and expense as the employees or contractors provide services.

Employee entitlements such as 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 2023 \$000		Actual 2024 \$000
324,424	Salaries, wages and contractor expenses	337,152
8,681	Employer contribution to defined contribution schemes	9,841
1,246	Restructuring costs	9,080
1,053	Increase/(decrease) in employee entitlements	(387)
5,471	Other personnel costs	7,429
340,875	Total personnel costs	363,115

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.

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 9).

Other expenses

Other expenses are recognised as goods and services are received.

Breakdown of other operating expenses

Actual 2023 \$000	Note	Actual 2024 \$000	Unaudited Budget 2024 \$000	Unaudited Forecast 2025 \$000
86,244	Computer costs	86,107	84,020	98,575
29,475	Rental and leasing costs	31,171	35,464	22,233
56,363	Consultants and outsourcing contracts	26,375	59,972	25,734
10,465	Office expenses	12,821	7,441	9,212
11,769	Inventory costs	11,440	12,122	12,499
10,255	Agency and monitoring fees	9,986	10,440	10,581
10,927	Travel expenses	8,614	9,466	9,857
8,918	Professional fees	7,612	9,190	5,633
676	Loss on asset derecognition	6,494	-	-
5,411	Library resources and subscriptions	6,301	6,749	5,071
4,269	Staff development	4,197	5,352	5,552
2,036	Repairs and maintenance	2,219	2,387	1,969
709	Publicity and promotion	1,978	1,070	657
499	Fees for auditor (financial statement audit)	537	590	673
-	Fees to auditor (assurance and related services)	12	-	-
430	Realised foreign exchange losses	150	-	-

Actual		Note	Actual	Unaudited	Unaudited
2023			2024	Budget	Forecast
\$000			\$000	2024	2025
				\$000	\$000
(137)	Increase/(decrease) in provision for expected credit loss	6	123	-	-
(311)	Increase/(decrease) in provision for onerous contracts		-	-	-
5,648	Other departmental operating costs		4,101	29,007	22,447
243,646	Total other operating expenses		220,238	273,270	230,693

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		Actual
2023		2024
\$000		\$000
140	New Zealand Gazette	96
(39)	Use of Facilities and Access to Lake Taupō by Boat Users	(208)
(11,871)	Passport Products	24,687
5,432	Citizenship Products	(282)
(501)	Issue of Birth, Death and Marriage Certifications and Other Products	(635)
19,590	Gaming	18,230
2,151	Kōtui Library Services	2,031
406	Electronic Purchasing in Collaboration (EPIC)	414
(19,045)	Common Capability Products	(12,391)
882	National Dog Control Information Database	894
(2,855)	Balance at 30 June	32,836

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: The increase in expenditure in 2023/24 reflects expenditure associated with the modernisation of the New Zealand Gazette.

Actual		Actual
2023		2024
\$000		\$000
5	Balance at 1 July	140
874	Revenue movement for the year	970
(739)	Expense movement for the year	(1,014)
135	Net memorandum account surplus/(deficit) for the year	(44)
140	Balance at 30 June	96

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: The increased deficit reflects an increase in operating expenditure associated with Lake Taupō assets. A fee review is currently underway.

Actual 2023 \$000		Actual 2024 \$000
(117)	Balance at 1 July	(39)
1,062	Revenue movement for the year	1,031
(984)	Expense movement for the year	(1,200)
78	Net memorandum account surplus/(deficit) for the year	(169)
(39)	Balance at 30 June	(208)

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 \$70.500 million was drawn down in 2023/24 (2022/23: \$23.500 million). The capital injection is repayable no later than 30 June 2032.

Actual 2023 \$000		Actual 2024 \$000
(13,052)	Balance at 1 July	(11,871)
87,345	Revenue movement for the year	83,913
(109,664)	Expense movement for the year	(117,855)
(22,319)	Net memorandum account deficit for the year	(33,942)
23,500	Capital injection	70,500
(11,871)	Balance at 30 June	24,687

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 2023 \$000		Actual 2024 \$000
5,933	Balance at 1 July	5,432
18,857	Revenue movement for the year	17,745
(19,358)	Expense movement for the year	(23,459)
(501)	Net memorandum account deficit for the year	(5,714)
5,432	Balance at 30 June	(282)

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 Department will continue to monitor the deficit associated with this memorandum account.

Actual 2023 \$000		Actual 2024 \$000
24	Balance at 1 July	(501)
15,332	Revenue movement for the year	15,100
(15,541)	Expense movement for the year	(15,234)
(209)	Net memorandum account deficit for the year	(134)
(316)*	Transfer from Marriage and Civil Union Products	-
(501)	Balance at 30 June	(635)

* 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.

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: The increased expenditure in 2023/24 reflects continued investment in the ICT work programme and the Gambling uplift programme. A fee review is currently underway.

Actual 2023 \$000		Actual 2024 \$000
17,418	Balance at 1 July	19,590
26,688	Revenue movement for the year	25,655
(24,516)	Expense movement for the year	(27,015)
2,172	Net memorandum account surplus/(deficit) for the year	(1,360)
19,590	Balance at 30 June	18,230

Gambling commission revenue and expenditure are not included in the Gaming memorandum account because they are related to policy monitoring and not to 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 fully funded 100% by member contributions.

Actions: Subscription fees are reviewed annually to ensure full recovery of costs.

Actual 2023 \$000		Actual 2024 \$000
1,408	Balance at 1 July	2,151
2,807	Revenue movement for the year	2,285
(2,064)	Expense movement for the year	(2,405)
743	Net memorandum account surplus/(deficit) for the year	(120)
2,151	Balance at 30 June	2,031

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: Fees are reviewed annually and are based on member uptake and vendor costs.

Actual 2023 \$000		Actual 2024 \$000
125	Balance at 1 July	406
4,987	Revenue movement for the year	4,967
(4,706)	Expense movement for the year	(4,959)
281	Net memorandum account surplus for the year	8
406	Balance at 30 June	414

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 completed between September and December 2022 to consider options to address the deficit. An increase to the Lead Agency Fee for the Common Capabilities, Framework Agreements and Marketplace Services to a standardised rate of 1.75% was implemented with effect from 1 July 2023. Also, there was a successful effort to reduce contractor and consultant spend. These factors resulted in a significant reduction in the deficit during 2023/24.

Actual 2023 \$000		Actual 2024 \$000
(18,733)	Balance at 1 July	(19,045)
11,329	Revenue movement for the year	20,068
(11,641)	Expense movement for the year	(13,414)
(312)	Net memorandum account surplus/(deficit) for the year	6,654
(19,045)	Balance at 30 June	(12,391)

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: The Department will continue to monitor the surplus associated with this memorandum account.

Actual 2023 \$000	Actual 2024 \$000
1,279 Balance at 1 July	882
- Revenue movement for the year	400
(397) Expense movement for the year	(388)
(397) Net memorandum account surplus/(deficit) for the year	12
882 Balance at 30 June	894

Operating assets and liabilities

6. 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 2023 \$000		Actual 2024 \$000
27,931	Gross trade receivables	21,023
(122)	Less provision for expected lifetime credit loss	(238)
27,809	Total accounts receivable	20,785
Total receivables comprise:		
27,809	Receivables from exchange transactions	20,785
27,809	Total receivables	20,785

As at balance date, all receivables have been assessed for impairment, and appropriate provision applied.

All receivables more than 30 days in age are past due. Out of the gross trade receivables of \$21.023 million, \$0.644 million (3%) are past due 31 days and over against which a provision for expected lifetime credit loss of \$0.178 million (75% of the total provision) has been recognised.

7. 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 capitalised and initially 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. Capital 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 property, plant and equipment.

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. When a revalued asset is sold or derecognised, the amount included in the property revaluation reserve in respect of the disposed asset is transferred to taxpayers' funds.

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 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, 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 in 2023/24 (2022/23: 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.

Desktop valuations are carried out for property, plant and equipment when they are outside the revaluation cycle to ensure their fair value did not differ materially from carrying value.

Specific asset class policies

The specific asset class 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 accumulated depreciation 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 every three years or with sufficient regularity 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	15 - 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 (lease term)

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 2023/24.

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

In June 2023, antiques and works of art were valued by Dunbar Sloane Ltd, an independent expert. 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 the impact of the 2022/23 valuation is disclosed in Note 13.

Movement of property, plant, and equipment

2024

Cost or valuation

	Land	Non-residential buildings	Leasehold improvements	Antiques and works of art	Furniture and fittings	Schools and general collections	Motor vehicles	Plant and IT equipment	Leased assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2023	24,365	186,702	45,980	2,220	40,933	52,366	10,193	72,393	8,930	444,082
Additions	-	49,918	3,909	-	1,395	738	94	9,374	-	65,428
Disposals	-	(2,307)	(631)	-	(360)	-	(1,069)	(8,034)	-	(12,401)
Transfers between assets categories	-	3,733	(1,863)	-	(3,018)	619	(205)	(276)	-	(1,010)
Transfer to held for sale	-	-	-	-	-	-	(602)	-	-	(602)
Balance at 30 June 2024, cost or valuation	24,365	238,046	47,395	2,220	38,950	53,723	8,411	73,457	8,930	495,497

Accumulated depreciation

	Land	Non-residential buildings	Leasehold improvements	Antiques and works of art	Furniture and fittings	Schools and general collections	Motor vehicles	Plant and IT equipment	Leased assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2023	-	9,275	20,172	-	22,443	44,049	3,676	40,375	2,084	142,074
Depreciation for the year	-	6,918	4,039	-	2,053	1,744	829	8,216	595	24,394
Disposals	-	(1,517)	(353)	-	(349)	-	(624)	(3,073)	-	(5,916)
Transfer to held for sale	-	-	-	-	-	-	(258)	-	-	(258)
Balance at 30 June 2024, accumulated depreciation	-	14,676	23,858	-	24,147	45,793	3,623	45,518	2,679	160,294
Balance at 30 June 2024, net carrying value	24,365	223,370	23,537	2,220	14,803	7,930	4,788	27,939	6,251	335,203

2023

Cost or valuation

	Land	Non-residential buildings	Leasehold improvements	Antiques and works of art	Furniture and fittings	Schools and general collections	Motor vehicles	Plant and IT equipment	Leased assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2022	24,365	170,457	51,874	959	39,649	50,687	9,094	75,056	8,930	431,071
Additions	-	13,766	3,320	-	1,790	1,528	3,073	14,308	-	37,785
Revaluation/impairment	-	-	-	1,262	-	-	-	-	-	1,262
Disposals	-	(489)	(5,947)	-	(578)	-	(1,387)	(11,869)	-	(20,270)
Transfers*	-	2,968	(3,267)	(1)	72	151	(587)	(5,102)	-	(5,766)
Balance at 30 June 2023, cost or valuation	24,365	186,702	45,980	2,220	40,933	52,366	10,193	72,393	8,930	444,082

Accumulated depreciation

	Land	Non-residential buildings	Leasehold improvements	Antiques and works of art	Furniture and fittings	Schools and general collections	Motor vehicles	Plant and IT equipment	Leased assets	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at 1 July 2022	-	2,344	21,640	-	20,265	42,223	3,757	44,761	2,094	137,084
Depreciation for the year	-	6,656	4,227	-	2,696	1,826	937	6,924	596	23,862
Disposals	-	(100)	(5,320)	-	(518)	-	(1,018)	(11,916)	-	(18,872)
Transfers*	-	375	(375)	-	-	-	-	606	(606)	-
Balance at 30 June 2023, accumulated depreciation	-	9,275	20,172	-	22,443	44,049	3,676	40,375	2,084	142,074
Balance at 30 June 2023, net carrying value	24,365	177,427	25,808	2,220	18,490	8,317	6,517	32,018	6,846	302,008

*Transfers include transfers between assets categories.

Capital work in progress

As at 30 June 2024, the total amount of capital work in progress (CIP) was \$92.018 million (2022/23: \$54.724 million). The majority of CIP balance relates to works done on non-residential buildings, leasehold improvements, plant and equipment and furniture and fittings.

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 \$6.251 million (2022/23: \$6.846 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.

8. 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
Software	3 – 8 years
Births, deaths and marriages historical records databases	10 years
Digital collections	15 years

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.

Change in estimated useful life of digital collections

Digital collections refer to the National Library of New Zealand and Archives New Zealand collections that can be viewed on a screen and are either acquired in digital format (born-digital) or physical collections that have been digitised (digitised collections). A digitised copy of the collections is used to promote efficient accessibility, minimise deterioration of the original document and serves as a back-up in the event the original document deteriorates significantly.

Departmental digital collections are born-digital and digitised collections. Their main purpose is to use the assets for access. The Department maintains the right to change, upgrade, replace and derecognise digital collections as necessary. Up to 30 June 2023, Departmental digital assets have been assigned a useful life of either indefinite or 100 years.

The Department has now more advanced knowledge and experience managing digital collections from an operational perspective. The Department's experience suggests that significant changes in technology occur every 10 years to start considering modifications or changes to digitised content or replacement. This technology is a combination of capture hardware such as cameras and scanners, and software that enable a significantly improved access or user experience. Since the Departmental digital collection are not intended to be kept in perpetuity, the digital collections can become obsolete requiring major upgrades or re-digitisation between 10 years (for an innovator) or up to 20 years (for a late adopter of new technologies).

Overall, the Department tends to be near the top of the curve of early majority or late majority adopter of technologies. Therefore, the useful life of digital collections has changed to 15 years and the change is applied prospectively from 1 July 2023. The impact of this change in estimate is an additional amortisation expense of \$2.961 million in 2023/24 and \$1.733 million thereafter.

Digital collections are included in internally generated intangible assets.

Impairment of internally generated intangible assets

The Department has applied critical assumptions when assessing whether an intangible asset is impaired and/or to be derecognised in part or in full. In 2023/24, a decision to halt the development of an intangible asset related to the Te Ara Manaaki project led to an assessment that the component asset in its current state could no longer provide future economic benefits. The total value of \$22.915 million has thus been impaired.

In making this assessment, it was determined that certain cost components of the project, such as the design works and a variety of new testing and delivery framework totalling \$5.427 million, could be reusable and have the potential to generate business value. However, the full project costs, including those that could be potentially reused, have been impaired due to the following:

- There are currently no options to reuse these assets in the medium term, and
- The reusable cost components do not have to provide economic benefits on their own. They can only do so if additional work occurs to create a working asset.

Movement of intangible assets and further information

Movements in the carrying value for each class of intangible asset are as follows:

2024	Software acquired \$000	Internally generated intangible assets \$000	Balance at 30 June \$000
Cost			
Balance at 1 July	23,521	341,350	364,871
Additions	-	46,635	46,635
Impairment	-	(22,915)	(22,915)
Disposals	(3,027)	(6,006)	(9,033)
Transfers	-	1,010	1,010
Total software cost at 30 June 2024	20,494	360,074	380,568
Accumulated amortisation			
Balance at 1 July	20,587	132,147	152,734
Amortisation	1,180	27,869	29,049
Disposals	(3,027)	(5,448)	(8,475)
Total accumulated amortisation at 30 June 2024	18,740	154,568	173,308
Net carrying value at 30 June 2024	1,754	205,506	207,260

2023	Software acquired \$000	Internally generated intangible assets \$000	Balance at 30 June \$000
Cost			
Balance at 1 July	43,421	326,637	370,058
Additions	-	51,564	51,564
Impairments	-	(2,439)	(2,439)
Disposals	(12,508)	(47,570)	(60,078)
Transfers	(7,392)	13,158	5,766
Total software cost at 30 June 2023	23,521	341,350	364,871
Accumulated amortisation			
Balance at 1 July	31,442	153,783	185,225
Amortisation	1,588	25,869	27,457
Disposals	(12,443)	(47,505)	(59,948)
Total accumulated amortisation at 30 June 2023	20,587	132,147	152,734
Net carrying value at 30 June 2023	2,934	209,203	212,137

Capital work in progress

The total amount of capital work in progress is \$29.579 million (2022/23: \$81.273 million).

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.

9. 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. Refer to Note 4 for the accounting policy on measurement and recognition of lease incentives.

Revenue received in advance

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.

The majority of the Department's revenue received in advance consists of advance payments received for passport, death, marriage, civil unions, citizenship and gaming licence fees.

Breakdown of creditors and other payables

Actual 2023 \$000		Actual 2024 \$000
Creditors and other payables under exchange transactions		
2,970	Creditors	4,389
45,503	Accrued expenses	26,282
23,859	Revenue received in advance	22,368
4,653	Deferred lease incentives	4,071
Creditors and other payables under non-exchange transactions		
4,371	GST payable	2,283
81,356	Total creditors and other payables	59,393

Creditors are non-interest bearing and are normally settled on 30-day terms.

10. 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 2023 \$000		Actual 2024 \$000
Current provisions		
502	Restructuring	5,934
-	- Lease make good	50
-	- Onerous contracts	164

Actual 2023 \$000	Actual 2024 \$000
168 Other	293
670 Total current provisions	6,441
Non-current provisions	
136 Lease make good	136
136 Total non-current provisions	136
806 Total provisions	6,577

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 Budget 2024 Baseline Reduction Exercise resulted in organisational changes across the Department. Restructuring provision includes those direct expenditure necessarily entailed by the restructuring and not associated with the ongoing activities of the Department.

During the year, the Department has provided an additional restructuring expense of \$5.810 million while prior year provisions paid this year and unused provision amounted to \$0.378 million.

Lease make good

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.

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 its obligations under the Act going forward and addresses historical short payments to current and former employees.

11. 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 2023 \$000		Actual 2024 \$000
	Current entitlements	
13,988	Accrued salaries	17,197
18,416	Annual leave	17,537
953	Long service and retirement leave	975
33,357	Total current entitlements	35,709
	Non-current entitlements	
3,012	Long service and retirement leave	3,348
3,012	Total non-current entitlements	3,348
36,369	Total entitlements	39,057

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 2023 %		Actual 2024 %
	Discount rate	
4.50	Long service leave	4.57
5.30	Retirement leave	5.30
	Salary inflation factor	
3.01	Salary inflation	3.33

The following table provides a sensitivity analysis for the key assumptions:

	DISCOUNT RATE		SALARY INFLATION FACTOR	
	- 1.0%	+ 1.0%	- 1.0%	+ 1.0%
Long service leave				
2024	194,000	(175,000)	(179,000)	195,000
2023	169,000	(153,000)	(156,000)	170,000

Capital structure and financing costs

12. 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 cost is recognised in the Statement of comprehensive revenue and expense over the lease period on a diminishing-value basis. The finance cost 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 7), 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 2023 \$000		Actual 2024 \$000
	Total minimum lease payments payable	
904	Not later than one year	904
3,616	Later than one year and not later than five years	3,616
6,180	Later than five years	5,277
10,700	Total minimum lease payments	9,797
	Future charges	
(446)	Not later than one year	(418)
(1,485)	Later than one year and not later than five years	(1,354)
(1,122)	Later than five years	(834)
(3,053)	Total future charges	(2,606)
	Present value of minimum lease payments payable	
458	Not later than one year	486
2,131	Later than one year and not later than five years	2,263
5,058	Later than five years	4,442
7,647	Total present value of minimum lease payments	7,191
	Represented by:	
458	Current	486
7,189	Non-current	6,705
7,647	Total finance leases	7,191

The net carrying amount of the leased assets within property, plant and equipment is shown in Note 7.

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.

The total finance cost on finance leases for 2023/24 was \$0.446 million (2022/23: \$0.473 million).

Unrecognised estimated finance lease yet to commence

Actual 2023 \$000		Actual 2024 \$000
Unrecognised estimated total minimum lease payments payable		
57,056	Later than one year and not later than five years	71,206
633,121	Later than five years	618,971
690,177	Unrecognised total minimum lease payments	690,177

In August 2019, the Department entered into a conditional Development Agreement (the Agreement) with PSPIB/CPIIB 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 \$246.375 million (2022/23: \$250.395 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 7.9% (2022/23: 7.75%). 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.

13. 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 impact of land and buildings and works of art and antiques to fair value.

Return of operating surplus to the Crown

As general government policy, the Department is not permitted to retain any operating surplus except for the balances retained in memorandum accounts. For the year ending 30 June 2024, the Department's return of operating surplus to the Crown was \$25.544 million (2023: \$39.196 million) excluding memorandum accounts' net deficit of \$34.809 million (2022/23: \$20.329 million net deficit).

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

Capital charge

The Department pays 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.

The capital charge rate for the year ended 30 June 2024 was 5% per annum (2022/23: 5%).

Breakdown of equity and further information

Actual 2023 \$000		Note	Actual 2024 \$000
Taxpayers' funds			
372,757	Opening balance 1 July		445,367
18,867	Operating surplus/(deficit) for the year		(9,267)
20,329	Transfer of memorandum account net (surplus)/deficit for the year	5	34,809
77,923	Capital injections	14	121,271
(5,313)	Capital withdrawals	14	(37,972)
(39,196)	Return of operating surplus to the Crown		(25,544)
445,367	Balance at 30 June		528,664
Memorandum accounts			
(6,026)	Opening balance 1 July		(2,855)
(20,329)	Net memorandum account surplus/(deficit) for the year		(34,809)
23,500	Capital injections	14	70,500
(2,855)	Balance at 30 June	5	32,836
Revaluation reserves			
91,877	Opening balance 1 July		93,139
1,262	Revaluation gains/(losses)	7	-
93,139	Balance at 30 June		93,139
Revaluation reserves consist of:			
23,184	Land revaluation reserve		23,184
67,983	Building revaluation reserve		67,983
1,972	Antiques and works of art revaluation reserve		1,972
93,139	Total revaluation reserves		93,139

14. Capital injections and withdrawals

Actual 2023 \$000		Actual 2024 \$000
Capital Injections		
55,252	Modernising Civil Registration and Enabling Identity Services	71,981
23,500	Continuing the issuance of passports to New Zealand Citizens	70,500
14,275	Tāhuhu: Preserving the Nation's Memory Programme	46,073
4,630	Meeting Core Statutory Responsibilities	-
2,676	RealMe	2,683
940	Core Government trusted domain	-
130	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	-

Actual 2023 \$000	Actual 2024 \$000
20 State Sector Decarbonisation	284
- 2023 General Election Transition Support for the Executive	250
101,423 Total capital injections	191,771
Capital Withdrawals	
- Modernising Civil Registration and Enabling Identity Services	(37,972)
(820) Software as a Service - Capital to Operating Swap	-
(4,493) Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	-
(5,313) Total capital withdrawals	(37,972)

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

15. Financial instruments and risk 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 12.

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 the Department's 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.

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
2024						
Creditors and other payables	9	30,671	30,671	-	-	-
Finance lease	12	9,797	452	452	3,616	5,277
2023						
Creditors and other payables	9	48,473	48,473	-	-	-
Finance lease	12	10,700	452	452	3,616	6,180

The Department had no forward exchange contracts outstanding at 30 June 2024 (2022/23: 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 2023 \$000		Note	Actual 2024 \$000
Financial assets at amortised cost			
80,828	Cash and cash equivalents		70,931
62,667	Debtor Crown		145,108
27,809	Debtors and other receivables	6	20,785
171,304	Total financial assets at amortised cost		236,824
Financial liabilities measured at amortised cost			
48,473	Creditors and other payables	9	30,671
7,647	Finance leases	12	7,191
56,120	Total financial liabilities measured at amortised cost		37,862

The carrying value of financial assets and financial liabilities approximates their fair value.

Other disclosures

16. 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 2024.

The Foundation had total revenue of \$0.421 million (2022/23: \$0.371 million) and a net income of \$0.023 million (2022/23: net loss of \$0.207 million). The Foundation had assets of \$1.084 million (2022/23: \$1.492 million) and liabilities of \$0.453 million (2022/23: \$0.950 million).

The unspent funds relating to the Communities of Readers programme in partnership with the National Library of New Zealand as of 30 June 2024 were \$0.236 million (2023: \$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 an 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.

17. Interdepartmental executive board results

The Digital Executive Board (DEB) was established in August 2022 by Order in Council. The Order in Council named the Board as an interdepartmental executive board under Schedule 2 Part 3 of the Public Service Act 2020. The DEB leads and drives a whole-of-system approach to transform digital public services and support digitisation and integration of public services around common citizens, clients, and customers. It is responsible for aligning and coordinating activities across the public service where there are shared digital interests.

The nature of this arrangement means that while the DEB is a separate departmental operating unit within the Department, it is functionally independent with separate reporting lines. The Department's financial statements include the operations of the DEB and 2023/24 is its first full year of operation.

The DEB is funded within Vote Internal Affairs baselines.

In summary, the DEB's operating expenses for the year ended 30 June 2024 were as follows:

Actual 2023 \$000	Actual 2024 \$000
Personnel costs	
170 Salaries and wages	46
69 Contractors	-
2 Other	2
241 Total personnel costs	48

Actual 2023 \$000	Actual 2024 \$000
Other expenses	
1 Consultants	-
4 Other operating expenses	-
5 Total other expenses	-
246 Total expenses	48

18. 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

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.

There are no related party transactions that are required to be disclosed for the year ended 30 June 2024 (2022/23: Nil).

Transactions with key management personnel and their close family members

Key management personnel compensation

Actual 2023	Actual 2024
Leadership team, including the Chief Executive	
3,332 Remuneration (\$000)	3,824
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 was no relationship with key management personnel.

19. Explanation of significant variances against budget

Statement of comprehensive revenue and expense

Variations between 2023/24 actuals and unaudited budget

The following major budget variances occurred between the 2023/24 actuals and the 2023/24 unaudited budget.

	Actual	Unaudited Budget	Variance	Variance
	2024	2024		
	\$000	\$000	\$000	%
Other revenue	212,341	173,091	39,250	23
Personnel costs	363,115	324,896	38,219	12
Depreciation, amortisation and impairment	76,358	53,141	23,217	44
Other operating expenses	220,238	273,270	(53,032)	(19)

Explanations for significant variances between the 2023/24 actuals and unaudited budget are detailed below:

Other revenue

Other revenue was \$39.250 million higher than unaudited budget mainly due to the return in deferred demand for Passport products, an increase in Lead Agency Fees for Common Capabilities Framework, Marketplace Services and the expense recoveries relating to the Northern Water Services Entity.

Personnel costs

Personnel costs were \$38.219 million higher than unaudited budget mainly due to:

- restructuring costs associated with implementation of the Budget 2024 baseline reduction initiatives,
- costs associated with the increased demand for Passport and other identity services products, and
- the impact of the Public Sector Pay Adjustment (PSPA).

Depreciation, amortisation and impairment

Depreciation, amortisation and impairment were \$23.217 million higher than unaudited budget due to the impairment of project in progress relating to Te Ara Manaaki programme.

Other operating expenses

Other operating expenses were \$53.032 million lower than unaudited budget due to lower actual costs incurred in consultants and outsourcing contracts and other operating costs as a result of the repeal of the previous Government's Three Waters Programme. This is partially offset by the write-off of project in progress relating to Te Ara Tahī programme.

Statement of financial position

Variations between 2023/24 actuals and the unaudited budget

The following major budget variances occurred between the 2023/24 actuals and the 2023/24 unaudited budget.

	Actual	Unaudited Budget	Variance	Variance
	2024	2024		
	\$000	\$000	\$000	%
Current assets	249,938	209,007	40,931	20%
Non-current assets	542,463	611,024	(68,561)	(11%)
Current liabilities	127,573	90,557	37,016	41%

Explanations for significant variances between the 2023/24 actuals and unaudited budget are detailed below:

Current assets

Current assets were \$40.931 million higher than unaudited budget due a higher cash balance arising from:

- the drawdown of funding to support the continuing issuance of passports to New Zealand citizens occurring at the end of the year,
- the additional revenue from increased demand for passports and other identity products, and
- the operating surplus generated in 2023/24 which will be repaid to the Crown in 2024/25.

Non-current assets

Non-current assets were \$68.561 million lower than unaudited budget due to:

- lower spend in Te Ara Tahi programme due to phasing and the write-off of capital work in progress, and
- write-off of the capital expenditure incurred on the Civil Registration System replacement project, following termination. The project was part of the Te Ara Manaaki programme.

Current liabilities

Current liabilities were \$37.016 million higher than unaudited budget mainly due to:

- provision for repayment of operating surplus not budgeted for,
- restructuring provision associated with implementation of the Budget 2024 baseline reduction initiative not budgeted for, and
- higher accrued salaries at year-end.

20. Significant events after balance date

Fiscal Sustainability Programme

The Department is facing significant fiscal challenges as well as greater ministerial expectations around efficiency and performance. Over the next four years and beyond, the Department is forecasting that costs will exceed its budget. In response, the Te Tari Fiscal Sustainability Programme (the Programme) has been established to take the necessary steps to reset and resize the Department's organisational structure to ensure we are better positioned for the future while continuing to deliver on the outcomes framework. This work will be delivered in phases.

The first phase proposes a new organisational structure for the Department. A consultation document was issued on 29 August 2024. At the core of the proposal are changes to the branch and leadership structures to save money, better align functions, strengthen lines of accountability and creates opportunities for future efficiencies. The final decisions will be announced on 30 October 2024.

There will be a second phase of change in 2025. This is currently being scoped, but likely to include addressing spans of control for managers, and duplication between roles in the new branches and between branches.

The Programme is also reviewing the Department's corporate services and assessing the efficiency of support services within branches to achieve further cost savings.

On 9 September 2024, the Programme also initiated an independent review of programmes and services, to see where the Department can innovate, scale back or stop some things to reduce its cost structure. A report with findings and recommendations will be delivered in late 2024 with implementation during 2025.

Non-Departmental statements and schedules

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.

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Schedule of non-Departmental revenue

for the year ended 30 June 2024

Actual		Actual	Unaudited Budget	Unaudited Revised Budget
2023		2024	2024	2024
\$000		\$000	\$000	\$000
Operating revenue				
1,544	Donations received	1,019	1,000	1,000
3,648	Fines, penalties and levies	4,376	-	-
332	Refunds of unspent grants	87	-	-
246	Dividends received	344	-	-
498	Interest received	318	719	719
6,268	Total operating revenue	6,144	1,719	1,719

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 2024.

Schedule of non-Departmental expenditure

for the year ended 30 June 2024

Actual		Actual	Unaudited Budget	Unaudited Revised Budget
2023		2024	2024	2024
\$000		\$000	\$000	\$000
Operating revenue				
25,059	Personnel and travel expenses - members of the Executive Council, former Governors-General and Prime Ministers	24,689	25,088	25,160
235,358	Water Services Reform grants and subsidies	207,749	211,404	196,039
137,000	Sediment and Debris Management Support grants	118,600	35,000	118,600
84,083	GST input expense	90,845	104,920	90,624
83,497	Expenses to establish Water Services Entities	153,019	411,791	155,744
65,333	Rates Rebate Scheme	71,348	70,000	78,000
58,209	Other grants and subsidies	63,358	60,014	63,808
7,505	Other expenses	3,070	8,181	6,180
2,558	Depreciation	2,549	2,642	2,642
698,602	Total operating expenses	735,227	929,040	736,797

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 2024.

Schedule of non-Departmental assets

as at 30 June 2024

This schedule summarises the assets which the Department administers on behalf of the Crown.

Actual		Note	Actual	Unaudited Budget	Unaudited Revised Budget
2023			2024	2024	2024
\$000			\$000	\$000	\$000
Current assets					
99,676	Cash and cash equivalents		41,390	71,899	77,807
11,100	Receivables and prepayments	2	719	100	600
12,211	Receivable – repayable equity	9	12,412	12,412	12,412
122,987	Total current assets		54,521	84,411	90,819
Non-current assets					
3	Debtors and other receivables	2	3	93	53
21,166	Investment in associate	3	22,638	30,283	21,166
78,516	Property, plant and equipment	4	85,761	75,955	76,025
1,421,685	Heritage collections	4	1,405,117	1,642,756	1,427,578
-	Intangible assets – heritage collections	4	16,084	-	-
26,204	Receivable – repayable equity	9	13,321	37,505	37,505
1,547,574	Total non-current assets		1,542,924	1,786,592	1,562,327
1,670,561	Total non-Departmental assets		1,597,445	1,871,003	1,653,146

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 2024.

Schedule of non-Departmental liabilities

as at 30 June 2024

This schedule summarises the liabilities which the Department administers on behalf of the Crown.

Actual		Note	Actual	Unaudited	Unaudited
2023			2024	Budget	Revised
\$000			\$000	2024	Budget
				\$000	2024
				\$000	\$000
Current liabilities					
43,896	Creditors and other payables	5	30,907	27,759	31,485
1,312	Provisions	7	6,260	1,312	1,312
45,208	Total current liabilities		37,167	29,071	32,797
Non-current liabilities					
13,193	Provisions	7	13,726	13,193	13,193
13,193	Total non-current liabilities		13,726	13,193	13,193
58,401	Total non-Departmental liabilities		50,893	42,264	45,990

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 2024.

Schedule of non-Departmental commitments

as at 30 June 2024

The Department, on behalf of the Crown, had no capital or operating commitments that had not been paid for or not recognised as a liability, as at 30 June 2024.

Schedule of non-Departmental contingent assets and liabilities

as at 30 June 2024

Quantifiable contingent assets

As at 30 June 2024, there were no quantifiable contingent assets (2022/23: nil).

Unquantifiable contingent assets

As at 30 June 2024, there were no unquantifiable contingent assets (2022/23: nil).

Quantifiable contingent liabilities

As at 30 June 2024, there were no quantifiable contingent liabilities (2022/23: nil).

Unquantifiable contingent liabilities

As at 30 June 2024, there was no unquantifiable contingent liabilities relating to legal action (2022/23: one).

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 2024.

Statement of trust money administered on behalf of the Crown

for the year ended 30 June 2024

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 2024, 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's objectives. As at 30 June 2024, 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 Appeal Trust

The Cyclone Gabrielle Appeal 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.

2024	Opening Balance 1 July \$000	Contributions \$000	Distributions \$000	Revenue \$000	Expenses \$000	Closing Balance 30 June \$000
Christchurch Earthquake Appeal Trust	-	-	-	-	-	-
Inter-Loan Billing System Fund	34	-	-	162	(161)	35
Cyclone Gabrielle Charitable Trust	13,603	35	-	778	-	14,416
Total trusts	13,637	35	-	940	(161)	14,451
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

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 2024.

Notes to the financial statements

Basis of reporting

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 2024 with comparative figures for the year ended 30 June 2023.

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 2024 budget figures (Unaudited Budget 2024) are for the year ended 30 June 2024, which 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 the year ending 30 June 2024.

The 2023/24 unaudited revised budget figures (Unaudited Revised Budget 2024) are for the year ended 30 June 2024. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the Supplementary Estimates of Appropriations (Supps 2024) for the year ending 30 June 2024.

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 collection (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.

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 2023 \$000		Actual 2024 \$000
1,491	Receivables (current)	69
9,609	Prepayments (current)	650
3	Receivables (non-current)	3
11,103	Total receivables and prepayments	722

3. Investment in associate

Accounting policy

Where the Department, on behalf of the Crown, holds a non-controlling minority interest, the investment is 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 2024 were \$113.191 million (2022/23: \$105.832 million). The Crown's share of the net assets is \$22.638 million (2022/23: \$21.166 million).

The summarised financial information of the LGFA is:

Actual 2023 \$000		Actual 2024 \$000
763,585	Revenue	1,213,259
18,174,645	Assets	23,507,816
18,068,813	Liabilities	23,394,625
2,490	Net surplus/(deficit)	10,050
-	Other comprehensive revenue and expense	(994)

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 heritage collections

Property, plant and equipment and tangible heritage collections

Accounting policies

Recognition and measurement

Items of property, plant and equipment and heritage collections (or 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 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 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.

Desktop valuations are carried out for property, plant and equipment and tangible heritage collections when they are outside the revaluation cycle to ensure their fair value did not differ materially from carrying value.

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 tangible 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 tangible heritage collections

Non-exceptional Archives New Zealand tangible 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/Te Tiriti o 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

2024

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	64,634	44	2,670	-	-	67,348
Land	13,570	-	-	-	-	13,570
Total cost property, plant and equipment	83,434	44	2,670	-	-	86,148
Heritage collections						
Archives New Zealand heritage collection	536,679	234	-	-	(2,697)	534,216
Total value Archives New Zealand heritage collection	536,679	234	-	-	(2,697)	534,216
<i>Alexander Turnbull Library heritage collections</i>						
Archive of New Zealand music	1,906	-	-	-	-	1,906
Cartographic	92,288	-	-	-	-	92,288
Cartoon	3,118	2	-	-	-	3,120
Children's historical	90	-	-	-	-	90
Digital	15,548	3,311	(6,047)	-	(12,812)	-
Drawings and prints	243,528	-	-	-	-	243,528
Ephemera	12,555	407	-	-	228	13,190

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/re- classification \$000	Balance at 30 June \$000
Formed	1,381	-	-	-	(191)	1,190
General	6,513	1	-	-	19	6,533
Manuscripts/archives	168,945	22	-	-	-	168,967
Multi-format	1,884	212	-	-	(1,236)	860
Music	878	60	-	-	35	973
New Zealand and Pacific	10,501	439	-	-	207	11,147
Newspapers	857	2	-	-	20	879
Oral history	34,106	594	-	-	214	34,914
Photographic	29,830	33	-	-	-	29,863
Rare books and fine prints	222,606	2	-	-	83	222,691
Serials	10,786	244	-	-	46	11,076
Short title	27,686	-	-	-	-	27,686
Total value Alexander Turnbull Library heritage collections	885,006	5,329	(6,047)	-	(13,387)	870,901
Total value heritage collections	1,421,685	5,563	(6,047)	-	(16,084)	1,405,117
Total cost/value	1,505,119	5,607	(3,377)	-	(16,084)	1,491,265

2024

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	191	-	-	-	387
Boating facilities	4,722	2,358	(7,080)	-	-	-
Total accumulated depreciation property, plant and equipment	4,918	2,549	(7,080)	-	-	387

Asset class	Balance at 1 July \$000	Depreciation \$000	Revaluation/ Impairments \$000	Net Additions/ (Net Disposals) \$000	Transfers/re- classification \$000	Balance at 30 June \$000
Net carrying value						
Residential buildings	5,034	(191)	-	-	-	4,843
Boating facilities	59,912	(2,358)	9,750	44	-	67,348
Land	13,570	-	-	-	-	13,570
Heritage collections	1,421,685	-	(6,047)	5,563	(16,084)	1,405,117
Total net carrying value	1,500,201	(2,549)	3,703	5,607	(16,084)	1,490,878

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

Asset class	Balance at 1 July \$000	Additions \$000	Revaluation/ Impairments \$000	Disposals \$000	Transfers/re- classification \$000	Balance at 30 June \$000
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
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	Net Additions/ (Net 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

Capital work in progress

The total amount of property, plant and equipment under construction is \$5.222 million (2022/23: \$2.213 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 \$18.413 million (2022/23: \$18.622 million).

Intangible assets - heritage collections

Accounting policies

Intangible assets - heritage collections (intangible heritage collections or digital collections) are born-digital collections and holdings that are recognised at cost upon acquisition. Intangible heritage collections acquired through a non-exchange transaction, such as through donation or acquisition by legal requirements, are recognised at fair value at the date of acquisition.

Intangible heritage collections consist of paintings, prints, drawings, manuscripts, photographs, oral history, maps, ephemera and music. These digital collections have an indefinite useful life as they are required to be kept in perpetuity by the Department. They are required to be tested for impairment annually.

An impaired intangible heritage collection'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 Schedule of non-Departmental expenditure.

In determining the assets' recoverable service amount, the Department referred to the assets' replacement cost. The following has been included in calculating the replacement cost per unit:

- 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 12 months, and
- For staff working fully on digital assets, their salaries were apportioned based on the quantities assigned to each digital asset category for assets collected in the last 12 months.

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 2024.

Movement of intangible assets – heritage collections and further information

Actual 2023 \$000		Actual 2024 \$000
Intangible assets – heritage collections		
-	Balance at 1 July	-
-	Transfer	16,084
-	Additions	-
-	Total intangible assets – heritage collections	16,084

As at 30 June 2024, the total replacement cost of intangible heritage collections is higher than its carrying amount, therefore, no impairment was recognised.

5. Creditors and other payables

Actual 2023 \$000		Actual 2024 \$000
Creditors and other payables under exchange transactions		
43,896	Accrued expenses	30,907
43,896	Total creditors and other payables	30,907

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 2023 \$000		Note	Actual 2024 \$000
Financial assets at amortised cost			
99,676	Cash and cash equivalents		41,390
1,494	Receivables	2	72
38,415	Receivable – repayable equity	9	25,733
139,585	Total financial assets at amortised cost		67,195
Financial liabilities measured at amortised cost			
43,896	Creditors and other payables	5	30,907
43,896	Total financial liabilities measured at amortised cost		30,907

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 2024 because the estimated credit losses are trivial (30 June 2023: 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
2024						
Creditors and other payables	5	30,907	30,907	-	-	-
2023						
Creditors and other payables		43,896	43,896	-	-	-

7. Provisions

Provision for future benefits payable to former Governors-General and Prime Ministers

The balance of the provisions account includes 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.

	2024	2023
Discount rate	4.82%	4.63%
Consumer price index	2.00%	2.00%

Other provisions

Provisions also include the impact of onerous leases and other costs from onerous contracts including those related to the previous Government's Three Waters Programme.

8. Revaluation of property, plant and equipment and heritage collections

2024	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	9,750	19,387
Heritage collections	240,156	(6,047)	234,109
Total revaluation reserves	262,522	3,703	266,225

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

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 2024, with the valuations being effective from 30 June 2024, by RS Valuation Limited, a Licensed Real Estate Agent (REAA 2008) and registered independent valuer. The next valuation will be effective from 30 June 2027, in line with the Department's accounting policy.

Archives New Zealand tangible heritage collections

The Archives New Zealand tangible heritage collections, the Treaty of Waitangi/Te Tiriti o 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 tangible heritage collections

The Alexander Turnbull Library tangible 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.

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 2023 \$000		Actual 2024 \$000
50,917	Balance at 1 July	38,415
(13,000)	Repayment of repayable equity	(13,000)
498	Interest unwind	318
38,415	Carrying value at 30 June	25,733
	Current and non-current apportionment	
12,211	Repayable equity – current	12,412
26,204	Repayable equity – non-current	13,321
38,415	Carrying value repayable equity	25,733

Further information

FENZ repaid \$13 million to the Department in 2023/24 (2022/23: \$13 million).

The fair value of the repayable equity is \$25.733 million (2022/23: \$38.415 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 2023/24 actuals and the unaudited budget

The following major budget variances occurred between the 2023/24 actuals and the 2023/24 unaudited budget.

	Actual 2024 \$000	Unaudited Budget 2024 \$000	Variance \$000	Variance %
Schedule of non-Departmental revenue				
Total operating revenue	6,144	1,719	4,425	257
Schedule of non-Departmental revenue				
Total operating expenses	735,227	929,040	(193,813)	(21)

Explanations for significant variances between the 2023/24 actuals and unaudited budget are detailed below:

Operating revenue

Operating revenue was \$4.425 million higher than unaudited budget mainly due to unbudgeted revenue received from overseas betting agencies under the offshore betting regime, grant refunds, dividends and interest.

Operating expenses

Operating expenses were \$193.813 million lower than unaudited budget mainly due to the change in Government policy in respect of the Three Waters Programme. This was partially offset by increased expenditure for sediment and debris management grants.

Schedule of non-Departmental assets and liabilities

Variations between 2023/24 actuals and the unaudited budget

The following major budget variances occurred between the 2023/24 actuals and the 2023/24 unaudited budget.

	Actual 2024 \$000	Unaudited Budget 2024 \$000	Variance \$000	Variance %
Schedule of non-Departmental assets				
Cash and cash equivalents	41,390	71,899	(30,509)	42
Schedule of non-Departmental liabilities				
Creditors and other payables	50,893	42,264	8,629	20

Explanations for significant variances between the 2023/24 actuals and unaudited budget are detailed below:

Cash and cash equivalents

Cash and cash equivalents were \$30.509 million lower than unaudited budget as more funding was expected to be set aside for the Three Waters Programme at the end of the year when the budget was prepared. However, the repeal of the previous Government's Three Waters Programme meant that lower supplier payments were expected subsequent to the end of the year resulting in lower cash drawn down as at 30 June 2024.

Creditors and other payables

Creditors and other payables were \$8.629 million higher than unaudited budget due to the additional accruals for Community-led Development Programme, Better Off Support Package payments to councils, and the rental settlements associated with the repeal of the Three Waters Programme.

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) and the Governor-General Act 2010. 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 statute. The total fee is calculated according to the entitlements of each individual, irrespective 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 Members of Parliament (Remuneration and Services) Act 2013.

Former Governors-General

2024	FBT \$	Airfares \$	Surface Travel \$	Total \$
Lady Beverley Reeves	-	-	321	321
The Rt Hon Sir Michael Hardie Boys	-	-	-	-
The Hon Dame Silvia Cartwright	2,026	1,622	1,016	4,664
The Rt Hon Sir Anand Satyanand	4,503	2,810	179	7,492
Lt Gen the Rt Hon Sir Jerry Mateparae	3,634	3,500	153	7,287
The Rt Hon Dame Patsy Reddy	1,571	2,866	168	4,605
VIPT Availability fee	-	-	18,800	18,800
Total	11,734	10,798	20,637	43,169

2023	FBT \$	Airfares \$	Surface Travel \$	Total \$
Lady Beverley Reeves	-	-	-	-
The Rt Hon Sir Michael Hardie Boys	-	-	425	425
The Hon Dame Silvia Cartwright	1,389	1,753	1,584	4,726
The Rt Hon Sir Anand Satyanand	135	2,628	367	3,130
Lt Gen the Rt Hon Sir Jerry Mateparae	4,859	9,299	119	14,277
The Rt Hon Dame Patsy Reddy	5,160	8,364	818	14,342
VIPT Availability fee	-	-	14,256	14,256
Total	11,543	22,044	17,569	51,156

Former Prime Ministers

2024	FBT \$	Airfares \$	Surface Travel \$	Total \$
Lady Glen Rowling	-	-	-	-
Margaret Pope	-	-	-	-
Yvonne Moore	7,456	-	1,468	8,924
The Rt Hon Sir Geoffrey Palmer	11,495	2,130	139	13,764
The Rt Hon Jim Bolger	13,331	2,803	5,078	21,212
The Rt Hon Dame Jenny Shipley	17,986	9,420	5,822	33,228
The Rt Hon Helen Clark	7,386	2,327	2,587	12,300
The Rt Hon Sir John Key	-	-	56	56
The Rt Hon Sir Bill English	9,171	-	359	9,530
The Rt Hon Dame Jacinda Ardern	9,057	-	-	9,057
The Rt Hon Chris Hipkins	2,860	-	-	2,860
VIPT Availability fee	-	-	247,119	247,119
Total	78,742	16,680	262,628	358,050

2023	FBT \$	Airfares \$	Surface Travel \$	Total \$
Lady Glen Rowling	-	-	-	-
Margaret Pope	-	-	-	-
Yvonne Moore	6,135	-	1,946	8,081
The Rt Hon Sir Geoffrey Palmer	10,577	1,824	818	13,219
The Rt Hon Jim Bolger	11,802	7,336	6,168	25,306
The Rt Hon Dame Jenny Shipley	16,444	11,736	3,961	32,141
The Rt Hon Helen Clark	9,793	5,161	7,318	22,272
The Rt Hon Sir John Key	-	-	56	56
The Rt Hon Sir Bill English	8,847	-	1,158	10,005
The Rt Hon Dame Jacinda Ardern	1,606	-	503	2,109
VIPT Availability fee	-	-	208,274	208,274
Total	65,204	26,057	230,202	321,463

The VIPT availability fee was previously reported per entitled user. This has been updated to an aggregated figure for each user group to reflect the nature of the fee, which is applied regardless of whether this entitlement is taken up by an individual user.

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 2024. They are prepared on a GST exclusive basis.

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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 2024, direct costs accounted for 82% of the Department's costs and indirect costs accounted for 18% (2022/23: 80% and 20%).

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 2024

Annual and permanent appropriations for Vote Internal Affairs

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Vote Internal Affairs						
Departmental Output Expenses						
					-	
3,035	Contestable Services RDA	2,496	-	2,496	3,200	Page 174
184	Digital Safety Initiatives for the Pacific MYA	233	-	233	259	Page 175
103,028	Local Government Policy and Related Services	73,504	-	73,504	79,634	Page 176
36,162	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 - Operations	17,947	-	17,947	18,294	Page 177
9,400	Tāhuhu - Preserving the Nation's Memory MYA	17,805	-	17,805	19,429	Page 178
151,809	Total Departmental Output Expenses	111,985	-	111,985	120,816	
Departmental Other Expenses						
2,439	Software as a Service intangible asset derecognition (write-off)	-	-	-	-	
2,439	Total Departmental Other Expenses	-	-	-	-	
Departmental Capital Expenditure						
86,909	Department of Internal Affairs - Capital Expenditure PLA	112,313	-	112,313	110,000	Page 178
86,909	Total Departmental Capital Expenditure	112,313	-	112,313	110,000	
Non-Departmental Output Expenses						
3,201	Classification of Films, Videos and Publications	3,478	-	3,478	3,478	Page 179
10,000	Fire and Emergency New Zealand – Public Good Services	10,000	-	10,000	10,000	Page 179
13,201	Total Non-Departmental Output Expenses	13,478	-	13,478	13,478	
Benefits or Related Expenses						
65,333	Rates Rebate Scheme	71,348	-	71,348	78,000	**
65,333	Total Benefits or Related Expenses	71,348	-	71,348	78,000	

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Non-Departmental Other Expenses						
1,732	Chatham Islands Wharves – Operational Costs	1,701	-	1,701	3,139	**
111	Debt Write-down	-	-	-	-	**
10,181	Executive Council and Members of the Executive - Salaries and Allowances PLA	10,413	-	10,413	11,360	**
521	Former Governors-General - Annuities and Other Payments PLA	146	342	488	608	**
246	Former Prime Ministers - Annuities PLA	317	(8)	309	314	**
323	Former Prime Ministers - Domestic Travel PLA	1,273	(915)	358	481	**
21,068	Grants for Water Infrastructure and Delivery	-	-	-	-	
2,642	Miscellaneous Grants - Internal Affairs	1,150	-	1,150	1,299	Page 180
990	Racing Safety Development Fund	990	-	990	990	**
1,380	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	-	-	-	-	
2,706	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	-	-	-	-	
2,154	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	-	-	-	-	
-	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Non-Departmental Operating Expenses	1,156	-	1,156	2,026	Page 181
8,550	Rural Drinking Water Supplies	20,000	-	20,000	20,000	Page 181
2,914	Supporting Local Government with Natural Hazard Events	5,380	-	5,380	5,422	Page 182
1,500	Tūwharetoa Māori Trust Board PLA	1,864	-	1,864	1,812	**
132,431	Water Services Reform: Better Off Support Package MYA	141,423	-	141,423	119,310	Page 183
189,449	Total Non-Departmental Other Expenses	185,813	(581)	185,232	166,761	
Non-Departmental Capital Expenditure						
25,400	Fire and Emergency New Zealand - Loans MYA	25,000	-	25,000	25,000	Page 183
25,400	Total Non-Departmental Capital Expenditure	25,000	-	25,000	25,000	

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Multi-Category Expenses and Capital Expenditure Appropriations (MCA)						
Civic Information Services MCA						
Departmental Output Expenses						
177,637	Managing and Accessing Identity Information	215,367	-	215,367	238,506	Page 186
739	Publishing Civic Information	1,013	-	1,013	1,112	Page 186
Non-Departmental Output Expenses						
116	Development of On-line Authentication Services	116	-	116	116	Page 187
178,492	Total Civic Information Services MCA	216,496	-	216,496	239,734	
Community Development and Funding Schemes MCA						
Departmental Output Expenses						
2,890	Administration of Grants	2,904	-	2,904	3,065	Page 188
4,713	Community Development and Engagement Advice	5,153	-	5,153	5,188	Page 188
Non-Departmental Other Expenses						
500	Building Community Capability	-	-	-	-	**
1,932	Community and Volunteering Capability Fund	2,927	-	2,927	2,933	**
5,063	Community Development Scheme	6,898	-	6,898	6,898	Page 189
12,481	Community Organisation Grants Scheme	12,472	-	12,472	12,500	Page 189
200	Disarmament Education Grants	200	-	200	200	**
671	Preventing and Countering Violent Extremism	1,524	-	1,524	1,575	**
1,528	Safer Communities Fund	1,000	-	1,000	1,000	**
29,978	Total Community Development and Funding Schemes MCA	33,078	-	33,078	33,359	
Establishment of Water Services Entities MCA						
Departmental Output Expenses						
10,651	Managing the Establishment of Water Services Entities	-	-	-	-	
Non-Departmental Output Expenses						
83,497	Establishing Water Services Entities	146,076	-	146,076	148,644	Page 190
-	Water Services Entities - Non-recoverable	6,943	-	6,943	7,100	Page 191
94,148	Total Establishment of Water Services Entities MCA	153,019	-	153,019	155,744	

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Government Digital Services MCA						
Departmental Output Expenses						
-	Digital Identity Services Trust Framework	1,570	-	1,570	2,000	Page 192
-	Digital Skills Development in the Public Sector	570	-	570	1,960	Page 193
1,843	Government Chief Privacy Officer	1,284	-	1,284	1,010	Page 194
13,395	Government Digital Strategy, System Investment and Leadership	15,569	-	15,569	15,637	Page 194
22,432	System Capabilities, Services and Platforms	22,132	-	22,132	24,817	Page 195
37,670	Total Government Digital Services MCA	41,125	-	41,125	45,424	
Local Government Administration MCA						
Departmental Output Expenses						
3,411	Local Government Services	3,703	-	3,703	4,207	Page 196
Non-Departmental Output Expenses						
19,666	Taumata Arowai	21,272	-	21,272	21,272	Page 197
Non-Departmental Other Expenses						
4,373	Chatham Islands Council	4,203	-	4,203	4,203	**
767	Crown-owned Assets at Lake Taupō – Depreciation and Maintenance Costs	702	-	702	694	**
Non-Departmental Capital Expenditure						
48	Capital Investments - Lake Taupō	44	-	44	80	**
28,265	Total Local Government Administration MCA	29,924	-	29,924	30,456	
National Archival and Library Services MCA						
Departmental Output Expenses						
122,351	Knowledge and Information Services	125,513	-	125,513	125,635	Page 199
Non-Departmental Output Expenses						
2,400	Public Lending Right for New Zealand Authors	2,400	-	2,400	2,400	**
Non-Departmental Capital Expenditure						
2,773	Heritage Collections – Annual	4,545	-	4,545	4,892	**
127,524	Total National Archival and Library Services MCA	132,458	-	132,458	132,927	
Offshore Betting Charges MCA						
Departmental Output Expenses						
156	Administration of Offshore Betting Charges Regime	138	-	138	210	Page 200

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Non-Departmental Other Expenses						
3,476	Distribution of Offshore Betting Charges	4,527	-	4,527	4,750	**
3,632	Total Offshore Betting Charges MCA	4,665	-	4,665	4,960	
Policy and Related Services MCA						
Departmental Output Expenses						
525	Crown Entity Monitoring	684	-	684	709	Page 202
1,220	Policy and Related Services - Community and Voluntary Sector	1,487	-	1,487	1,599	Page 202
2,066	Policy and Related Services - Digital Economy and Communications	2,338	-	2,338	2,217	Page 203
6,882	Policy and Related Services - Internal Affairs	6,853	-	6,853	7,847	Page 204
404	Policy and Related Services - Ministerial Services	392	-	392	526	Page 205
711	Policy and Related Services - Racing	909	-	909	854	Page 205
11,808	Total Policy and Related Services MCA	12,663	-	12,663	13,752	
Regulatory Services MCA						
Departmental Output Expenses						
6,533	Charities Regulation	7,220	-	7,220	7,404	Page 207
47,526	Regulatory Services	53,046	-	53,046	56,578	Page 208
54,059	Total Regulatory Services MCA	60,266	-	60,266	63,982	
Sediment and Debris Management Support MCA						
Non-Departmental Other Expenses						
56,000	Sediment and Debris Management Support - Commercial Entities	7,600	-	7,600	7,600	Page 209
81,000	Sediment and Debris Management Support - Local Authorities	111,000	-	111,000	111,000	Page 210
137,000	Total Sediment and Debris Management Support MCA	118,600	-	118,600	118,600	
Services Supporting the Executive MCA						
Departmental Output Expenses						
6,107	Coordination of Official Visits and Events	6,138	-	6,138	5,905	Page 211
34,507	Support Services to Members of the Executive	39,735	-	39,735	42,556	Page 212
9,094	VIP Transport Services	9,677	-	9,677	9,000	Page 213

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Non-Departmental Other Expenses						
196	Depreciation on Official Residences	191	-	191	297	**
770	Official Residences - Maintenance Costs	930	-	930	707	**
12,862	Services Supporting the Executive - Travel	12,540	-	12,540	12,397	**
Non-Departmental Capital Expenditure						
-	Capital Investments - Official Residences	-	-	-	70	**
63,536	Total Services Supporting the Executive MCA	69,211	-	69,211	70,932	
Support for Statutory and Other Bodies MCA						
Departmental Output Expenses						
2,430	Commissions of Inquiry and Similar Bodies	17,413	-	17,413	24,535	Page 214
291	Establishing Commissions of Inquiry and Similar Bodies	-	-	-	-	
687	Statutory Body Support - Gambling Commission	705	-	705	1,158	Page 215
1,262	Statutory Body Support - Local Government Commission	1,418	-	1,418	1,446	Page 215
269	Support for Grant Funding Bodies - Community and Voluntary Sector	291	-	291	378	Page 216
13,549	Support for Grant Funding Bodies - Internal Affairs	16,758	-	16,758	17,451	Page 217
Non-Departmental Other Expenses						
247	Statutory Inquiries	940	-	940	1,959	**
18,735	Total Support for Statutory and Other Bodies MCA	37,525	-	37,525	46,927	
Supporting Ethnic Communities MCA						
Departmental Output Expenses						
8,861	Advisory and Information Services to assist Ethnic Communities	9,227	-	9,227	10,499	Page 218
4,488	Policy and Related Services - Diversity, Inclusion and Ethnic Communities	5,695	-	5,695	4,896	Page 219
Non-Departmental Other Expenses						
4,222	Ethnic Communities Grants	4,229	-	4,229	4,232	**
17,571	Total Supporting Ethnic Communities MCA	19,151	-	19,151	19,627	

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Water Services Reform MCA¹						
Non-Departmental Other Expenses						
15,698	Iwi/Māori Involvement in Water Services Reform ²	3,142	-	3,142	3,639	Page 220
37,945	Sector Involvement in Water Services Reform ³	21,912	-	21,912	31,818	Page 221
53,643	Total Water Services Reform MCA	25,054	-	25,054	35,457	
856,061	Total Multi-Category Expenses and Capital Expenditure Appropriations	953,235	-	953,235	1,011,881	
1,390,601	Total Annual and Permanent Appropriations	1,473,172	(581)	1,472,591	1,525,936	
Summary of Departmental Appropriations						
151,809	Departmental Output Expenses	111,985	-	111,985	120,816	
2,439	Departmental Other Expenses	-	-	-	-	
507,630	Multi-Category Expenses and Capital Expenditure Appropriations	574,902	-	574,902	618,905	
661,878	Total Appropriations for Departmental Expenses	686,887	-	686,887	739,721	
86,909	Total Appropriations for Departmental Capital Expenses	112,313	-	112,313	110,000	
748,787	Total Departmental Annual and Permanent Appropriations and Multi-Year Appropriations	799,200	-	799,200	849,721	

1. The title of this appropriation changed on 1 July 2023 from Three Waters Reform MCA.

2. The title of this category changed on 1 July 2023 from Iwi/Māori Involvement in Three Waters Reform.

3. The title of this category changed on 1 July 2023 from Sector Involvement in Three Waters Reform.

Actual		Expenditure before remeasurement	Re- measurements	Expenditure after remeasurement	Appropriation voted*	Location of end of year performance information
2023		2024	2024	2024	2024	
\$000		\$000	\$000	\$000	\$000	
Summary of Non-Departmental Appropriations						
13,201	Non-Departmental Output Expenses	13,478	-	13,478	13,478	
65,333	Benefits or Related Expenses	71,348	-	71,348	78,000	
189,449	Non-Departmental Other Expenses	185,813	(581)	185,232	166,761	
345,610	Multi-Category Expenses and Capital Expenditure Appropriations	373,744	-	373,744	387,934	
613,593	Total Appropriations for Non-Departmental Expenses	644,383	(581)	643,802	646,173	
28,221	Total Appropriations for Non-Departmental Capital Expenses	29,589	-	29,589	30,042	
641,814	Total Non-Departmental Annual and Permanent Appropriations and Multi-Year Appropriations	673,972	(581)	673,391	676,215	
1,390,601	Total Annual and Permanent Appropriations and Multi-Year Appropriations	1,473,172	(581)	1,472,591	1,525,936	

* 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.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (cont.)

for the year ended 30 June 2024

Multi-Year Appropriations for Vote Internal Affairs

Actual 2023 \$000		Actual 2024 \$000	Location of end of year performance information
Appropriations for Departmental Output Expenses:			
Digital Safety Initiatives for the Pacific (1 July 2021 to 30 June 2026)			Page 174
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	
137	Cumulative actual expenditure at 1 July	321	
184	Current year actual expenditure	233	
321	Cumulative actual expenditure at 30 June	554	
539	Appropriation remaining at 30 June	306	
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)			
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	-	
97,851	Cumulative Adjustments	-	
153,917	Total adjusted approved appropriation	-	
113,678	Cumulative actual expenditure at 1 July	-	
36,162	Current year actual expenditure	-	
149,840	Cumulative actual expenditure at 30 June	-	
4,077	Appropriation remaining at 30 June	-	
Tāhuhu - Preserving the Nation's Memory (1 July 2022 to 30 June 2027)			Page 177
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.			
63,101	Original Appropriation	63,101	
14,273	Cumulative adjustments	15,283	
77,374	Total adjusted approved appropriation	78,384	
-	- Cumulative actual expenditure at 1 July	9,400	
9,400	Current year actual expenditure	17,805	
9,400	Cumulative actual expenditure at 30 June	27,205	
67,974	Appropriation remaining at 30 June	51,179	

Actual 2023 \$000		Actual 2024 \$000	Location of end of year performance information
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)			
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	-	
44	Cumulative adjustments	-	
6,167	Total adjusted approved appropriation	-	
4,458	Cumulative actual expenditure at 1 July	-	
1,380	Current year actual expenditure	-	
5,838	Cumulative actual expenditure at 30 June	-	
329	Appropriation remaining at 30 June	-	
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)			
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	-	
(9,105)	Cumulative adjustments	-	
6,230	Total adjusted approved appropriation	-	
2,079	Cumulative actual expenditure at 1 July	-	
2,706	Current year actual expenditure	-	
4,785	Cumulative actual expenditure at 30 June	-	
1,445	Appropriation remaining at 30 June	-	
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)			
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	-	
(4,161)	Cumulative adjustments	-	
4,629	Total adjusted approved appropriation	-	
2,416	Cumulative actual expenditure at 1 July	-	
2,154	Current year actual expenditure	-	
4,570	Cumulative actual expenditure at 30 June	-	
59	Appropriation remaining at 30 June	-	
Water Services Reform: Better Off Support Package MYA (1 August 2022 to 30 June 2027)			Page 182
This appropriation is limited to grants to support investment into community wellbeing, placemaking, housing, and climate related initiatives			
500,000	Original Appropriation	500,000	
-	Cumulative adjustments	-	

Actual 2023 \$000		Actual 2024 \$000	Location of end of year performance information
500,000	Total adjusted approved appropriation	500,000	
-	Cumulative actual expenditure at 1 July	132,431	
132,431	Current year actual expenditure	141,423	
132,431	Cumulative actual expenditure at 30 June	273,854	
367,569	Appropriation remaining at 30 June	226,146	

Appropriations for Non-Departmental Capital Expenditure

Fire and Emergency New Zealand – Loans (1 December 2022 – 30 June 2025)

Page 183

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.

75,400	Original Appropriation	75,400	
-	Cumulative adjustments	-	
75,400	Total adjusted approved appropriation	75,400	
-	Cumulative actual expenditure at 1 July	25,400	
25,400	Current year actual expenditure	25,000	
25,400	Cumulative actual expenditure at 30 June	50,400	
50,000	Appropriation remaining at 30 June	25,000	

Fire and Emergency New Zealand - Rebuild and Upgrade of Fire Stations (1 July 2020 – 30 June 2023)

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	51,300	
-	Cumulative adjustments	-	
51,300	Total adjusted approved appropriation	51,300	
51,300	Cumulative actual expenditure at 1 July	51,300	
-	Current year actual expenditure	-	
51,300	Cumulative actual expenditure at 30 June	51,300	
-	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 2024

Actual 2023 \$000		Actual 2024 \$000
661,908	Total expenses in Departmental statement of comprehensive revenue and expense	687,073
(30)	Remeasurements	(186)
661,878	Total appropriations for Departmental expenses	686,887

Reconciliation between total appropriations for non-Departmental expenses and the schedule of non-Departmental expenditure

for the year ended 30 June 2024

Actual 2023 \$000		Actual 2024 \$000
698,602	Total expenses in schedule of non-Departmental expenditure	735,228
(84,083)	GST input expense	(90,845)
(926)	Remeasurements	(581)
613,593	Total appropriations for non-Departmental expenses	643,802

Statement of Departmental expenses and capital expenditure incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2024

There was no unappropriated expenditure for the year ended 30 June 2024 (2022/23: 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 2024

There was no unappropriated expenditure for the year ended 30 June 2024 (2022/23: nil).

Statement of Departmental capital injections

for the year ended 30 June 2024

Actual		Actual	Approved
2023		2024	appropriation
\$000		\$000	
Vote Internal Affairs			
101,423	Department of Internal Affairs – Capital Injections	191,771	191,771

Statement of Departmental capital injections incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2024

The Department has not received any capital injections without, or in excess of, authority for the year ended 30 June 2024 (2022/23: nil).

Non-Financial Performance Statements

Contents

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Statement of Service Performance and Judgements

For year ended 30 June 2024

This statement outlines the significant judgements (decisions) that the Department has used in preparing and selecting service performance information for Vote Internal Affairs. Service performance information assesses whether the Department 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 The Department as the reporting entity can be found in Note 1 to the financial statements on page 97.

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 servicing 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. The Department 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 the Department 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 the Department 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 the Department carries out to contribute towards the achievement of our outcomes. This service performance information can be found on pages 9 to 34.
- » 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 171 to 221.

Our Performance Measurement Reporting Programme

The Department 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 Zealand better for New Zealanders*.

Our ongoing multi-year Performance Measurement Reporting Programme is aimed at improving our performance measures and helping us to 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, the role of the Department, and the results we want to achieve, and then identifies potential performance measures. We assess each potential performance measure and 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.

The Department 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. If there is no data to set a standard for a new performance measure, we use the first year 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 are shown in the Estimates of Appropriations and Supplementary Estimates of Appropriations documents for Vote Internal Affairs. Notes are included that explain why we have made changes to performance measures.

To ensure consistency in the reporting process, 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

A summary of the results for the Department are reported at the start of Section 8 *Non-Financial Performance Statement*. Individual results for each appropriation are reported in a table under the heading *How we performed*, 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 is on-track to be met



Standard has not been 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 changes for 2023/24

1. Recent data was not available for the following two outcome indicators from Section 2 *Making New Zealand better for New Zealanders* due to the late release date for the data from Stats NZ's General Social Survey:
 - » Peoples' sense of purpose is maintained or increased
 - » People's sense of belonging to New Zealand increases
2. The following outcome indicators were removed from Section 2 *Making New Zealand better for New Zealanders* as they are no longer relevant:
 - » *10-17-year-old New Zealanders read or started to read at least one book in the past 12 months is maintained or increases*
 - » *The level of institutional trust is maintained or increases*
 - » *Experience of discrimination decreases.*
3. Several changes were made to performance measures for 2023/24 under Section 8 *Non-Financial Performance Statement*. Explanations for why a performance measure has been changed can be found in Vote Internal Affairs' Estimates of Appropriations 2023/24 and Supplementary Estimates of Appropriations 2023/24 documents. 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.
4. Corrections were made to one performance measure result for 2022/23 results under Section 8 *Non-Financial Performance Statement*. This correction relates to performance measure ID 3.31. A note has been included to explain why this result was corrected.

Linking appropriations to outcomes

The Department's outcomes framework provides direction for the work we do and sets out what we need to achieve for the people we serve. Further information on the outcomes framework can be found in Section 2 *Making New Zealand better for New Zealanders*. Each appropriation contributes to one or more of the following outcomes:



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



People can easily access the services and information they need



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



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



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

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

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.01	Customers' satisfaction as to whether translations were provided within 'good' timeframes (see Note 1)	87%	At least 80%	83%	

Note 1 - Good is assessed as 7, 8, 9, 10 on an eleven-point scale (0-10).

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
3,058	Revenue other	2,700	3,200	2,504
3,058	Total revenue	2,700	3,200	2,504
3,035	Expenses	2,700	3,200	2,496
23	Net surplus/(deficit)	-	-	8

The 2023/24 actual expenses were \$0.539 million lower than 2022/23 due to decreased demand for Translation Services in 2023/24.

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

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcomes:  

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.02	Pacific Countries' satisfaction with the Digital Child Exploitation Filter System and with services provided (see Note 1)	New measure	3 out of 5	4.5 out of 5	

Note 1 – Satisfaction is determined on a five-point scale from '1 - Unsatisfied with services provided' through to '5 - Very satisfied with services provided'.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
184	Revenue other	330	259	233
184	Total revenue	330	259	233
184	Expenses	330	259	233
-	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

Achieved 5 out of 5 performance standards. No standard for 1 measure.

100%
achieved

This appropriation contributes to the outcomes:   

ID	Performance measures	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.03	Minister's satisfaction with the quality of policy advice (see Note 1)	4.6	No standard	4.0 (see Note 2)	
1.04	Required timeframes are met: Parliamentary Questions (written) – within 3 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	99.6%	At least 95%	98.7%	

ID	Performance measures	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.06	Required timeframes are met: Ministerial Official Information Act requests – at least 5 days prior to statutory timeframes	89%	At least 95%	100%	
1.07	Percentage of policy advice and policy briefings delivered to agreed quality criteria and standards - demonstrated through independent assessment: 3 or higher	100%	80%	96% (see Note 3)	
1.08	Policy advice and policy briefings delivered to agreed quality criteria and standards - demonstrated through independent assessment: Average Score	New measure	3 out of 5	3.5	

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.

Note 2 – As a consequence of the 2023 General Election, this result covers the period from November 2023 to June 2024.

Note 3 – 96% of papers (22 of 23) achieved 3 out of 5 or higher score in the New Zealand Institute of Economic Research assessment.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
119,063	Revenue Crown	89,246	75,646	75,646
-	Revenue other	-	3,988	3,419
119,063	Total revenue	89,246	79,634	79,065
103,028	Expenses	89,246	79,634	73,504
16,035	Net surplus/(deficit)	-	-	5,561

The 2023/24 actual expenses were \$15.742 million lower than Unaudited Budget and \$29.524 million lower than 2022/23 mainly due to the repeal of the previous Government's Three Waters Programme and return of associated funding through Budget 2024.

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operations (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, including close-down activities.


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

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.09	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)	New measure	At least 4	4	

Note 1 – Satisfaction is determined on a scale of 1-5, with 5 being the highest rating.

Output statement

Actual		Unaudited Budget 2024 \$000	Unaudited Revised Budget 2024 \$000	Actual 2024 \$000
2023	Revenue and output expenses			
\$000				
-	Revenue Crown	17,394	18,294	18,294
-	Revenue other	-	-	-
-	Total revenue	17,394	18,294	18,294
-	Expenses	17,394	18,294	17,947
-	Net surplus/(deficit)	-	-	347

This appropriation was established in 2023/24. The current year expenditure represents costs associated with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

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

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcomes:   

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
1.10	Percentage of key milestones that have been met for the Tāhuhu Programme within the agreed timeframe by year	86%	At least 80%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
18,788	Revenue Crown	25,307	19,429	19,429
1	Revenue other	-	-	-
18,789	Total revenue	25,307	19,429	19,429
9,400	Expenses	25,307	19,429	17,805
9,389	Net surplus/(deficit)	-	-	1,624

The 2023/24 actual expenses were \$7.502 million lower than Unaudited Budget and \$8.405 million higher than 2022/23 due to the timing of expenses for this multi-year appropriation.

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

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Departmental Capital expenses	2024	2024	2024
\$000		\$000	\$000	\$000
86,909	Departmental capital expenditure	150,000	110,000	112,313


The 2023/24 actual capital expenditure was \$37.687 million lower than Unaudited Budget mainly due to phasing of expenditure compared to assumptions in the Implementation Business Case for Tāhuhu: Preserving the Nation's Memory programme.

The 2023/24 actual capital expenditure was \$25.404 million higher than 2022/23 mainly due to a higher level of expenditure associated with Tāhuhu: Preserving the Nation's Memory programme.

Non-Departmental Appropriations

Non-Departmental Output Expenses

Classification of Films, Videos and Publications (M41)

This appropriation contributes to the outcome: 

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 will be available in the 2023/24 Annual Report for the Office of Film and Literature Classification.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
3,201	Non-Departmental output expenses	3,278	3,478	3,478

Fire and Emergency New Zealand - Public Good Services (M41)

This appropriation contributes to the outcome: 

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 will be available in the 2023/24 Annual Report for Fire and Emergency New Zealand.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental Output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
10,000	Non-Departmental output expenses	10,000	10,000	10,000

Non-Departmental Other Expenses

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.

How we performed

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.01	Percentage of invoices that are paid within 10 business days from receipt	100%	At least 95%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
2,642	Non-Departmental other expenses	1,299	1,299	1,150

The 2023/24 actual expenses were \$1.492 million lower than 2022/23 mainly due to costs to enable the full delivery of the digital skills programme to address urgent gaps in digital skills for individuals and whānau in 2022/23.

Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Non-Departmental Operating Expenses (M41)

Scope of appropriation

This appropriation is limited to Commissioners' fees, providing counselling services, and legal assistance, relating to 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, and payment of fees for counselling services, and legal assistance, relating to the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

How we performed

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.02	Commissioners' fees, counselling services fees and legal assistance fees are paid within the timeframes agreed with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions	New measure	At least 95%	99%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Non-Departmental other expenses	2,126	2,026	1,156

This appropriation was established in 2023/24. The current year expenditure represents Commissioners' Fees, Survivor Wellbeing support and Legal Aid associated with the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions.

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

On-track 1 out of 1 performance standard

100%
on-track

This appropriation contributes to the outcomes:  

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.03	Number of upgraded private rural drinking water supplies	6	Up to 120 by 30 June 2024 (see Note 1)	51	

Note 1 - Crown Infrastructure Partners has estimates that funding will cover drinking water infrastructure upgrades for up to 120 sites under the Rural Drinking Water Programme. The estimate of the number of sites could change as the costs and time for each rural water supply is highly variable and the numbers of supplies that will be upgraded through this initiative is not able to be accurately forecasted. Funding is front loaded, and work will continue in 2024/25 financial year.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
8,550	Non-Departmental other expenses	20,000	20,000	20,000

The 2023/24 actual expenses were \$11.450 million higher than 2022/23 due to an increase in funding in relation to the Rural Drinking Water package administered by Crown Infrastructure Partners.

Supporting Local Government with Natural Hazard Events (M49)

Scope of appropriation

This appropriation is limited to assisting local authorities to deliver effective local government services associated with preventing or responding to adverse natural events or natural hazards.


What we intended to achieve with this appropriation


This appropriation is intended to support local authorities to quickly and effectively respond to natural hazard events through services and other functions to impacted communities.

How we performed

Achieved 1 out of 1 performance standard

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.04	Percentage of funds paid within agreed criteria to identified local authorities to support them with preventing or responding to Natural Hazard Events	New measure	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
2,914	Non-Departmental other expenses	2,800	5,422	5,380

The 2023/24 actual expenses were \$2.580 million higher than Unaudited Budget and \$2.466 million higher than 2022/23 due to a drawdown of funding for the Westport Flood Resilience project and associated expenditure.

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

Achieved 2 out of 2 performance standards

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.05	Percentage of eligible councils that have entered into a funding agreement to receive Better Off funding	98.5%	100%	100%	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
2.06	Percentage of funds paid to councils within agreed criteria	100%	100%	100%	

Better off Funding was non-contestable. Funding was authorised by Cabinet, and allocated to all territorial authorities (unitary, district, and city councils), and Greater Wellington Regional Council (as part owner of Wellington Water) using a nationally consistent formula developed with Local Government New Zealand (LGNZ), which was ratified with a heads of agreement between the Crown and LGNZ.

Councils then submitted applications outlining projects or programmes that aligned to the Local Government 'four wellbeings' and would deliver within the funding criteria of: supporting the transition to a sustainable and low-emissions economy, delivery of infrastructure and/or services that enable housing development and growth, and delivery of infrastructure of services that support local place-making and improvements in community wellbeing.

All proposals contained a project/programme overview, demonstration of engagement with iwi/Māori on funding use, evidence demonstrating how the project/programme meets the fund's criteria and conditions, and a brief wellbeing assessment setting out expected benefits. Councils report on these outcomes as they make claims and once projects are completed. As this work is still in progress, benefits are yet to be realised, however each project provides updates against project milestones to Crown Infrastructure Partners when funding requests are made – usually as costs are incurred.


Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
132,431	Non-Departmental other expenses	119,310	119,310	141,423

The 2023/24 actual expenses were \$22.113 million higher than Unaudited Budget and \$8.992 million higher than 2022/23 due to changing the profile of grant distribution, which increased in 2023/24.

Non-Departmental Capital Expenditure

Fire and Emergency New Zealand – Loans (M41)

This appropriation contributes to the outcome: 

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 will be available in the 2023/24 Annual Report for Fire and Emergency New Zealand.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental Capital expenses	2024	2024	2024
\$000		\$000	\$000	\$000
25,400	Non-Departmental capital expenditure	25,000	25,000	25,000

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

Achieved 9 out of 13 performance standards



This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.01	Perception of the overall ease of Identity and Life Event Services (see Note 1)	90%	At least 80%	87%	

Note 1 – The measure is a combination percentage of customer expectations and actual experiences with the ease of a service collected through the Customer Experience Survey. For the Customer Expectation survey, the respondents were asked to rate how easy they expected the service would be, prior to their contact on a scale from 0 (not at all easy) to 10 (very easy). For the Ease of Use survey, the respondents rated how easy the service was after the interaction on a scale from 0 (not at all easy) to 10 (very easy). Ease is assessed as 7, 8, 9 or 10.

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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.02	Ease of Identity and Life Event services (see Note 1)	90%	At least 80%	87%	
3.03	Identity and Life Event services issued or registered without error	99.85%	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	96%	At least 99%	96% (see Note 2)	
3.05	Passports issued within business timeframe standards on receipt of applications	57%	At least 99%	42% (see Note 3)	
3.06	Percentage of all Identity and Life Event applications received via online service	83%	At least 80%	84%	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.07	Number of new RealMe verified identities issued	223,617	At least 120,000	242,807	
3.08	Customer satisfaction with the process of applying for a RealMe verified identity assessed as '4' or '5'	80%	At least 75%	71% (see Note 4)	
3.09	Number of customer consents to share information	359,076	At least 350,000	415,662	
3.10	Applications for verified identity are processed within 5 days	30%	At least 95%	6% (see Note 5)	
3.11	Realtime verification of data (see Note 6)	100%	At least 99%	100%	

Note 1 – The DIA Customer Satisfaction Survey is run annually by NielsenIQ on behalf of the Department using a sample of customers who have used services in the previous 12 months. For the 2023/24 survey a total of 16,857 customers were interviewed between 1 July 2023 and 15 June 2024 (across all services being surveyed), 108,597 were invited, with 16% response rate. The respondents rated the actual ease of using the service (Births, Deaths and Marriages, Passports, and Citizenship Services) after the interaction, on a scale from 0 (not at all easy) to 10 (very easy). Ease is assessed as 7, 8, 9 or 10.

Note 2 – Civil registration activities have been consistently delivered within expected timeframes across 2023/24 year. Citizenship by Grant work in progress has decreased by 2,300 applications to 26,600 with 54% of applicants receiving a decision within 50 working days from receipt of application.

Note 3 – Over the past 12 months, the Department has issued more than 455,000 passports. The Urgent service has performed well, dispatching 88% of passports within 3 working days. However, system changes and staffing have caused delays for some applicants using the standard 10-day service. By the end of June 2024, the work in progress had decreased to 37,300 applications, down from a peak of 53,800 in May 2024. To address these delays, the Department has implemented system and process improvements, along with additional staffing, to reduce the backlog and expects to meet the standard service timeframe again by August 2024. Despite the delays, the new online application channel has positively impacted customers. As of June 30, 2024, 91% of passport applications were submitted online. Additionally, 34% of online applications were made by groups, allowing customers to save time by entering information once and avoiding the need to use multiple channels.

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). Customer satisfaction has been impacted by the longer wait-time for the department to process the application. We are also aware of some customer frustration with the web photo capture technology and improvements are scheduled for later this year.

Note 5 – Application demand for verified identity has been strong across the year, notably 21% higher demand from April to June 2024. Growth in application volume attributed to a switch from Passport to Identity Verification Service for use as identity credential, and increased awareness of fraudulent and scam activity, with people less likely to share identity documents with service providers. Availability of processing resource was constrained across the year while the Department responded to significant demand for passport processing and embedded a new processing flow from January 2024. Recruitment and training into Identity Verification Service in quarter 1 of the 2024/25 year will reduce work in progress and we expect to see a return to target service level in quarter 2.

Note 6 – This measure relates to availability of the confirmation service for public use.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
29,596	Revenue Crown	35,348	60,091	60,091
123,201	Revenue other	100,000	119,250	118,928
152,797	Total revenue	135,348	179,341	179,019
177,637	Expenses	182,556	238,506	215,367
(24,840)	Net surplus/(deficit)	(47,208)	(59,165)	(36,348)

The 2023/24 actual expenses were \$32.811 million higher than Unaudited Budget and \$37.730 million higher than 2022/23 mainly due to changes in demand for Identity Services products, in particular 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.12	Accuracy: Gazette notices published consistent with text supplied by clients	100%	99%	99.8%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
874	Revenue other	844	844	970
874	Total revenue	844	844	970
739	Expenses	1,112	1,112	1,013
135	Net surplus/(deficit)	(268)	(268)	(43)

Category: Development of On-line Authentication Services


Scope of the category

This category is limited to services provided by the Office of the Privacy Commissioner related to identity authentication, identity assertion and identity verification, and information sharing agreements.

What we intended to achieve with this category

This category is intended to achieve effective privacy support for identity services and information sharing agreements.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.13	Authentication services issued without error	New measure	At least 99%	99.7%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
116	Non-Departmental output expenses	116	116	116

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

Achieved 8 out of 8 performance standards

100%
achieved

This appropriation contributes to the outcomes:   

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.14	Community groups have trust and confidence with the quality of services	New measure	At least 70%	88%	

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.15	Grant decisions are transparent and consistent with regard to eligibility requirements	99%	At least 97%	99%	
3.16	Grant requests are managed within business timeframes standards (see Note 1)	99.9%	At least 95%	99.6%	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.17	Customers are satisfied with the ease with which they are able to apply for grants and advisory services (see Note 2)	87%	At least 70%	85%	
3.18	Grant decision making committees are satisfied with the operational support received (see Note 3)	95%	At least 90%	93%	

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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
2,929	Revenue Crown	2,973	3,065	3,065
194	Revenue other	-	-	2
3,123	Total revenue	2,973	3,065	3,067
2,890	Expenses	2,973	3,065	2,904
233	Net surplus/(deficit)	-	-	163

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.19	Customers are satisfied with the quality of the advice received (see Note 1)	92%	At least 75%	81%	

Note 1 – Satisfaction is determined by a five-point scale: 5: Very Satisfied and 1: Very Dissatisfied.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
4,937	Revenue Crown	5,010	5,188	5,188
42	Revenue other	-	-	5
4,979	Total revenue	5,010	5,188	5,193
4,713	Expenses	5,010	5,188	5,153
266	Net surplus/(deficit)	-	-	40

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.20	Percentage of partner communities and/ or hapū within the Community-led Development Programme that have a community plan	New measure	At least 80%	91%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
5,063	Non-Departmental other expenses	6,898	6,898	6,898

The 2023/24 actual expenses were \$1.835 million higher than 2022/23 mainly due to the timing of grant distributions.

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.21	Grant decisions are transparent and consistent with regard to meeting eligibility requirements	New measure	At least 99%	99.8%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental Other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
12,481	Non-Departmental other expenses	12,500	12,500	12,472

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

Achieved 1 out of 4 performance standards

25%
achieved

This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.22	Water services entities are operationally functional within legislative timeframes	On-track	Achieved	Not Achieved (see Note 1)	

Note 1 – The measure is not achieved as The Water Services Entities Act 2002 (enabling legislation) was repealed on 17 February 2024, by section 8 of the Water Services Acts Repeal Act 2024. This occurred due to a change in government and water services policy. Without this legislation, these measures are impossible to achieve. The funding not required for this category as a result of changes in legislation was returned through Budget 2024.

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.23	Water services entities are operationally functional within legislative timeframes (see Note 1)	On-track	Achieved	Not Achieved (see Note 1)	

Note 1 – The measure is not achieved as The Water Services Entities Act 2002 (enabling legislation) was repealed on 17 February 2024, by section 8 of the Water Services Acts Repeal Act 2024. This occurred due to a change in government and water services policy. Without this legislation, these measures are impossible to achieve. The funding not required for this category as a result of changes in legislation was returned through Budget 2024.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
83,497	Non-Departmental other expenses	393,041	148,644	146,076

The 2023/24 actual expenses were \$246.965 million lower than Unaudited Budget due to the repeal of the previous Government's Three Waters Programme and return of associated funding through Budget 2024.

The 2023/24 actual expenses were \$62.579 million higher than 2022/23 due to increased expenditure on the Systems of Record project, prior to the repeal of the previous Government's Three Waters Programme.

Category: Water Services Entities - Non-recoverable


Scope of the category

This category is limited to expenses incurred by water services entities that are not intended to be recovered.

What we intended to achieve with this category

This category is intended to cover the costs of new water services entities during their establishment phases.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.24	Percentage of funds paid within agreed criteria to Water Services Entities to deliver permitted funding activities	New measure	100%	100%	

Output statement

Actual	Unaudited Budget	Unaudited Revised Budget	Actual
2023	2024	2024	2024
\$000	\$000	\$000	\$000
- Non-Departmental output expenses	18,750	7,100	6,943

The 2023/24 actual expenses were \$11.807 million lower than Unaudited Budget due to the repeal of the previous Government's Three Waters Programme including the disestablishment of the Northland and Auckland Water Services Entity and return of associated funding through Budget 2024.

Category: Capital Investment on Establishing Water Services Entities


Scope of the category

This category is limited to capital expenditure incurred on establishing the water services entities that is 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.25	Water services entities are operationally functional within legislative timeframes	New measure	Achieved	Not Achieved (see Note 1)	

Note 1 – The measure is not achieved as The Water Services Entities Act 2002 (enabling legislation) was repealed on 17 February 2024, by section 8 of the Water Services Acts Repeal Act 2024. This occurred due to a change in government and water services policy. Without this legislation, these measures are impossible to achieve. The funding not required for this category as a result of changes in legislation was returned through Budget 2024.

Output statement

Actual	Unaudited Budget	Unaudited Revised Budget	Actual
2023	2024	2024	2024
\$000	\$000	\$000	\$000
- Non-Departmental Capital expenses	10,120	-	-

This appropriation did not have actual expenditure in 2023/24 due to the repeal of the previous Government's Three Waters Programme.

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

Achieved 7 out of 8 performance standards

88%
achieved

This appropriation contributes to the outcomes:



ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.26	Percentage of mandated agencies providing information on current, planned, and new digital initiatives (including baseline investments)	100%	100%	100%	

Category: Digital Identity Services Trust Framework

Scope of the category

This category is limited to the establishment and operation of the Digital Identity Regulator and associated regime.

What we intended to achieve with this category

This category is intended to achieve the establishment and effective operation of the Digital Identity Regulator.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.27	The Trust Framework Authority as per the Digital Identity Services Trust Framework legislation has been established by 30 June 2024	New measure	Achieved	Achieved	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	2,000	2,000
-	Revenue other	-	-	-
-	Total revenue	-	2,000	2,000
-	Expenses	-	2,000	1,570
-	Net surplus/(deficit)	-	-	430

This category was established during 2023/24. The current year expenditure represents costs associated with establishing the Trust Framework Authority, the Trust Framework Board and the Māori Advisory Group. It also includes the development of the Trust Register, and the development and approval of the Rules.

Category: Digital Skills Development in the Public Sector


Scope of the category

This category is limited to the delivery and management of Digital Skills in the Public Sector, and to advance the implementation of the Skills Framework for the Information Age (SFIA) in the public sector.

What we intended to achieve with this category

This category is intended to advance the implementation of the Skills Framework for the Information Age in the public service.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.28	Skills Framework for the Information Age programme foundations are in place by 30 June 2024	New measure	Achieved	Not achieved (see Note 1)	

Note 1 - The work to have The Skills Framework for the Information Age (SFIA) programme foundations in place by 30 June 2024 was subject to two delays. Funding from Budget 2023 allocated to advance digital technology skills was put on hold while Ministerial priorities were confirmed. SFIA programme was re-scoped to deliver other key ministerial priorities.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and Output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	1,960	1,960
-	Revenue other	-	-	-
-	Total revenue	-	1,960	1,960
-	Expenses	-	1,960	570
-	Net surplus/(deficit)	-	-	1,390

This category was established during 2023/24. The current year expenditure represents costs associated with establishing the Skills Framework in the Information Age (SFIA) Digital Skills work programme to December 2023, then resizing and redirecting the programme towards Digital Workforce in response to Ministerial priorities and baseline reduction considerations. It also includes the costs of the New Zealand country license to use the SFIA framework.

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.29	Percentage of agencies responding to the Privacy Maturity Assessment Framework (PMAF) by year	98%	At least 90%	98%	
3.30	Percentage of privacy maturity criteria rated above informal	New measure	At least 93%	96%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
1,195	Revenue Crown	1,410	1,010	1,010
-	Revenue other	-	-	-
1,195	Total revenue	1,410	1,010	1,010
1,843	Expenses	1,410	1,010	1,284
(648)	Net surplus/(deficit)	-	-	(274)

The 2023/24 actual expenses were \$0.559 million lower than 2022/23 mainly due to a realignment of the provision of services within the Government Digital Services Multi-Category Appropriation.

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.31	Percentage of mandated small agencies consuming Common Capability	100% (see Note 1)	100%	100%	

Note 1 - Due to an administrative error, this result was incorrectly reported as 96% in the 2022/23 Annual Report. The correct result is 100%.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
14,651	Revenue Crown	17,457	15,637	15,637
520	Revenue other	-	-	141
15,171	Total revenue	17,457	15,637	15,778
13,395	Expenses	17,457	15,637	15,569
1,776	Net surplus/(deficit)	-	-	209

The 2023/24 actual expenses were \$1.888 million lower than Unaudited Budget mainly due to a realignment of the provision of services within the Government Digital Services Multi-Category Appropriation and a lower level of contractors and consultants.

The 2023/24 actual expenses were \$2.174 million higher than 2022/23 mainly due to a realignment of the provision of services within the Government Digital Services Multi-Category Appropriation in 2023/24.

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	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.32	Percentage of mandated agencies consuming at least one Common Capability	100%	100%	100%	
3.33	Percentage of All of Government Services Delivery websites with no critical accessibility issues	New measure	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
9,237	Revenue Crown	10,498	10,018	10,018
12,597	Revenue other	10,666	16,371	20,204
21,834	Total revenue	21,164	26,389	30,222
22,432	Expenses	23,850	24,817	22,132
(598)	Net surplus/(deficit)	(2,686)	1,572	8,090

The actual expenses were \$1.718 million lower than Unaudited Budget mainly due to successful efforts to reduce contractor and consultants spend during the year.

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

Achieved 7 out of 7 performance standards

100%
achieved

This appropriation contributes to the outcomes:   

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.34	Number of measures within this appropriation which have met their standards within the agreed timeframes	New measure	5 out of 6	6 out of 6	

Category: Local Government Services






Scope of the category

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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.35	Responses to requests for information from the public about the Rates Rebate Scheme – within 10 days of receipt	99.8%	At least 98%	100%	
3.36	Eligible claims from councils for reimbursement of rates rebates processed within 20 days of receipt	99.9%	At least 98%	99.8%	
3.37	Boating facilities and navigational safety equipment inspected in accordance with an annual compliance programme	100%	100%	100%	
3.38	Customer satisfaction with the quality of Lake Taupō navigational safety services assessed as average or above, when surveyed every 2 years (see Note 1)	96%	At least 85%	92%	
3.39	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%	

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”.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and Output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
2,476	Revenue Crown	2,754	2,754	2,754
1,062	Revenue other	1,380	1,380	1,431
3,538	Total revenue	4,134	4,134	4,185
3,411	Expenses	4,095	4,207	3,703
127	Net surplus/(deficit)	39	(73)	482

Category: Taumata Arowai


Scope of the category

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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.40	Advice on accountability and performance documents delivered within statutory or agreed timeframes (based on delivery of documents to the Minister by Taumata Arowai)	100%	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
19,666	Non-Departmental output expenses	21,272	21,272	21,272

The 2023/24 actual expenses were \$1.606 million higher than 2022/23 mainly due to an increase in Crown funding available ahead of levy development, to meet operating costs including remuneration cost pressures.

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

Achieved 21 out of 23 performance standards

91%
achieved



This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.41	Number of items accessed that are held by National Library and Archives New Zealand	30,629,745	At least 24 million	28,327,934	

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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
<i>Archives New Zealand – Managing Public Archives</i>					
3.42	Availability of online services 24 hours a day, 7 days a week	93.5%	At least 95%	99.8%	
3.43	The percentage of Archives New Zealand storage units providing storage conditions to required standards	94%	At least 80%	95%	
<i>Demand information – Estimates</i>					
3.44	Archives held in storage: Physical archives – linear metres	111,855	108,000 – 114,000	111,930	
<i>Archives New Zealand – Provision of Access to Public Archives</i>					
3.45	Archives newly available for access online	New measure	10,000	43,429	
3.46	Number of items produced in public reading rooms	20,952	30,000 – 40,000	22,404 (see Note 1)	
3.47	Digital items accessed for use – Rosetta	487,403	At least 135,000	713,652	
3.48	Digital items accessed for use – Social Media	2,427,756	At least 2 million	2,527,758	
<i>National Library – Access to Information</i>					
3.49	Requests (non-school) for the off-site supply of documents – completed within 2 days of receipt	100%	At least 90%	100%	
3.50	Public Lending Right payments to all authors eligible for payment made within the timeframe stipulated by regulation	100%	At least 99%	100%	
3.51	Digitised items newly available for access online	548,849	At least 230,000	232,179	
3.52	Availability of Te Puna catalogue and interloan services to subscribers during advertised hours	100%	At least 95%	100%	
<i>National Library – Collection and Preserving Information</i>					
3.53	Of the acquisitions to the Alexander Turnbull Library (new heritage collections): Accession records for unpublished collections – completed within 10 days of receipt	89%	At least 80%	88%	
3.54	Of the acquisitions to the Alexander Turnbull Library (new heritage collections): Descriptive records for unpublished collections – added within 20 days of accession	83%	At least 80%	87%	
3.55	'At risk' items digitised or digital formats transformed: Audio-visual items	1,693	At least 1,500	33,880	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.56	'At risk' items digitised or digital formats transformed: Images	548	At least 500	995	✓
3.57	Published acquisitions to the Alexander Turnbull Library (new heritage collections)	58,779	65,000 – 75,000	54,991 (see Note 2)	✗
<i>National Library – Library and Information Services to Schools</i>					
3.58	Number of visits to schools online services	421,931	240,000 – 300,000	468,768	✓
3.59	Number of schools supported	993	650-700	966	✓
3.60	Items supplied on request from the schools collection	326,319	300,000 – 450,000	374,330	✓
<i>Public Sector Recordkeeping</i>					
3.61	Number of Public Offices, Local Authorities and other organisations provided with targeted records and archives management advice	213	100 – 150	296	✓
<i>Statutory and Advisory Body Support</i>					
3.62	Statutory body member satisfaction with the quality of secretariat services provided – Archives New Zealand (see Note 3)	4.3	At least 4	4	✓
3.63	Statutory body member satisfaction with the quality of secretariat services provided – National Library (see Note 3)	4.0	At least 4	5	✓

Note 1 – Digitisation has made more records available to view online and reading room hours have been reduced. These factors have resulted in a progressive reduction of issued items in reading room since 2018. Building works across sites have also limited access to reading rooms at times during the 2023/24 financial year, which has also impacted this measure.

Note 2 – There is a combination of factors to not achieving the standard: acquisition numbers are contingent on what is published and offered for donation, and there is an ongoing intentional shift to more selective digital collecting.

Note 3 - 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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
113,661	Revenue Crown	112,515	112,578	112,578
11,765	Revenue other	8,866	13,033	12,213
125,426	Total revenue	121,381	125,611	124,791
122,351	Expenses	121,405	125,635	125,513
3,075	Net surplus/(deficit)	(24)	(24)	(722)

The 2023/24 actual expenses were \$4.108 million higher than Unaudited Budget and \$3.162 million higher than 2022/23 mainly due to additional funding for maintaining the delivery of core digital services (National Library of New Zealand and Archives New Zealand) and supplementing the work of New Zealand libraries.

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

Achieved 2 out of 2 performance standards

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.64	Percentage of distribution payments under the Racing Industry (Offshore Betting – Consumption Charges) Regulations 2021 made within the agreed timeframes	75%	100%	100% (see Note 1)	

Note 1 - This measure is reported quarterly, when distribution payments for a quarter are made outside the agreed timeframes, that accounts for 25% of that reporting period. In 2022/23 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. In 2023/24 all payments were made in the agreed timeframes.

Category: Administration of Offshore Betting Charges Regime


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.65	Percentage of distribution payments under the Racing Industry (Offshore Betting – Consumption Charges) Regulations 2021 made within the agreed timeframes	75%	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
156	Revenue other	210	210	138
156	Total revenue	210	210	138
156	Expenses	210	210	138
-	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 about government policy matters.

How we performed

**Achieved 15 out of 15 performance standards.
No standard for 5 measures. Result for 1 measure is not available.**

100%
achieved

This appropriation contributes to the outcomes:  

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.66	Policy advice and policy briefings delivered to agreed quality criteria and standards – demonstrated through independent assessment: Average Score	3.9	3 out of 5	3.7	
3.67	Percentage of policy advice and policy briefings delivered to agreed quality criteria and standards – demonstrated through independent assessment: 3 or higher	100%	80%	100% (see Note 1)	
3.68	Portfolio Ministers' satisfaction with the overall quality of policy advice (see Note 2)	4.5	No standard	4.0 (see Note 3)	

Note 1 - 100% of papers (40 of 40) achieved 3 out of 5 or higher score in the New Zealand Institute of Economic Research assessment.

Note 2 - This is the average policy satisfaction rating for Internal Affairs, Digitation Government and Community and Voluntary Sector Portfolio Ministers. Racing portfolio results are unavailable. 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 - As a consequence of the 2023 General Election, this result covers the period from December 2023 to June 2024.

Category: Crown Entity Monitoring


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.69	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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
651	Revenue Crown	709	709	709
-	Revenue other	-	-	-
651	Total revenue	709	709	709
525	Expenses	709	709	684
126	Net surplus/(deficit)	-	-	25

Category: Policy and Related Services – Community and Voluntary Sector





Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.70	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.71	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	96%	
3.72	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.73	Minister's satisfaction with the quality of policy advice (see Note 1)	3.7	No standard	4.9 (see Note 2)	

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.

Note 2 – As a consequence of the 2023 General Election, this result covers the period from December 2023 to June 2024.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
1,893	Revenue Crown	1,599	1,599	1,599
-	Revenue other	-	-	-
1,893	Total revenue	1,599	1,599	1,599
1,220	Expenses	1,599	1,599	1,487
673	Net surplus/(deficit)	-	-	112

Category: Policy and Related Services – Digital Economy and Communications





Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.74	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.75	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	92%	At least 95%	100%	
3.76	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.77	Minister's satisfaction with the quality of policy advice (see Note 1)	4.5	No standard	3.8 (see Note 2)	

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.

Note 2 – As a consequence of the 2023 General Election, this result covers the period from December 2023 to June 2024.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
2,318	Revenue Crown	2,217	2,217	2,217
-	- Revenue other	-	-	-
2,318	Total revenue	2,217	2,217	2,217
2,066	Expenses	2,217	2,217	2,338
252	Net surplus/(deficit)	-	-	(121)

Category: Policy and Related Services – Internal Affairs





Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.78	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.79	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	99%	At least 95%	97.5%	
3.80	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.81	Minister's satisfaction with the quality of policy advice (see Note 1)	4.7	No standard	3.3 (see Note 2)	

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.

Note 2 – As a consequence of the 2023 General Election, this result covers the period from December 2023 to June 2024.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
7,965	Revenue Crown	8,011	7,811	7,811
-	Revenue other	36	36	-
7,965	Total revenue	8,047	7,847	7,811
6,882	Expenses	8,047	7,847	6,853
1,083	Net surplus/(deficit)	-	-	958

The 2023/24 actual expenses were \$1.194 million lower than Unaudited Budget mainly due to the holding of vacancies while the baseline savings were worked through and implemented.

Category: Policy and Related Services – Ministerial Services




Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.82	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	97%	At least 95%	100%	
3.83	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	100%	
3.84	Required timeframes are met: Ministerial Official Information and Privacy Act requests, and Ombudsmen inquiries - within agreed timeframes	100%	At least 95%	97%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
511	Revenue Crown	526	526	526
-	Revenue other	-	-	-
511	Total revenue	526	526	526
404	Expenses	526	526	392
107	Net surplus/(deficit)	-	-	134

Category: Policy and Related Services – Racing




Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.85	Required timeframes are met: Parliamentary Questions (written and oral) - within 3 days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.86	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	99%	At least 95%	100%	
3.87	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.88	Minister's satisfaction with the quality of policy advice (see Note 1)	5.0	No standard	Result not available (see Note 2)	

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.

Note 2 – We requested the survey to be completed, however the Ministerial Policy Satisfaction Survey results are unavailable.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
999	Revenue Crown	854	854	854
-	Revenue other	-	-	-
999	Total revenue	854	854	854
711	Expenses	854	854	909
288	Net surplus/(deficit)	-	-	(55)

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

Achieved 14 out of 19 performance standards.



This appropriation contributes to the outcomes:   

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.89	Regulatory regimes are in place to deliver all legislated responsibilities	Achieved	Achieved	Achieved	

Category: Charities Regulation




Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.90	Customer satisfaction with Charities Services service received assessed as '4' or '5' (see Note 1)	93%	At least 75%	92%	
3.91	Charities Services regulatory decisions are independently assessed to measure quality and timeliness	96%	At least 75%	100%	
3.92	Satisfaction with the quality of advice and support received by the Charities Registration Board assessed as '4' or '5' (see Note 1)	90%	At least 75%	60% (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 survey response noted some issues with a change in document sharing system and timeliness of support provided.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
6,149	Revenue Crown	6,552	6,552	6,552
820	Revenue other	852	852	892

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
6,969	Total revenue	7,404	7,404	7,444
6,533	Expenses	7,404	7,404	7,220
436	Net surplus/(deficit)	-	-	224

Category: Regulatory Services











Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
<i>Gambling</i>					
3.93	Percentage of audited gambling providers that are compliant by year	75%	At least 85%	41% (see Note 1)	
3.94	Percentage of venues assessed as compliant by year	37%	At least 85%	37% (see Note 2)	
3.95	Percentage of societies and clubs that are distributing their required returns by year	64%	At least 95%	77% (see Note 3)	
3.96	Number of unique visits to the granted.govt.nz website per year	64%	3,500-4,500	3,933	
<i>Digital Safety</i>					
3.97	Number of take down requests for removal of harmful content actioned	1,344	200-400	1,743	
3.98	Number of court actions taken under the Films, Videos, and Publications Classifications Act 1993 and the Unsolicited Electronic Messages Act 2007 against offenders	10	At least 10	14	
3.99	Number of instances where harmful digital content was blocked	1,217,487	At least 800,000	1,076,536	
3.100	Number of instances of access to support services via websites for harmful online behaviour	265	At least 200	159 (see Note 4)	
3.101	Number of public reports for breaches of Films, Videos, and Publications Classifications Act 1993 and the Unsolicited Electronic Messages Act 2007 legislation	289,158	At least 100,000	201,872	
3.102	Number of education activities undertaken by Digital Safety for businesses	337	At least 300	302	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
<i>Anti-Money Laundering and Countering Financing of Terrorism</i>					
3.103	Number of desk-based reviews of reporting entities' Anti-Money Laundering and Countering Financing of Terrorism risk assessments and compliance programmes completed	164	150-350	175 (see Note 5)	✔
3.104	Number of onsite and online inspections auditing reporting entities' compliance with Anti-Money Laundering and Countering Financing of Terrorism obligations completed	80	70-180	78 (see Note 5)	✔
3.105	Number of education-focused proactive engagements with reporting entities regarding Anti-Money Laundering and Countering Financing of Terrorism obligations	213	200-800	207	✔
<i>Complaints, Investigations and Prosecution Unit</i>					
3.106	Ministry of Justice satisfaction with services provided by the Complaints, Investigation and Prosecution Unit (see Note 6)	1.5 – Satisfied	3	1	✔
<i>Demand Information</i>					
3.107	Number of investigation requests received from Private Security Personnel Licensing Authority	39	15-45	69	✔

Note 1 – The Department is conducting a programme of complex financial audits and is working with the sector to determine the interventions required to improve compliance.

Note 2 – The Department anticipates compliance to improve, with the deployment of regulatory tools for compliance, education and outreach.

Note 3 – The Department is undertaking detailed audits of societies and clubs that are high priority and higher risk. A firmer regulatory approach is being taken and it is expected compliance will improve in the medium term.

Note 4 – This is a demand driven measure that relies on a user searching for, or inadvertently coming across illegal content, followed by the user clicking on our support services page to capture one instance of access to support services.

Note 5 – As at 25 July 2024, the total number of supervised reporting entities was 5,705.

Note 6 – Satisfaction is rated on a five-point scale from '1-Very satisfied' through to '5-Very unsatisfied'.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
23,648	Revenue Crown	25,886	25,451	25,451
26,692	Revenue other	25,637	25,637	25,691
50,340	Total revenue	51,523	51,088	51,142
47,526	Expenses	52,429	56,578	53,046
2,814	Net surplus/(deficit)	(906)	(5,490)	(1,904)

The 2023/24 actual expenses were \$5.520 million higher than 2022/23 mainly due to being fully resourced in the Gambling regulatory function and undertaking additional digital safety work within the Pacific.

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

Achieved 3 out of 3 performance standards

100%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.108	All funds are allocated within agreed criteria and timeframes to manage sediment and debris from adverse weather events and natural hazards	Achieved	Achieved	Achieved	

Sediment and debris removal is fully funded from the Central Government funding. This funding was allocated at the direction of Ministers, to ensure Tairāwhiti and Hawke's Bay regions could recover in a timely and locally-led manner.

Category: Sediment and Debris Management Support - Commercial Entities


Scope of the 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 appropriation 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.109	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	100%	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
56,000	Non-Departmental other expenses	14,000	7,600	7,600

The 2023/24 actual expenses were \$6.400 million lower than Unaudited Budget due to a net movement of \$12.000 million to the Local Authorities category to support the Silt Recovery Taskforce. This is partially offset by the funding of \$5.600 million transferred for the Gisborne District Council processing and removal of sediment and woody debris.

The 2023/24 actual expenses were \$48.400 million lower than 2022/23 mainly due time-limited funding expiring at the end of 2022/23.

Category: Sediment and Debris Management Support - Local Authorities


Scope of the 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 appropriation is intended to achieve support for local authorities to manage sediment and debris following adverse natural events or natural hazards.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.110	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	100%	100%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental Other expenses	2024	2024	2024
\$000		\$000	\$000	\$000
81,000	Non-Departmental other expenses	21,000	111,000	111,000

The 2023/24 actual expenses were \$90 million higher than Unaudited Budget and \$30 million higher than 2022/23 mainly due to additional funding received in 2023/24 for the Gisborne District Court and the Hawke's Bay Regional Council to address sediment and debris and the Silt Recovery Taskforce.

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

Achieved 10 of 11 performance standards. One measure is on-track.



This appropriation contributes to the outcomes:  

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.111	Minister Responsible for Ministerial Services' satisfaction with the quality of support provided by the Department to the Executive (see Note 1)	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 the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.112	Stakeholders' satisfaction that the Visits and Ceremonial Office's services have helped visits and events to achieve their objectives assessed as satisfied or better	99%	At least 90%	98%	
<i>Demand Information</i>					
3.113	Number of Guests of Government visits	20	15-30	18	
3.114	Number of Partial Guests of Government visits	15	15-25	15	
3.115	Number of Commemorative and special events	16	10-15	10	
3.116	Facilitations through New Zealand International Airports	366	At least 300	343	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
6,215	Revenue Crown	5,905	5,905	5,905
-	- Revenue other	-	-	6
6,215	Total revenue	5,905	5,905	5,911
6,107	Expenses	5,905	5,905	6,138
108	Net surplus/(deficit)	-	-	(227)

Category: Support Services to Members of the Executive



Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.117	Minister Responsible for Ministerial Services' satisfaction with the quality of support provided by the Department to the Executive (see Note 1)	Good	Satisfied	Good	
<i>Demand Information</i>					
3.118	Average number of Ministerial office personnel provided	166	150-170	148 (see Note 2)	

Note 1 – Satisfaction is determined on a five-point scale: Very Satisfied, Good, Satisfied, Poor, Very Unsatisfied.

Note 2 – The 2023 General Election resulted in a full change of Executive, consequently approximately 75% of existing Ministerial Office personnel were offboarded or transitioned from Ministerial offices following the election. Onboarding of new Ministerial office personnel following the formation of the incoming government in November 2023 was sequenced to ensure Ministers were well supported and their offices well-functioning throughout the transition. The measure is an average across the year and therefore was heavily influenced by the change in Executive.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
35,882	Revenue Crown	37,382	42,556	42,556
-	- Revenue other	-	-	-
35,882	Total revenue	37,382	42,556	42,556
34,507	Expenses	37,382	42,556	39,735
1,375	Net surplus/(deficit)	-	-	2,821

The 2023/24 actual expenses were \$2.353 million higher than Unaudited Budget and \$5.228 million higher than 2022/23 mainly due costs associated with the transition to the incoming Executive following the 2023 General Election.

Category: VIP Transport Services



Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.119	Chauffeur-driven services provided leading to no sustained complaints	99.95%	At least 99.5%	99.9%	
3.120	Proportion of Electric Vehicles in the Crown fleet	66%	100% by 2025/26	67%	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
<i>Demand Information</i>					
3.121	Total vehicle fleet	75	70-80	77	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
8,832	Revenue other	9,000	9,000	9,079
8,832	Total revenue	9,000	9,000	9,079
9,094	Expenses	9,000	9,000	9,677
(262)	Net surplus/(deficit)	-	-	(598)

The 2023/24 actual expenses were \$0.583 million higher than 2022/23 mainly due to increased operating costs associated with the VIP fleet.

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

Achieved 10 out of 11 performance standards

91%
achieved

This appropriation contributes to the outcomes: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.122	Statutory body members satisfaction with the quality of the support provided by the Department (see Note 1)	Good (4.3)	Good	Good (4.6)	

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 the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.123	Inquiries' satisfaction with timeliness and quality of services (see Note 1)	3	At least 4	3.8 (see Note 2)	
3.124	Percentage of people who respond positively about the Survivor Experiences Service	New measure	At least 85%	91%	

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 - The survey responses noted problems with technology timeliness and human resources support.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
4,771	Revenue Crown	18,229	24,503	24,503
-	Revenue other	-	32	32
4,771	Total revenue	18,229	24,535	24,535
2,430	Expenses	18,229	24,535	17,413
2,341	Net surplus/(deficit)	-	-	7,122

The 2023/24 actual expenses were \$14.983 million higher than 2022/23 mainly due to the Royal Commission into COVID-19 Lessons Learned that was operational for a full year and the Government Inquiry into the Response to the North Island Severe Weather Events.

Category: Statutory Body Support – Gambling Commission


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.125	Gambling Commission's satisfaction with the quality of advice and support services (see Note 1)	5	At least 4	5 (see Note 2)	

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 – Results are based on the 3 out of 4 Commissioner's responses.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
-	Revenue Crown	-	-	-
646	Revenue other	1,158	1,158	703
646	Total revenue	1,158	1,158	703
687	Expenses	1,158	1,158	705
(41)	Net surplus/(deficit)	-	-	(2)

Category: Statutory Body Support - Local Government Commission


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.126	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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
1,410	Revenue Crown	1,446	1,446	1,446
-	Revenue other	-	-	-
1,410	Total revenue	1,446	1,446	1,446
1,262	Expenses	1,446	1,446	1,418
148	Net surplus/(deficit)	-	-	28

Category: Support for Grant Funding Bodies – Community and Voluntary Sector

Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.127	Grant decisions are managed within business timeframe standards	99%	At least 95%	100%	
3.128	Grant decisions are transparent and consistent with regard to eligibility requirements	100%	At least 97%	100%	

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
322	Revenue Crown	378	378	378
-	Revenue other	-	-	-
322	Total revenue	378	378	378
269	Expenses	378	378	291
53	Net surplus/(deficit)	-	-	87

Category: Support for Grant Funding Bodies – Internal Affairs

Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.129	Customers are satisfied with the ease with which they are able to apply for grants and advisory services (see Note 1)	87%	At least 70%	85%	
3.130	Grant decisions are transparent and consistent with regard to eligibility requirements	99%	At least 97%	99%	

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.131	Grant decisions are managed within business timeframe standards	97%	At least 95%	97%	
3.132	Grant decision making committees are satisfied with the operational support received (see Note 2)	90%	At least 90%	100%	

Note 1 – The respondents rate their experience of using Hāpai Hapori Services on a scale from 0 (not at all easy) to 10 (very easy). Ease is assessed as 7, 8, 9 or 10. For the 2023/24 survey a total of 503 customers were interviewed, 2,287 were invited, with 22% response rate.

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		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
1,354	Revenue Crown	2,995	2,210	2,210
13,130	Revenue other	11,367	15,241	15,242
14,484	Total revenue	14,362	17,451	17,452
13,549	Expenses	14,362	17,451	16,758
935	Net surplus/(deficit)	-	-	694

The 2023/24 actual expenses were \$2.396 million higher than Unaudited Budget and \$3.209 million higher than 2022/23 mainly due to an increase in service provision to the New Zealand Lottery Grants Board for one-off project work.

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

**Achieved 5 out of 6 performance standards.
No standard for 1 measure.**

83%
achieved

This appropriation contributes to the outcome:

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.133	Satisfaction with the Intercultural Capability e-learning modules (see Note 1)	4.4	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 the 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 increased participation and belonging in New Zealand society for ethnic communities.

How we performed

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.134	Approved Ethnic Communities Development Fund grant applications are paid within business timeframe standards	100%	At least 95%	89% (see Note 1)	
3.135	Ethnic Communities Development Fund decisions are consistent with priorities, policies and procedures	98%	At least 95%	100%	

Note 1 – This measure is not achieved due to an unusually high number of applications in the first quarter of 2023/24. That coincided with the transfer of the administrative function of ECDF from DIA to the Ministry, which meant that a new team of advisors had to be recruited to operationalise the new function within MEC.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
8,079	Revenue Crown	10,059	10,059	10,059
686	Revenue other	45	440	401
8,765	Total revenue	10,104	10,499	10,460
8,861	Expenses	10,104	10,499	9,227
(96)	Net surplus/(deficit)	-	-	1,233

The 2023/24 actual expenses were \$0.877 million lower than Unaudited Budget mainly due to the categorisation of work programmes. The Ministry for Ethnic Communities work programme is managed at the Multi-Category Appropriation level.

Category: Policy and Related Services – Diversity, Inclusion and Ethnic Communities





Scope of the 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 measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.136	Required timeframes are met: Parliamentary Questions (written) - within 3 days of notification or as agreed with the Minister	100%	At least 95%	100%	
3.137	Required timeframes are met: Ministerial correspondence (draft responses) - within 15 days of receipt or as specifically agreed	100%	At least 95%	100%	
3.138	Required timeframes are met: Ministerial Official Information Act requests - at least 5 days prior to statutory timeframes	100%	At least 95%	100%	
3.139	Minister's satisfaction with the quality of policy advice (see Note 1)	4.0	No standard	5.0 (see Note 2)	

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.

Note 2 - As a consequence of the 2023 General Election, this result covers the period from December 2023 to June 2024.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Revenue and output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
4,882	Revenue Crown	4,896	4,896	4,896
194	Revenue other	-	-	44
5,076	Total revenue	4,896	4,896	4,940
4,488	Expenses	4,896	4,896	5,695
588	Net surplus/(deficit)	-	-	(755)

The 2023/24 actual expenses were \$0.799 million higher than Unaudited Budget and \$1.207 million higher than 2022/23 mainly due to the categorisation of the Security Resilience work programme.

Overall, the Multi Category Appropriation was under budget by \$0.478 million and increased from the 2022/23 year by \$1.573 million due to the new Security Resilience work programme.

Water Services 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

Achieved 2 out of 3 performance standards

67%
achieved

This appropriation contributes to the outcome: 

ID	Performance measure	Actual 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.140	Percentage of key milestones that have been met within the agreed timeframe by year for workstreams funded by this appropriation (see Note 1)	98.5%	At least 80%	93%	

Note 1 – The milestones are the actual results of both measures 3.141 and 3.142 for the 2023/24 financial year.

Category: Iwi/Māori Involvement in Water Services Reform


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.141	Percentage of funds allocated to iwi/Māori within agreed criteria to enable participation in the reform of three waters service delivery (see Note 1)	97%	100%	86% (see Note 1)	

Note 1 – This measure is not achieved due to the change in government policy. Refer to the story on page 28 (Better Off Funding and Transitioning to Local Water Done Well story). The result is based on the total funds within the appropriation paid out at the end of the financial year, noting an expense transfer from the 2023/24 to the 2024/25 financial year to support the implementation of Local Water Done Well.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023	Non-Departmental Output expenses	2024	2024	2024
\$000		\$000	\$000	\$000
15,698	Non-Departmental other expenses	15,139	3,639	3,142

The 2023/24 actual expenses were \$11.997 million lower than Unaudited Budget and \$12.556 million lower than 2022/23 mainly due to reprioritisation and rephasing of funding into 2024/25, to support the implementation of Local Water Done Well.

Category: Sector Involvement in Water Services Reform


Scope of the 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 2022/23	Standard 2023/24	Actual 2023/24	Standard met
3.142	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)	100%	100%	100%	

Note 1 – Funding was allocated by joint decision of the Minister of Local Government and Minister of Finance. The Department manages funding requests and ensure all requests comply with funding agreements and funding criteria before payment.

Output statement

Actual		Unaudited Budget	Unaudited Revised Budget	Actual
2023 \$000	Non-Departmental Output expenses	2024 \$000	2024 \$000	2024 \$000
37,945	Non-Departmental other expenses	35,683	31,818	21,912

The 2023/24 actual expenses were \$13.771 million lower than Unaudited Budget and \$16.033 million lower than 2022/23 mainly due to reprioritisation of funding to support the implementation of Local Water Done Well, which has changed the timing of payments required.



9

Appendices

Appendix A

Budget significant initiatives

The Department of Internal Affairs received funding for the following Budget significant initiatives through Budget 2023, Budget 2022, Budget 2021:

- » 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 total amount funded for each year, and 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.

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

Name of Budget initiatives

- Abuse in Care - Interim Response: Continuing the Interim Listening Service for Survivors of Abuse in Care (first year of funding: 2022/23)
- Crown Response to Abuse in Care Inquiry (first year of funding: 2021/22)
- 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 funding was appropriated

- Support for Statutory and Other Bodies MCA
- National Archival and Library Services MCA
- 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 years and total amount funded

Budget 23 – \$44.854 million, Budget 22 – \$53.718 million, Budget 21 - \$18 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 124, 157, 158, 165, 166, 176, 177, 180, 181
- 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 initiatives

- 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 funding was appropriated

- Support for Statutory and Other Bodies MCA

Budget years and total amount funded

Budget 2023 – \$4.857 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 46 and 312 to 313
- 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 funding was appropriated

- Sediment and Debris Management Support MCA
- Supporting Local Government with Natural Hazard Events
- Local Government Policy and Related Services

Budget years and total amount funded

Budget 2023 – \$163.5 million, Budget 2022 - \$3.4 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 28, 133, 152, 161
- 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 funding was appropriated

- Tāhuhu – Preserving the Nation’s Memory MYA
- National Archival and Library Services MCA
- Department of Internal Affairs - Capital Injection

Budget years and total amount funded

Budget 2023 - \$4.981 million, Budget 2022 - \$34.410 million, Budget 2021 - \$26.045 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 22, 123, 157, 165, 177-178
- 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 funding was appropriated

- Civic Information Services MCA
- Department of Internal Affairs - Capital Injection

Budget years and total amount funded

Budget 2023 - \$60.696 million, Budget 2022 - \$30.011 million, Budget 2021 - \$16.801 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 17, 96, 105, 116, 129
- 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 Drawdown 4: Transition Support Funding Drawdown (first year of funding: 2022/23)
- Three Waters Reform: Better Off Package Multi-Year Appropriation and Drawdown (first year of funding: 2022/23)
- Three Waters Reform: Better Off Package Second Drawdown (first year of funding: 2022/23)
- Three Waters Reform: Drawdown for Iwi/Māori Collective 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)
- 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)
- Transition Work Programme to 31 December 2021 and Drawdown of Tagged Contingency (first year of funding: 2021/22)
- Three Waters: Rural Drinking Water Fund (first year of funding: 2021/22)
- Third Drawdown from Transforming Three Waters Service Delivery for New Zealanders: Transition and Implementation Tagged Contingency (first year of funding: 2021/22)
- March 2021 draw down 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)
- Initial draw down 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 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 and total amount funded

Budget 2023 - \$664.351 million, Budget 2022 - \$301.555 million, Budget 2021 - \$331.634 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 28, 133, 158, 163, 166, 182, 219-221
- 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.lgnz.co.nz/policy-advocacy/key-issues-for-councils/water-services/>.
- <https://www.crowninfrastructure.govt.nz/water-infrastructure/>.

Water Services Reform – Taumata Arowai

Name of Budget initiatives

- Taumata Arowai funding - levy development and drawdown of the tagged operating contingency (first year of funding: 2021/22)
- Delivering the Three Waters Reforms (first year of funding: 2021/22)

Where funding was appropriated

- Local Government Policy and Related Services
- Local Government Administration MCA

Budget years and total amount funded

Budget 2023 - \$15.790 million, Budget 2022 - \$15.505 million

Location of performance information – Department of Internal Affairs annual reports:

- 2023/24 – pages 160, 197
- 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

General information can be found at: <https://www.taumataarowai.govt.nz/>.

Appendix B

Statistical information about our employees

Table 1: Permanent employees by job family as at 30 June 2024

Job Family	Full time	Part time	Total
Corporate	351	24	375
Delivery	1,049	122	1,171
Information Management	15	-	15
Information Technology	380	26	406
Policy	139	14	153
Regulatory	182	9	191
Non-banded	9	-	9
London	6	6	12
Sydney	8	7	15
Total	2,139	208	2,347

Table 2: Permanent employees by job family and gender as at 30 June 2024

Job Family	Female	Male	Gender Diverse	Gender not specified	Total
Corporate	238	122	1	14	375
Delivery	800	352	10	9	1,171
Information Management	11	4	-	-	15
Information Technology	188	198	3	17	406
Policy	88	61	1	3	153
Regulatory	97	92	-	2	191
Non-banded	5	4	-	-	9
London	6	5	-	1	12
Sydney	9	5	-	1	15
Total	1,442	843	15	47	2,347

Note for table 1 and 2

Numbers are based on headcount for permanent employees only. The permanent full-time equivalent (FTE) figure as at 30 June 2024 was 2,273.2 (excludes events-based employees). Non-banded are a small number of jobs that have not been sized by the Departments Job Evaluation Committee due to their short-term temporary nature.

Table 3: Employees by location and gender as at 30 June 2024

Location	Female	Male	Gender Diverse	Gender not specified	Total
Auckland	235	88	1	1	325
Bay of Plenty	4	4	-	1	9
Christchurch	111	45	1	6	163
Gisborne	5	3	-	-	8
Hawkes Bay	3	2	-	1	6
Manawatu-Wanganui	3	1	-	-	4
Nelson	3	3	-	-	6
Northland	7	2	-	-	9
Otago	10	5	1	-	16
Southland	3	-	-	-	3
Taranaki	1	-	-	-	1
Waikato	5	1	-	-	6
Wellington	1,336	888	18	47	2,289
West Coast	2	-	-	-	2
London	4	5	-	1	10
Sydney	8	5	-	1	14
Total	1,740	1,052	21	58	2,871

Note

Numbers are based on headcount for permanent, fixed-term and events-based employees only. The number of FTE employees as at 30 June 2024 was 2,784.7 (permanent, fixed-term and events-based employees).

Tier 2 and 3 people leaders by gender and ethnicity as at 30 June 2024

Figure 1: Tier 2 and 3 people leaders by gender

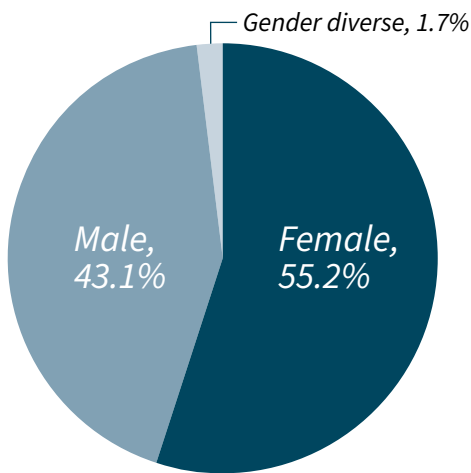
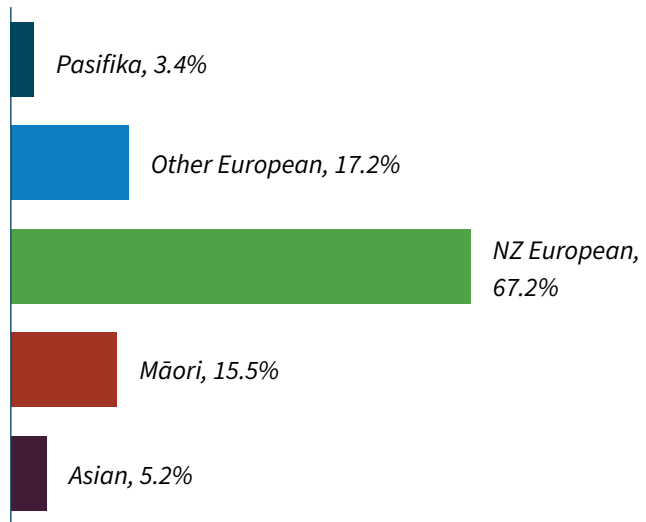


Figure 2: Tier 2 and 3 people leaders by ethnicity



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 2024

Figure 3: Employees by gender

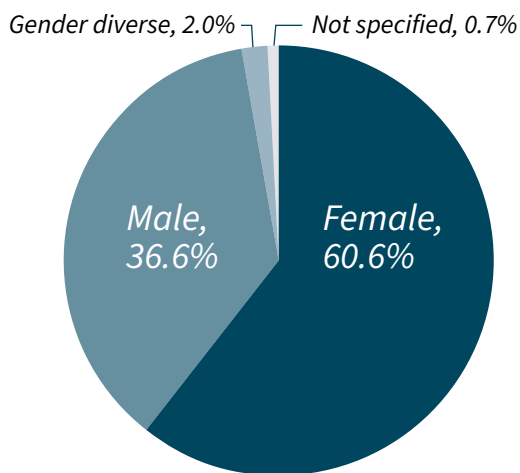
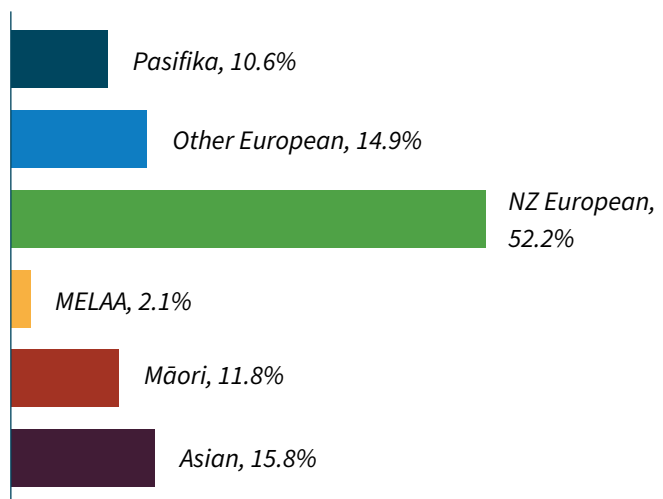


Figure 4: Employees by ethnicity



Notes

- MELAA = Middle Eastern, Latin American, African.
- 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
- We are unable to provide data split by additional categories due to low volumes and maintaining the privacy of individuals

Appendix C

Asset performance

Table 1: Property asset performance measures

Measure	Indicator	2022/23 Target	2022/23 Actual	2023/24 Target	2023/24 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%	77.78%	100%	100%
Office space density	Functionality	12-16 sqm per person	13.7 sqm per person	12-16 sqm per person	12.75 sqm per person
Archive storage environments maintained to required standards 24/7: humidity and temperature	Functionality	80%	94.5%	80%	91.02%

Table 2: Information Communications Technology (ICT) asset performance measures

Measure	Indicator	2022/23 Target	2022/23 Actual	2023/24 Target	2023/24 Actual
Average percentage of time our IT business services are available	Condition ¹	98.5%	98.7%	98.5%	99.4%
Percentage of incidents restored within SLA timeframes (all incidents P1-P4)	Condition	80%	81%	80%	71.1%
Percentage of workstation devices in use	Utilisation	85%	83%	85%	79.7%
Percentage of successful changes	Functionality	95%	99.6%	95%	99.5%

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.

Appendix D

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

38,556 Citizenship applications (individuals) were received in the Customer Centred Management Solution (CCMS) in the 2023–2024 year². Of these:

1. 13,094 have been granted
2. 4,945 have been approved and are awaiting their ceremony
3. 20,288 are in processing
4. 42 have been cancelled
5. 187 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:

6. Zero (0) individuals provided notice (under section 152 of Privacy Act 2020)
7. Zero (0) notices challenged
8. Zero (0) individuals not provided notice (under section 152 of Privacy Act 2020)
9. Zero (0) individuals who were declined citizenship who were given notice
10. Zero (0) individuals who withdrew their citizenship application after being given a notice
11. Zero (0) investigations or civil proceedings under paragraph 10 of the AISA
12. Zero (0) complaints received about an alleged interference with privacy under the agreements and the disposition of those complaints.

Assurance

Whether an audit or other assurance process has been undertaken.

Business Assurance reviews a wide selection of citizenship by grant applications for adherence to operational policy.

In the April to June quarter Business Assurance undertook 350 policy assurance reviews of citizenship by grant applications.

Notes

1. www.dia.govt.nz/aisa-identity
2. These numbers are as at 7 July 2024 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

Schedule B: Provision of death information for expired passport-holders contact initiative (Appendix B)

This initiative was not run during the 2023/24 year.

13. Zero (0) expired passports included in match.
14. Zero (0) deceased passports holders identified as a result of the match.

Schedule C: Provision of information to support automated passport issuance (Appendix C)³

Scale

15. Number of passport applications (individuals)	129,307
16. Number of passport applications automatically issued	17,017
17. Number of matches to authoritative records	591,710

Assurance

Whether an audit or other assurance process has been undertaken.

No audit of general automated passport matching due to high level of automation.

Business Assurance does assess instances of Error After Dispatch (EAD) for any issues with system settings or policies that could have contributed to the error. These are communicated to the relevant Team Leader.

Numbers assessed vary over time but for January to June there were 114 EAD assessed by Business Assurance.

Schedule D: Creation of person record for previous passport applicants (Appendix D)

Scale

18. Number of person records created	4,653,168
19. Number of person records created for deceased individuals (one-off report)	27,541
20. Number of apparent duplicate records identified for manual consideration	6,276

Assurance

Whether an audit or other assurance process has been undertaken.

Business Assurance was consulted as part of the design of the person record creation process.

The process was automated using agreed parameters. Part 1 involved matching to a passport or citizenship number. Part 2 involved name; date of birth; and place of birth matching. These parameters were designed to ensure very high accuracy of automated migration. This high accuracy design means all remaining passport records need to be manually created as they apply over time.

There was a post migration reconciliation exercise to ensure what data was migrated was accurate and complete. The findings were assessed by the Data Technical Experts Group which Business Assurance is part of.

Note

3. Covers the period 11 March 24 to 30 June 24 [when sharing commenced]

Schedule E: Provision of information to support manual passport issuance (Appendix E)⁴**Scale**

21. Number of passport applications (individuals)	129,307
22. Number of passport applications manually considered	112,290
23. Number of adverse action letters sent	363
24. Number of manual searches	330,933
25. Number of manual matches:	
• Exact:	198,468
• 1 to many:	8,514
• Missing (no match):	123,951
26. Number of stale cancelled applications	294

Assurance

Whether an audit or other assurance process has been undertaken.

Business Assurance assessments include both manual and more automated processing.

Business Assurance receives targeted monthly reporting covering call outs (processing outside of standard office hours) and manually assigned work from KIWI (the passport application processing system). Additional monthly reporting is available but requires manual interpretation or is being investigated for future capabilities.

Business Assurance is in the process of assessing how it best provides assurance in this area due to the Puriri release (single view of customer for passports) occurring during this period.

The total number of reviews for January to June were 729.

Customer Nominated Services

An Approved Information Sharing Agreement (AISA) was established between the Accident Compensation Corporation, the Department of Internal Affairs, the Ministry of Business, Innovation and Employment, the Ministry of Education, the Ministry of Social Development, 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 AISA⁵.

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.

Schedule A: Automatic notification of New Zealand citizens**Scale:**

27. Number of records provided	37,585
28. Number of corrections provided by the DIA to MBIE	Zero (0)

Notes

4. Covers the period 11 March 24 to 30 June 24 [when sharing commenced]

5. www.dia.govt.nz/aisa-customer

Benefits: Quantitative

29. Number of records updated by MBIE	38,131
30. Number of visas cancelled	34,141

Assurance

Details of any difficulties experienced and how they are being, or have been, overcome.

No difficulties have arisen this year and the API appears to be working as it should. The manual workaround process below continues and still proving effective.

DIA information does not match what is held in the Immigration New Zealand (INZ) systems.

3. 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. DIA will then, if required, contact the Identity Management Team for clarification.

Schedule B: Citizenship online presence calculator

31. Number of uses of the calculator = **160,146**
32. Number of API calls made to INZ = **157,310**
33. Number of individual client records returned by INZ = **Not recorded⁶**
34. Number of complaints about improper use of the calculator by unauthorised individuals = **13,002**

Benefits: Quantitively

Number of each type of determination made (meets, not meets, no determination):

- ai. Meets = **151,801**
- aj. Not meets = **1,635**
- ak. No determination = **3,874**

Benefits: Qualitatively

- » Reduces the requirement for individuals to check their presence information with INZ before 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:

None to note. DIA and INZ continue to meet quarterly to discuss monthly platform report, to ensure that the service is operating as expected.

Note

6. 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.'

Schedule C: Citizenship online staff summary

Scale

38. 38,556 individuals applied for citizenship by grant
39. 111,187 API calls were made from the DIA to INZ
40. 62,916 individual client records were returned by INZ to the DIA
41. 1,280 applicants withdrew their citizenship by grant application after applying
42. 291 applicants proceeded with their application to the Minister even though they did not meet the criteria.
Of these:
 - 267 proceeded as a submission⁸ and
 - 24 proceeded with exceptions⁹.

Benefits: Quantitatively

1. 62,666 applicants met the identity criteria. Of these:
2. 61,432 had an exact match¹⁰ and
3. 215 matched to many¹¹
4. 1,019 applicants did not meet the identity criteria
5. 17,075 applicants met the presence criteria
6. An additional 33,226 applicants met the presence criteria, but had additional Visa conditions to be reviewed
7. 12,365 applicants did not meet the presence criteria
8. 1,592 applicants did not meet the good character criteria¹²
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.

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 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.

Notes

7. 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.
8. 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.
9. 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).
10. Person information submitted to the API returned with an exact match to a person record held by INZ.
11. Person information submitted to the API returned with a match to two or more potential person records held by INZ.
12. 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.

Assurance

Where an audit or other assurance process has been undertaken, a summary of the results of that audit or assurance process.

Regular assurance audits are undertaken throughout the year for compliance with general policy requirements and these include matters provided for in the Customer Nominated Services AISA. With a change in staff we only have data for the period April – June 2024 where 350 assurance reviews were undertaken.

Details of any difficulties experienced and how they are being, or have been, overcome.

No difficulties have arisen this year and the API appears to be working as it should.

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 AISA¹³.

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 = 37,695¹⁴

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.

Notes

13. www.dia.govt.nz/aisa-death

14. The number of deaths registered in New Zealand between 01 July 2023 and 30 June 2024

Appendix E

Search and surveillance

Reporting on the use of powers under the Search and Surveillance Act 2012

The Department is required to report on its search and surveillance powers under sections 171 and 172 of the Search and Surveillance Act 2012. During the 2023/2024 period, the Department did not exercise search or entry powers without a warrant and did not exercise warrantless surveillance powers. The Department did not apply for any declaratory orders. The Chief Executive did not receive any reports from Judges under sections 48, 61 or 62 of the Act.

The Department applied for two surveillance device warrants. The applications were both granted. Both related to a tracking device and did not require authorisation for entry into private premises. Both surveillance devices were used for a period of more than 21 days but no more than 60 days. No people were charged in criminal proceedings where the collection of evidential material relevant to those proceedings was significantly assisted by carrying out activities under the authority of the surveillance device warrants.

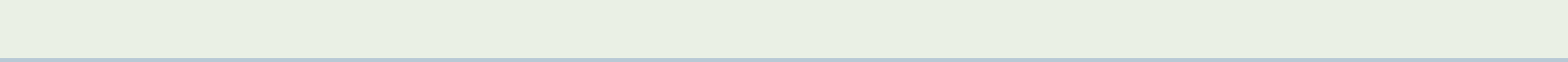
Appendix F

Glossary

Kupu/Word	Meaning
Fono/Hui	Meeting or gathering
Hapū	Subtribe
Iwi	Tribe
Kaimahi	Staff
Kura	School
Mana whenua	Tribal authority over land
Mātāpono	Principles
Mātauranga	Knowledge, stories and traditional practices
Papakāinga	Original home, home base, village, communal Māori land
Taonga	Treasures/Māori treasures
Tikanga	Customary practices or behaviours
Urupā	Burial ground, cemetery graveyard
Wānanga	Group seminar, learning session

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 the Department in delivering services and functions on behalf of the Government.
Estimates of Appropriation	The Government's approved set of appropriations for a year, approved and published before the start of the financial year to which they relate.
ISO 14064-1:2018	ISO 14064-1:2018 is an international standard that provides guidelines for organisations to quantify and report their greenhouse gas (GHG) emissions and removals. It includes principles and requirements for the design, development, management, reporting, and verification of an organization's GHG inventory.
Non-departmental expenses	Expenses incurred by entities other than the Department 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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Te Tari Taiwhenua
Internal Affairs



Te Kāwanatanga o Aotearoa
New Zealand Government