



Statement of Intent

TAUĀKĪ WHAKAMAUNGA ATU

V I S I O N A N D P U R P O S E

V I S I O N

The Department of Internal Affairs is a recognised leader in public service – known for innovation, essential to New Zealand, and trusted to deliver.

P U R P O S E

The Department of Internal Affairs serves and connects citizens, communities and government to build a strong, safe nation.

THE DEPARTMENT OF INTERNAL AFFAIRS
TE TARI TAIWHENUA

Statement of Intent
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DECLARATION OF THE MINISTER AND CHIEF EXECUTIVE OF INTERNAL AFFAIRS

This Statement of Intent outlines Government expectations of the Department of Internal Affairs in 2004/05. It also sets out the strategic outcome framework for the Department's operations and activities over the next three to five years. The relevant sections have been agreed with the Department's other Vote Ministers (Community and Voluntary Sector, Emergency Management, Local Government, Ministerial Services and Racing).

The Statement of Intent is the principal public record of the decisions of the Minister of Internal Affairs and the Chief Executive of the Department of Internal Affairs on the overall direction of the Department and the alignment of strategies and resources to support that direction. It also identifies environmental factors impacting on the work of the Department and risks to be managed in achieving the desired outcomes and in maintaining Departmental capability.

The Statement of Intent sets out how the Department will contribute to the achievement of the Government's goals, and links these to the medium to long term priorities for the Department and the Department's own outcome goals.

Information is also provided on the shorter-term work programme. The Statement also includes performance information to enable progress to be measured, financial forecasts for 2004/05, and other technical requirements of the Public Finance Act 1989.

Hon George Hawkins
Minister of Internal Affairs

Christopher Blake
Chief Executive



CHIEF EXECUTIVE'S OVERVIEW

The Department's thinking has advanced as it works towards outcomes aligned to its purpose of *serving and connecting citizens, communities and government to build a strong safe nation* and the Government's key goals.



The Department works towards four outcomes:

- Strong, sustainable communities/hapū/iwi
- Safer communities
- New Zealand and international communities trust the integrity of New Zealand's records of identity
- Executive Government is well supported

In working toward these outcomes the Department has set key medium term priorities:

Medium Term Priority 1: Implementation of Strategies to Improve Strategic Policy Capability and Operational Leadership

At the time of the last *Statement of Intent*, a review of options for the future delivery of policy advice by the Department was being finalised. The review found that the Department could build capability and reputation for strategic policy and operational leadership in two areas of strategic focus.

The first area is the relationship between central government, communities, local government, and iwi/hapū. These relationships are key to the effective implementation of the Local Government Act 2002, and underpin many other Government initiatives in areas such as community and regional development and infrastructure development.

In the short term the Department is focusing on assisting local government to implement the Act and building the key relationships needed to do this. The Department will continue to develop wider capability to strengthen its position as a strategic leader at the central/local government interface.

The second area of strategic focus for the Department concerns the cluster of activities around gambling, racing, censorship, fire and identity regulation. These responsibilities have considerable cross-over in matters that are important to Government, including community safety, security, e-government and international networks and agreements.

CHIEF EXECUTIVE'S OVERVIEW



The Department is acting now to build policy capability to be in a position to quickly and effectively respond to future demands. Environmental analysis indicates this area is likely to become of greater strategic importance in the medium-term.

The Department's strengthened strategies span culture, structure, process and skills. The strategies for culture, processes and skills are outlined in the capability section of this *Statement of Intent*. To strengthen its structure the Department set up two new branches integrating policy and operations. Each is headed by a Deputy Secretary. One branch is charged with the regulatory and compliance functions that the Department delivers and the other with the local government and community issues.

The Deputy Secretaries, Local Government and Community, and Regulation and Compliance, took up their roles in March 2004 and have quickly set about establishing the new branches and developing plans to deliver on the strategic opportunities.

The following illustrates the organisational structure as at March 2004 following the establishment of the two new branches.





CHIEF EXECUTIVE'S OVERVIEW

A review of the corporate support functions across the Department is nearing completion. This is to ensure that we deliver the right support services, organised in the most effective way, to support the delivery of outputs and achievement of outcomes. This review is due to finish in June with implementation in the early part of the 2004/05 year.

Medium Term Priority 2: Realising the Benefits from New Legislation

In addition to the Local Government Act 2002, the Civil Defence Emergency Management Act 2002 (CDEM Act) and the Gambling Act 2003 change the Department's work in the medium term.

The floods of February 2004 that devastated the lower North Island provide a stark reminder that as a nation we need to understand and minimise the risks of such events and be in a position to effectively respond if they do occur. The CDEM Act seeks to improve New Zealand's resilience to emergencies through promoting a comprehensive, all hazards approach to managing risk. A key requirement of the Act was the completion of a national civil defence emergency management (CDEM) strategy. The strategy, approved by Government in December 2003, is the Crown's vision for civil defence emergency management in New Zealand and the first step to a comprehensive, integrated approach to CDEM.

The Ministry of Civil Defence and Emergency Management is working with the CDEM sector to achieve the Government's CDEM goals. The Ministry will continue to develop frameworks and provide advice to give effect to improved CDEM behaviour and will monitor and evaluate the CDEM environment in order to advise Government of any gaps and weaknesses in New Zealand's resilience.

The passing of the Gambling Act 2003 provides for a solid, coherent regulatory framework within which both the Department and the sector can operate. Implementation of this Act is a priority for the Department. Our goal over the next 3 to 5 years is to be recognised as a strong and effective regulator so that the gambling sector will achieve a significant level of voluntary compliance as it understands the rules and recognises the risks of not complying.

Anticipated amendments to the Films, Videos, and Publications Classification Act 1993 will affect the Department's censorship compliance activities. These changes



along with additional resources will enhance the ability to detect and deter offenders, particularly those involved in the trading or collecting of images of child sexual abuse.

Medium Term Priority 3: Continuing to Enhance the Services We Provide

Identity Services will continue to improve its systems to address integrity requirements, meet the goals of the E-Government Strategy and provide sustainable services based on modern technology.

Initiatives to extend identity related services include extending birth, death and marriage services to enable notification of BDM registration information online and public Internet access to BDM index information. The passport production system is also under redevelopment. The first stage in this redevelopment is incorporation of a microchip for holding biometric information into the passport, in line with international standards. Proposed new legislation responds to the changed international environment and the opportunities provided by technology.

The Department actively supports the E-Government Strategy, and is collaborating with other agencies to integrate government service delivery. We are working closely with the E-Government Unit on developing design solutions for all-of-government identity authentication. Identity Services is also establishing access for authorised agencies to verify certain identity information held in our registers to enhance delivery of their services.

Two key projects are planned to enhance our role in supporting Ministers. The information management and technology capability within the Executive Government Support group will be upgraded. In addition a knowledge management strategy will be developed and implemented to ensure the knowledge and understanding of this specialist business is captured and shared.

The Office of Ethnic Affairs will support the New Zealand Chinese community as poll tax descendants establish a trust to manage the \$5 million fund, part of the reconciliation package announced this year. This reconciliation, facilitated by the Office, established New Zealand's leading international role in the recognition of historical discrimination against Chinese.



CHIEF EXECUTIVE'S OVERVIEW

2004/05 will see the continuing development of the telephone interpreting service, Language Line, which allows virtually immediate access by agencies to interpreters able to assist with client communication. It is planned to add new languages and to increase the capacity of the service, and make it available to more agencies.

In the first part of 2004/05, the country's first STV election will be held. The Department has supported local authorities and health boards through the provision of certified calculators to count STV votes. It will also cooperate with other agencies as it mounts a major information campaign about this new element in our democracy.

A new structure and a renewed strategic focus will change and improve the performance of the Department. The Department ultimately depends for success on the dedication of skilled staff. Staff are responding throughout the Department to the new challenges which face us and working to support the new structure. The development of clearer strategic focus enhances jobs and allows staff to more clearly see the benefits of their work. The Department is a good place to work, and will become more so as we achieve our goals of recognition as a leader in public service, trusted to deliver, and essential to New Zealand.



PART ONE

OUTCOMES





This is the third *Statement of Intent* for the Department of Internal Affairs. The changes in the content from previous years mainly reflect the advances in the Department's thinking and development of a managing for outcomes framework.

The two high-level outcomes and eight intermediate outcomes in 2003 have been combined into four outcomes. The four outcomes more accurately reflect the specific areas of influence of the Department and are at a level that clearly demonstrates where the Department can achieve a difference for New Zealanders.

There are interdependencies across the breadth of the Department's responsibilities. Each of the four outcomes brings together those elements of the Department's broad range of functions that have the strongest connection and also have a close alignment with specific segments within the public sector. This will strengthen opportunities to collaborate with other agencies to pursue a shared approach to achieving outcomes.

In order to achieve the outcomes, the Department must effectively manage its varied roles: as a policy and service delivery agency; as an intermediary between the Government (central and local), citizens and communities; and as a regulator of specific sectors.

In working with the community the key to the Department's effectiveness will be its ability to enable, make and sustain connections between people, their communities and their government. The Department is uniquely placed to be an agent of connection because of its range of responsibilities, regional spread and network of relationships.

Within government, the Department actively seeks better ways to work and to cooperate with other government agencies. This reflects the fact that the achievement of outcomes depends on the actions of a number of government agencies. The Department must take advantage of opportunities of collaborative approaches as an effective way to achieve significant difference for New Zealand. In the coming year the Department will take proactive steps to build cooperative outcome focused approaches with other agencies.

The intervention logic (a reasoned description of the links between the outputs and outcomes) and indicators contained within this Statement of Intent are the result of



INTRODUCTION

the Department's progress in its managing for outcomes thinking. The development of intervention logic should be informed by evidence-based research where applicable. An evidence-based approach was adopted for the intervention logic in strong, sustainable communities/hapū/iwi. This approach will be adopted for the other outcomes in the year ahead. Work continues on developing indicators and acquiring the evidence and research to better understand the impact of interventions on outcomes. This will enable the Department to build a strong evidence-based understanding of how to most effectively achieve the outcomes.

Managing for outcomes will be an area of ongoing focus for the department during 2004/05, as it will be across the public sector. The outcomes and interventions presented in this document provide a sound base for further development, and understanding, of how the Department can most effectively contribute on behalf of Government and the community.

This part of the document contains a summary of the significant environmental factors influencing the Department's work, a summary of the outcomes, and details of the intervention logic and the Department's contribution for each outcome. Part two provides the detailed performance specification of the Department's outputs that contribute to the outcomes, and part three contains the financial statements and information.



The following is an outline of the main external international and domestic environmental factors likely to have an influence on the work of the Department of Internal Affairs.

INTERNATIONAL ISSUES

The international terrorist threat has focused the attention of governments worldwide on the security of their borders and protection of their citizens. New Zealand is perceived to be a safe country, not only in terms of internal safety, but also because it is less likely to be a target for major terrorist activity. This may see a number of New Zealanders overseas returning home. There is also potential for an increase in the number of migrants wanting to settle in New Zealand.

Globalisation presents governments with challenges in terms of security, national and personal identity and the enforcement of national laws and regulations. In response to these challenges, governments will need to achieve closer cross border collaboration among regulatory and enforcement agencies.

Organised crime has become more international and sophisticated. International crime depends on identity fraud such as false identity and travel documents. This places increased pressure on the integrity of New Zealand's identity documents.

Technology and increasing travel options are making the world "smaller". People are more mobile, moving to locations where their skills can be best utilised, or seeking countries that offer comparatively better economic or political conditions. The requirement for physical presence to conduct business is rapidly diminishing. This can provide opportunities but does present a number of issues for regulatory agencies that are required to enforce local legislation.

The Department will need to continually assess and respond to risks to the integrity of New Zealand's records of identity. Opportunities also exist to forge stronger relationships with overseas agencies particularly in regulatory enforcement.

DEMOGRAPHICS

New Zealand's population is increasing slowly. It is also ageing, with the median age projected to increase by 8.5% to 38 years by 2012.



EXTERNAL ENVIRONMENTAL SUMMARY

The New Zealand population is becoming more ethnically diverse. The proportion of the population that are of Māori, Pacific or other ethnic group is increasing, as is the number of different ethnic populations within New Zealand. Māori and Pacific peoples will make up 30% of the working age population of New Zealand by 2051.

The flow of new migrants to New Zealand is contributing to the diversity of New Zealand's population. New immigrants face a number of barriers to settling in and feeling a part of their host communities and this is putting an increasing demand on social and employment services, particularly in Auckland. All government agencies need to respond by providing services that cater for the specific needs of new migrants. Counter to this there are a significant number of New Zealanders living overseas who still require services from government agencies.

We are becoming increasingly urbanised and located in the north of the country, with 75% of the population living in the North Island. The Auckland region population is increasing at a faster rate than the rest of the country. On the other hand, some rural regions are projected to experience negative population growth.

The changing demographics will require the Department to consider the type and location of its services to respond to the ethnic diversity and regional population changes.

EXPECTATIONS OF THE PUBLIC SERVICE

Cities and communities are seeking greater autonomy in the way that they organise their affairs. There is a greater expectation that central government will work more in partnership with others such as communities, the voluntary sector and local government.

The Review of the Centre initiative aims to achieve better integration of government services by reducing the current fragmentation of agencies and by encouraging coordination of the delivery of services. There will be a consequent need to establish closer working relationships with other agencies.

To increase effectiveness, the focus of government services is moving more towards the achievement of beneficial outcomes for communities and citizens.

New Zealand is becoming a more pluralist society, which results in greater diversity of personal values and communication styles among those with whom the Public



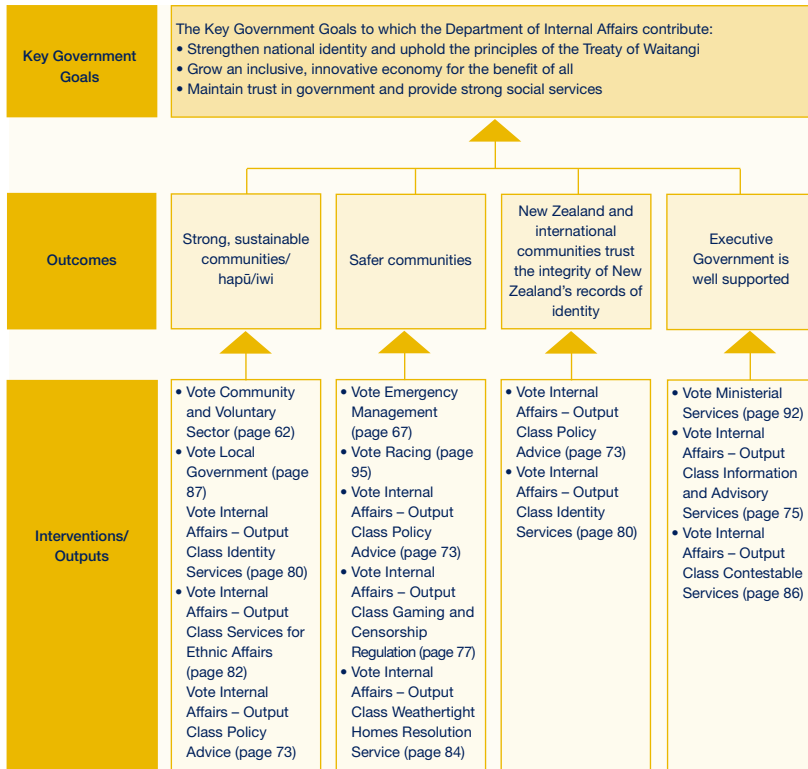
Service interacts. This demands more tailored and individualised service and a move away from a 'one size fits all' approach to service delivery. The public service itself must also reflect the growing diversity of the community it serves.

E-government is a way for the government to use the new technologies to provide people with more convenient access to government information and services, to improve the quality of the services and to provide greater opportunities to participate in our democratic institutions and processes. E-government also enables the government to meet public expectations of modern, efficient service delivery.

The Department will need to respond to communities' increasing expectations for enhanced services including electronic based alternatives. This will also require collaboration with other agencies to provide integrated service delivery.



SUMMARY OF OUTCOMES





The Department of Internal Affairs exists to serve and connect citizens, communities and government to build a strong safe nation.

This *Statement of Intent* focuses on the Department's specific contributions to the key Government goals to which it has the strongest impact:

- Strengthen national identity and uphold the principles of the Treaty of Waitangi
- Grow an inclusive, innovative economy for the benefit of all
- Maintain trust in government and provide strong social services

The Department directly contributes to these goals through interventions aimed at achieving the following outcomes:

- Strong, sustainable communities/hapū/iwi
- Safer communities
- New Zealand and international communities trust the integrity of New Zealand's records of identity
- Executive Government is well supported

The following diagram summarises the Department's outcomes, the links to the government goals and to the specific outputs in part two of this *Statement of Intent* that contribute to each of the outcomes. Of the six Votes the Department administers all but Vote Internal Affairs has a primary contribution to one outcome. The diagram indicates to which outcome each of the output classes of Vote Internal Affairs align.

Outcome Information

The following pages detail the intervention logic for each of the four outcomes. There is some degree of variation in the nature and detail of the information across the four outcomes. This reflects current progress in developing evidence-based intervention logic for each outcome.

Although there is variation in the nature and detail of the information presented, information for each outcome includes:

- **Outcome intervention logic** – presents a reasoned description of the links between the outputs and outcomes
- **Outputs and key initiatives** – highlights the departmental outputs that contribute toward achieving the outcome and the priority initiatives that enhance the Department's services/outputs.



SUMMARY OF OUTCOMES

- **Managing the risks to outcome achievement** – identifies the significant risks that potentially impact the Department's ability to achieve the outcome and outlines the strategies to mitigate these risks.
- **Summary diagram** – a diagrammatic illustration of the links between the interventions/outputs and the outcome, including relevant outcome indicators that assess the effectiveness of interventions.

The difference in the diagram for the strong, sustainable communities/hapū/iwi reflects the advanced understanding of the intervention logic.

Assessing the Effectiveness of Interventions

Key to an outcome focused approach is the ability to assess the extent to which interventions impact on desired outcomes. This requires the Department to ensure it has a robust measurement methodology as part of its outcomes framework.

This *Statement of Intent* presents an initial set of indicators developed to assess the effectiveness of the Department's interventions. These have been developed based on current knowledge and understanding of which indicators provide a reasonable assessment of the impacts of the Department's interventions on each of the outcomes.

The Department is establishing the appropriate processes necessary to collect the information required for analysis. The source and availability of information will be specific to each indicator and will include a mix of regular monitoring and data collection and the use of formal evaluation techniques. The information will also provide population groupings where appropriate.

This information will enable the Department to better understand whether its interventions are having the desired impact and provide a basis for continued refinement of its outcome indicators.

Shared Outcomes with other Agencies

The Department has taken initial steps in building joint approaches. Over the past couple of years the Department's Identity Services group has developed a shared



outcome with the New Zealand Immigration Service (NZIS) – *“Thriving, well-settled and inclusive communities supported by trusted identity information.”*

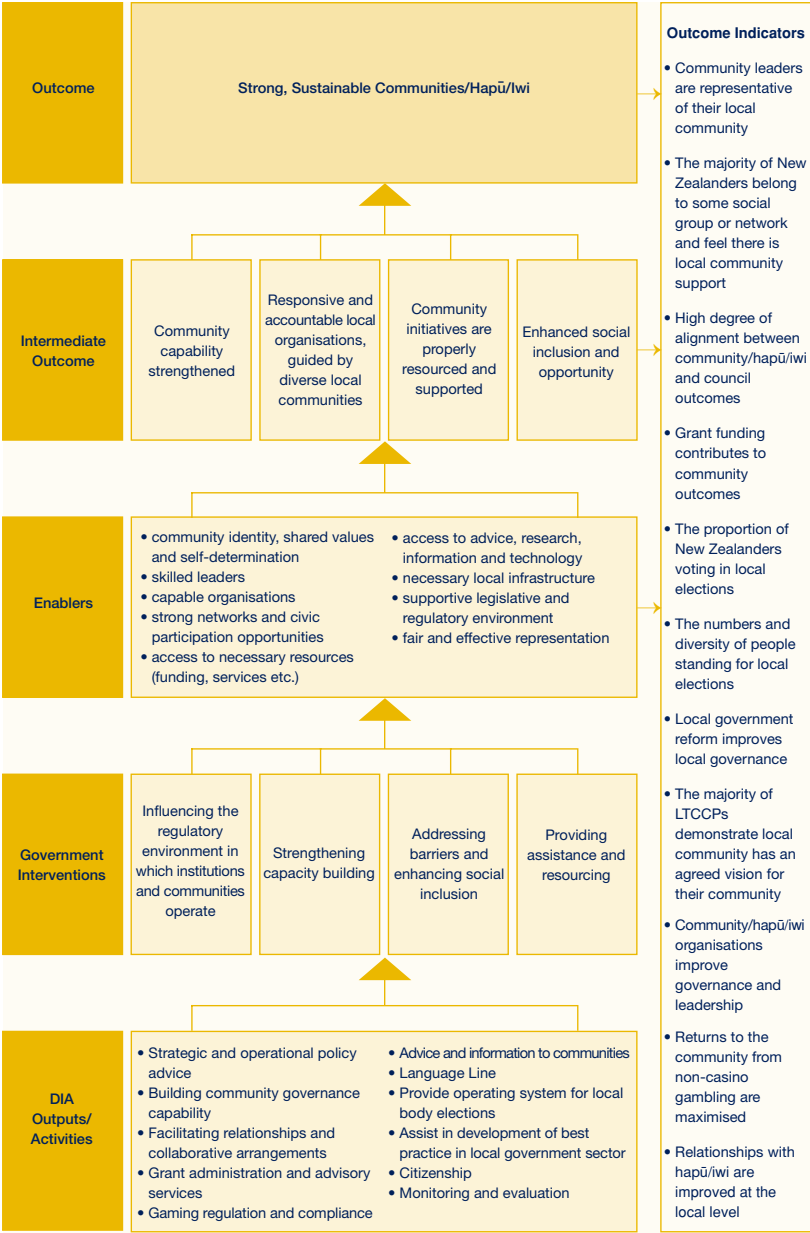
The shared outcome recognizes that the Departments of Internal Affairs and Labour are both seeking improved outcomes for migrants. The Department’s identity services and ethnic affairs work is closely aligned with the Department of Labour. The two agencies have developed a joint work programme to ensure activities are coordinated to maximise their effectiveness for migrants. The key areas of joint work are:

- developing strategies to harmonise systems and to support shared customers through residence and citizenship processes
- international initiatives (e.g. APEC and ICAO) that contribute to improved risk management and passenger facilitation
- improving information sharing locally and internationally to increase the effectiveness of Advanced Passenger Processing and manage risks to New Zealand.

The Department is also taking a lead with the Ministry of Social Development to explore opportunities to align outcomes across agencies involved in the community sector. This work is expected to advance during 2004/05 and beyond.



STRONG SUSTAINABLE COMMUNITIES/HAPŪ/IWI





A modern cohesive society is one of the cornerstones of an inclusive, innovative New Zealand. To create a more cohesive society, requires strong sustainable communities/hapū/iwi with the social and economic infrastructure to enable people to develop their own capabilities, to overcome disadvantage, to cope with change and to grasp opportunities to advance themselves and society.

A community may be thought of as a network of people and organisations linked together by various factors. Usually communities are composed of diverse groups and competing interests. A socially cohesive community is not about everyone agreeing or doing things the same way. Social cohesion occurs when relationships allow society to continue to function in spite of differing views and interests. A socially cohesive community has been described as one with a climate of collaboration. While all groups have a sense of belonging, participation and inclusion, there is still a recognition and legitimacy to value diversity and respect differences.

A strong sustainable community/hapū/iwi has the potential to more effectively find solutions to local problems and achieve their own well-being. They are inclusive, providing a sense of belonging and purpose. Capable and enterprising leadership within the community will lead to creative and forward-looking solutions. These solutions are an important building block for an innovative economy and provide resiliency to adversity and external shocks.

INTERMEDIATE OUTCOMES TO ACHIEVE THE OUTCOME

There are a set of intermediate outcomes that, when achieved, will lead to the outcome *strong sustainable communities/hapū/iwi* being realised.

Community capability strengthened

Community capability is achieved through strengthening leadership, organisational capabilities, formal and informal decision-making mechanisms, and assets of communities and hapū/iwi. A key component of community capability is strong social capital. Social capital is the resources and capabilities that communities accumulate through personal and group interaction.

Responsive and accountable local organisations, guided by diverse local communities

Local organisations provide the infrastructure that allow society to function in



STRONG SUSTAINABLE COMMUNITIES/HAPŪ/IWI

an environment of differing views and interest. To be effective they need to be open, responsive and accountable to the communities they represent.

Community initiatives are properly resourced and supported

Advice, facilitation, information, social services, funding and funding powers all enable communities to meet needs, address problems and undertake development.

Enhanced social inclusion and opportunity

Barriers have been removed that affect groups or whole communities/hapū/iwi from fully participating in economic, social, civil and political life. Social inclusion focuses on wider citizen participation in decision-making, so excluded groups have more of a chance to influence their own outcomes.

COMMUNITY AND LOCAL GOVERNANCE ENABLERS

There are several 'enablers' that bring a strategic focus to the above outcomes. These enablers also assist in setting priorities when assessing community and hapū/iwi needs and capabilities to achieve local outcomes. No single inventory of enablers will fit every situation.

The enablers for sustainable community development that will lead to the achievement of the above intermediate outcomes are:

- community identity, shared values and self-determination
- skilled leaders
- capable organisations
- strong networks and civic participation opportunities
- access to necessary resources (e.g. funding, services etc)
- access to advice, research, information and technology
- necessary local infrastructure
- supportive legislative and regulatory environment
- fair and effective representation.



GOVERNMENT'S INTERVENTIONS AND DEPARTMENTAL OUTPUTS/ACTIVITIES

The interventions, tools and investments of government are aimed at enhancing these enablers in partnership with local communities. These interventions will vary according to the type of community/hapū/iwi being dealt with: geographical, interest or political.

A number of government agencies engage with communities and hapū/iwi on an ongoing basis. This requires close collaboration across sectors of government in policy formation, planning, resourcing and community development initiatives. The Department works closely with a number of government agencies involved in developing community capability, including the Ministry of Social Development, Department of Labour, Child Youth and Family and Te Puni Kokiri.

The interventions and tools of government agencies fall into four categories. Any of the Department's outputs/activities can be applied across all of the intervention categories. The following highlights key departmental outputs for each of the four intervention categories.

Influencing the regulatory environment in which institutions and communities operate

- promoting frameworks to guide the activities of institutions,
- monitoring those institutions against national policies and legislation, and international conventions and agreements.

The Department has a role to work with the local government sector to develop tools and knowledge to perform effectively for their community. The Local Government Act 2002 sets out a clear purpose for local government – to promote communities' social, economic, cultural and environment well-being.

It advises Ministers and other government agencies and local government on appropriate legislation, and monitors the local government system.

The Department works in partnership with the local government sector to implement new legislation. For example, LG KnowHow is a joint work programme by Local Government New Zealand (LGNZ), the Society of Local Government Managers (SOLGM), and the Department, to provide councils with the guidance, templates, "best practice" advice and ongoing training that will enable them to implement the new Local Government, Local Electoral and Rating Acts successfully.



STRONG SUSTAINABLE COMMUNITIES/HAPŪ/IWI

The Office of Ethnic Affairs contributes to developing well-rounded policy by promoting the use of policies and practices that bring an ethnic perspective to the policy process. It advises other agencies how to develop policies that will enhance ethnic peoples' development and well-being.

Strengthening capacity building

- strengthening the leadership, organisational capabilities, decision making and assets (capital stocks) of communities and hapū/iwi.

The Department's community development practitioners engage with diverse groups across whole communities to address complex issues, particularly around community leadership, appropriate governance, high levels of participation and a shared sense of identity and values. These are key factors in sustainable, self-determined development.

Guidance is given to local authorities' on decision-making processes through legislation and work is undertaken with the local government sector to provide good practice information to enhance local leadership. In addition, the Department administers the Rates Rebates scheme for councils and advises ministers on appropriate funding sources for local authorities.

The Department administers and evaluates a range of community grant or funding schemes to support capacity-building and relationship-building, local initiatives, community services and community-based youth development:

- Social Entrepreneur Scheme
- Community Internship Programme
- Community Based Youth Development Fund
- Māori Community Development Worker Scheme
- Youth Worker Training Scheme
- CPWS: Crime Prevention

The Office of Ethnic Affairs builds capability in ethnic communities to participate in a range of schemes in the wider community.

The Department also implements and evaluates initiatives to strengthen capacity building, including the Learning Action Research Projects and a hapū-driven development process te whakamotuhaketanga hapū, as well as facilitating communication and access to information by administering CommunityNet Aotearoa.



Addressing barriers and enhancing social inclusion

- helping overcome the intervening factors and processes (internal and external) affecting capability development of individuals, families, groups and communities.

The Department's community development workers are adopting a community-brokering role, which nurtures social capital, promotes cohesive and inclusive processes and is profoundly community driven. Their primary function is to marshal resources and participants in new mixes to solve previously enduring problems.

A cohesive society means that the value of ethnic diversity is affirmed, and ethnicity is not a barrier that divides society, in opportunities, access or participation. Ethnic communities need to be able to participate in all aspects of community life. The Office of Ethnic Affairs provides and promotes the provision of information to assist ethnic communities to participate and contribute to their local communities.

Disadvantage and exclusion can occur where the availability and provision of services and resources does not take account of different cultures and customs. Government agencies need to ensure that all services are delivered in a manner that does not contribute to inequities. This may require alternative delivery mechanisms or services targeted specifically at ethnic communities (e.g. Language Line).

Some ethnic people seek inclusion through becoming a New Zealand citizen. The Department facilitates this progression to full entitlement and participation by providing a customer-focused process for the grant of citizenship, marked by a formal ceremony. The Department supports local authorities in arranging ceremonies, with guidelines for appropriately reflecting both the host community and ethnic diversity of new citizens.

Wide participation in local government contributes to sustainable communities, and the Department administers and implements legislation governing local election processes, including STV, to facilitate participation and encourage more diverse community representation.

Providing assistance and resourcing

- providing advice, facilitation, information, social services and funding to enable communities to meet needs, address problems and undertake development.



STRONG SUSTAINABLE COMMUNITIES/HAPŪ/IWI

The Department provides a range of advisory, facilitation and information services that enable communities to meet needs, address problems and undertake development. This includes advice and information on accessing the various sources of funding.

The Department administers a range of Trust and Crown funding schemes, including the Community Organisation Grants Scheme (COGS), and provides administrative support to the Lottery Grants Board. The Department supports groups seeking grant funding but does not make grant funding decisions. This is the role of distribution committees, many based in local communities. The Department assists committees to make informed decisions in the long-term interests of hapū/iwi and communities.

The Department also seeks to ensure that the proceeds from gambling in the non-casino sector can be used to support community development. To maximise returns to the community from gaming, the Department ensures the costs of running the sector are “actual, reasonable and necessary” and that there is transparency in the grants distribution process. This is achieved by ensuring that gambling operators provide public information on funding availability and application processes, the auditing of gaming trusts and grant recipients, and the provision of advice, information and resources to the community.

OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:

- Vote Voluntary and Community Sector
- Vote Local Government
- Vote Internal Affairs – Output Class Identity Services
- Vote Internal Affairs – Output Class Services for Ethnic Affairs
- Vote Internal Affairs – Output Class Policy Advice.

The following priority initiatives enhance the Department’s services and contribute to the achievement of this outcome:

- Addressing Auckland specific issues including regional governance issues, governance issues in relation to Watercare, and other related matters
- Develop mechanisms to assess the comparative performance of local authorities and to evaluate the Local Government legislation
- Support the Local Government Commission’s review of the Local Government Act 2002 and Local Electoral Act 2001



- Support central government engagement in community outcomes process
- Implementing sustainable Community Development framework
- Implementing Te Whakamotuhaketanga Hapū framework
- Support the establishment of a trust as part of the Chinese poll tax descendants reconciliation package
- Continued development of Language Line
- Collection and analysis of election statistics to enable an assessment of the impact of STV and other changes to the Local Electoral Act and to support the Local Government Commission's review of that Act
- Implementing Ministerial decisions for Lottery Future Directions
- Implementing Community Organisation Grants Scheme (COGS) review
- Further enhancing Grants Online application capture and processing.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

Demand for high quality advice and services can exceed capacity to deliver. To ensure that the Department can deliver what is expected of it, in both the immediate and long term, work underway will:

- improve planning processes, including better specification of work programme and capacity requirements
- ensure the development of strategic and long term planning capacity within the Department.

To minimise risks associated with roll out of the Local Government Act (2002) Community Outcomes Process the Department will:

- facilitate information flow and assist in building collaborative arrangements with communities, local government, and across central government.

To minimise the risk that government initiatives fail to meet community needs or expectations the Department will:

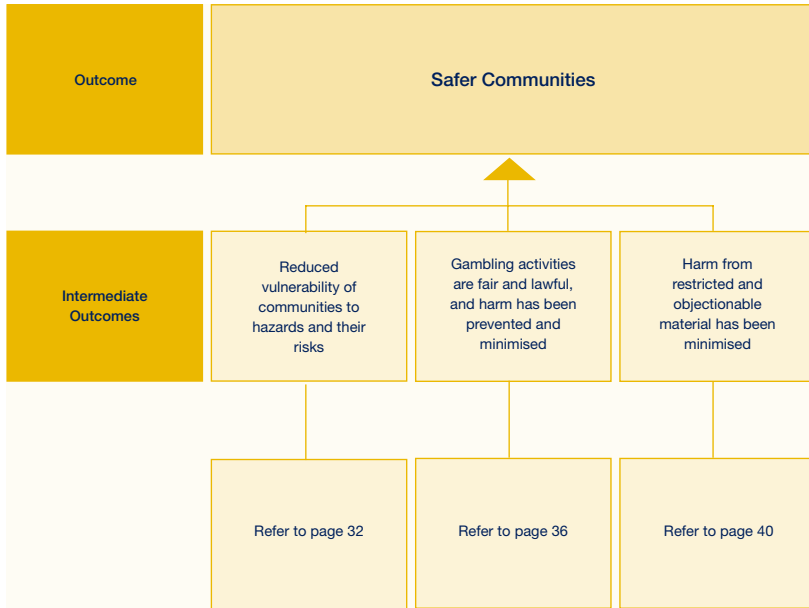
- work with the community and voluntary sector organisations to build capability and capacity for community well-being
- continue to manage risks associated with community funding programmes through a robust programme of audit and evaluation.

To minimise risks that the overall mix of interventions do not achieve the desired results the Department will:

- continue to build its information base through a programme of research and evaluation, and monitoring of key local government and community indicators.



SAFER COMMUNITIES





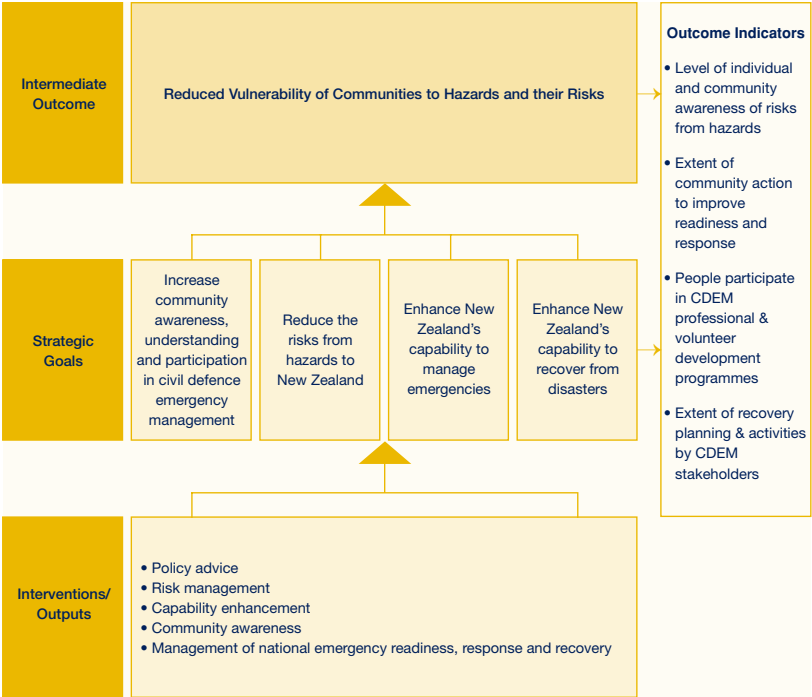
A fundamental responsibility of the government is to protect the citizens of New Zealand. People want to live in an environment where they can be confident they are safe and that their children and wider families are safe. The government transfers specific powers to government agencies to work in partnership with communities for the development of a safe and progressive society.

Safety is the number one concern of many communities across the country. In part this is because safety covers so many aspects of everyday life. The Department of Internal Affairs has specific contributions to achieving safer communities. Given the diverse nature of this contribution, which ranges from supporting local authorities to better manage the risks posed by dangerous dogs, to operating a dispute resolution process for homeowners affected by the leaky building 'syndrome', the Department has identified three intermediate outcomes that highlight specific contribution to safer communities:

- Reduced vulnerability of communities to hazards and their risks
- Gambling activities are fair and lawful, and harm has been prevented and minimised
- Harm from restricted and objectionable material has been minimised.



SAFER COMMUNITIES





REDUCED VULNERABILITY OF COMMUNITIES TO HAZARDS AND THEIR RISKS

The Government's vision for civil defence emergency management (CDEM), consistent with this outcome, is *Resilient New Zealand*. This is when New Zealanders understand and routinely act to reduce and avoid the adverse effects of hazards because they value the enduring social, economic, cultural and environmental benefits of doing so.

A key mechanism for achieving this is the framework that has been established under the Civil Defence Emergency Management Act 2002 (CDEM Act). The Act seeks to improve New Zealand's resilience in the face of emergencies through promoting a comprehensive, all-hazards (not only natural) and sustainable approach to managing risk.

To improve New Zealand's approach to managing risk and ultimately reduce vulnerability to hazards requires a greater awareness, understanding and participation in civil defence and emergency management. It also requires the identification of, and action to reduce the risks from hazards, and when they do occur, New Zealand must be better equipped to manage emergencies and recover from disasters. This will make a contribution to the overall sustainable development of the physical, built and social environments of New Zealand communities.

INCREASE COMMUNITY AWARENESS, UNDERSTANDING AND PARTICIPATION IN CIVIL DEFENCE EMERGENCY MANAGEMENT

A solid understanding of CDEM will build upon an awareness of hazards and risks and encourage communities to actively participate in CDEM, particularly in decision-making. As such, individuals and communities need to take responsibility for their safety. This aims to strengthen a culture of community safety.

REDUCE THE RISKS FROM HAZARDS TO NEW ZEALAND

Reducing risk cannot be viewed in absolute terms. It is physically impossible to completely remove the risks from all hazards. It is recognised that the risks from hazards are just some of the multitude of risks that New Zealanders face in their everyday lives. Communities and government must manage a host of variables



SAFER COMMUNITIES

that affect the acceptability of risk, from economic costs to the country's international reputation. The new CDEM arrangements enhance the tools that will assist communities and government to reduce risk to acceptable levels.

ENHANCE NEW ZEALAND'S CAPABILITY TO MANAGE EMERGENCIES

Notwithstanding efforts to reduce risk, emergencies happen, and New Zealand must be prepared to manage them. Stakeholders that have responsibility for preparing and responding to emergencies, namely local and central government, emergency services and lifeline utilities need to understand what is required to more effectively manage emergencies.

Stakeholders with statutory responsibilities need to plan an integrated and cooperative approach to responding to emergencies. As a nation, we have only limited capability to manage emergencies, particularly large ones. New Zealand must make best use of its existing resources and planning arrangements.

ENHANCE NEW ZEALAND'S CAPABILITY TO RECOVER FROM DISASTERS

Disasters can inflict enormous damage on the physical environment. Communities that can restore the "normal" functions of daily life, such as people returning to their homes, businesses reopening and children back in school, will recover more quickly from disasters. Good recovery planning will increase the speed by which communities can resume normal activities. The importance of reducing the long-term impacts of disasters through sound recovery planning cannot be overstated.

THE ROLE OF THE MINISTRY OF CIVIL DEFENCE AND EMERGENCY MANAGEMENT

The Ministry's role within the CDEM sector is to promote and facilitate the achievement of government's CDEM goals. Part of this facilitation means making clear the interpretation and the assumptions that underlie the work the Ministry promotes, and the areas it is involved in assisting. It also underpins the monitoring and evaluation work the Ministry does in order to advise Government of any gaps and weaknesses in New Zealand's resilience. Part of the promotion work includes developing frameworks and providing advice to give effect to improved CDEM behaviour. It also means managing a national disaster on behalf of Government.



The way that the Ministry reduces vulnerability is by improving New Zealand's capability to reduce risks, manage emergencies (preparedness) and recover from disasters. The Ministry is currently focused on leading the identification and management of risk, enhancing the capability of the sector and improving community awareness.

OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:

- Vote Emergency Management

The following priority initiatives enhance the Department's services and contribute to the achievement of this outcome:

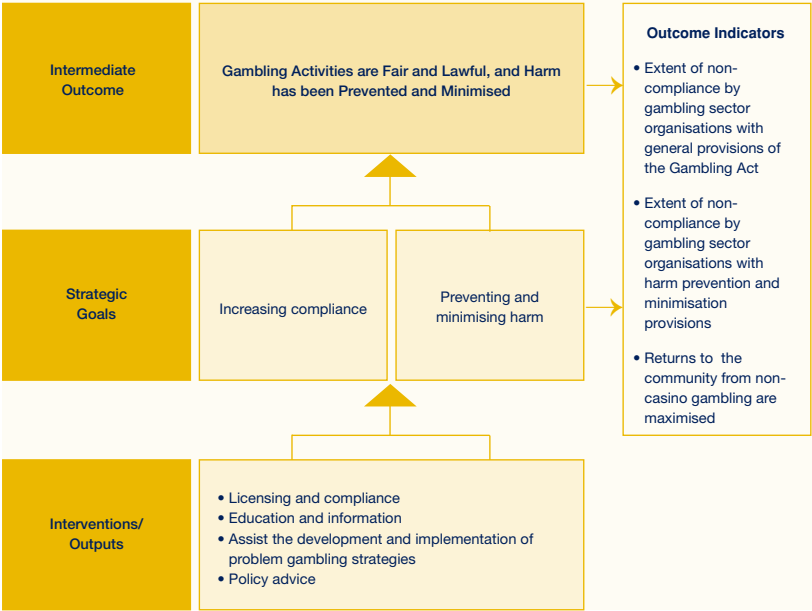
- Continue to support Civil Defence Emergency Management Group's development and planning
- Develop the national Civil Defence Emergency Management Plan
- Facilitate a 'Focus on Recovery' within the sector.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

Following the initial implementation of the CDEM Act in 2003, agencies and communities are now learning to work with the Act. There will inevitably be a settling in period. In some cases the Act has worked well, such as during the February 2004 Lower North Island Storm event. However, completing the implementation process as people become aware of the Act's implications for CDEM planning will face risks. These include unrealistic expectations and the potential for confusion. To manage these risks, communication of clear and consistent messages has been made a priority, as has developing well-informed understandings of the Act impacts, through a monitoring and evaluation project. In addition, developing common expectations of the Act across all sectors involved in CDEM is being achieved through a number of projects, including the cluster project in which similar agencies work together to plan for CDEM, Focus on Recovery and the support provided to local government in the area of CDEM.



SAFER COMMUNITIES





GAMBLING ACTIVITIES ARE FAIR AND LAWFUL, AND HARM HAS BEEN PREVENTED AND MINIMISED

The main forms of gambling in New Zealand are casino gambling; non-casino gaming machines ('pokies'); New Zealand Lotteries Commission products such as "Lotto"; race and sports betting; housie; lotteries; prize competitions and other games of chance.

In recent years the growth of gambling has heightened concerns about negative social and economic impacts, and how money derived from various forms of gambling is applied to community purposes. Additionally, gambling attracts criminal activity and the complexity of gambling products means that without proper standards and information they may be unfair to consumers.

Parliament has recently passed the Gambling Act 2003 ("the Act") to address growing concerns about gambling in New Zealand. The purposes of the Act are to:

- control the growth of gambling
- prevent and minimise the harm caused by gambling, including problem gambling
- authorise some gambling and prohibit the rest
- facilitate responsible gambling
- ensure the integrity and fairness of games
- limit opportunities for crime or dishonesty associated with gambling
- ensure that money from gambling benefits the community
- facilitate community involvement in decisions about the provision of gambling.

The Department has two roles in respect to this legislation. The immediate priority is to implement it. Parallel with this, it will monitor and evaluate the outcomes that are achieved so it can advise Ministers on an ongoing basis on whether further developments are required to support the Act's purposes and the Government's desired outcomes.

In implementing the legislation the Department seeks to reduce any gambling related social and economic harm and criminal activity (leading to negative community impacts from a public health and criminal law perspective). The Department also seeks to ensure that the proceeds of gambling are applied as is required by the Act, and in the case of non-casino gambling, this means a variety of community purposes. (*refer to the Outcome: Strong, Sustainable Communities/Hapū/Iwi*).

To be effective, the Department must be seen as a credible policy advisor and regulator. The "old" regime (prior to the Gambling Act) was difficult to manage and



SAFER COMMUNITIES

did not assist us in this regard. In the last two years the Department has taken a much more active approach to regulating the sector to demonstrate that it is intent on achieving the required outcomes.

The passing of the Gambling Act 2003 provides a solid, coherent regulatory framework within which both the Department and the sector can operate. The Act also establishes the Gambling Commission, which deals with appeals and complaints about the way the Department is regulating the sector. This brings into sharper focus the need for robust processes and quality in respect of regulatory decisions.

Ultimately, the goal over the next 3 to 5 years is that the gaming sector will achieve a significant level of voluntary compliance as it understands the rules, recognises the risks of not complying and sees the Department as a strong and effective regulator capable of dealing with any issue that arises.

In support of this, the following **key objectives** will be addressed over a 3-year horizon with respect to the gaming sector:

- increasing compliance in the non-casino gaming sector
- increasing returns to the community from non-casino gaming operations (*refer to the Outcome: Strong, Sustainable Communities/Hapū/Iwi*)
- preventing and minimising the harm caused by gambling in the casino and non-casino sectors.

INCREASING COMPLIANCE

To ensure that gambling activities are fair and lawful, the Department's operational activities include; licensing people or organisations who can establish that they are suitable to be involved in higher risk classes of gambling; compliance audits and inspections; investigations and prosecutions; and working in partnership with other enforcement agencies in detecting and preventing crime.

The gambling sector and the community receive education and information concerning standards, conditions and game rules to encourage voluntary compliance. This is supported by targeted enforcement actions that address significant compliance problems (ranging from incompetent management of gaming machine funds to serious breaches of the Gambling Act or criminal law) in a manner that is fair, proportionate and underpins a culture of voluntary compliance.



PREVENTING AND MINIMISING HARM

The Department develops and implements controls and limits on gambling activities that contribute to the prevention and minimisation of harm. Gambling laws also allow for community involvement in decisions about the location of non-casino gaming venues, and allow the setting of technical standards for gambling equipment that can include harm minimisation measures.

The Government has allocated responsibility for the development of an integrated problem gambling strategy to the Ministry of Health. The Department is working closely with the Ministry in the development of operational policy and regulations associated with the strategy.

OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:

- Vote Internal Affairs – Output Class Policy Advice
- Vote Internal Affairs – Output Class Gaming and Censorship Regulation.

Over the next 12 to 18 months the Department will focus effort on ensuring that the new legislation is successfully implemented. Key projects over the medium term to support the purposes of the Act and enhance the effective regulation of the sector include:

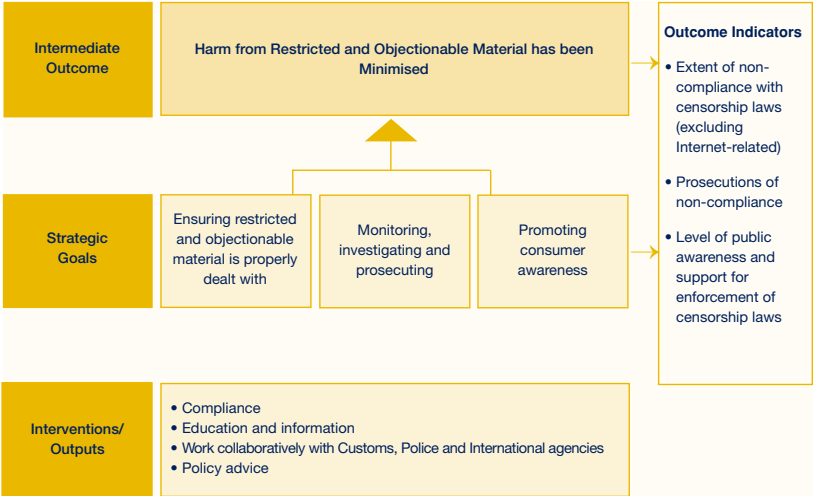
- the operationalisation of new policy and procedures from 1 July 2004
- the introduction of a new infringements regime
- progressing the implementation of an Electronic Monitoring System (EMS) for non-casino gaming machines
- the implementation of a system of staggering licence renewals.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

The major risk is that the Gambling Act 2003 will not be fully implemented over the next 12 to 18 months. This risk is mitigated through the application of high quality project and change management techniques and ensuring staff are well trained in understanding how they contribute to and can influence the gambling outcomes.



SAFER COMMUNITIES





HARM FROM RESTRICTED AND OBJECTIONABLE MATERIAL HAS BEEN MINIMISED

The community seeks to minimise harm from restricted and objectionable material and ensure that criminal behaviour is effectively dealt with, while preserving freedom of expression. The making, possession and/or trading of restricted material has the potential to cause harm to people in the community. Issues relating to restricted material are values based, with some people arguing that material that is restricted should be more freely available and others arguing that freely available material should be restricted.

Harm is caused through the making, possession and/or trading of objectionable material because of the nature of the material, and the fact that such material can only be derived from situations in which actual harm is caused, or the only intention is to cause harm.

The Films, Videos, and Publications Classification Act 1993 covers films, videos, books, computer games, sound recordings, magazines and the Internet, but not television and radio broadcasting. The Act governs New Zealand's censorship regime, and provides for material to be classified as restricted and defines what is 'objectionable' and likely to be injurious to the public good.

As a result of the concerns at the increasing number of internet related offences, the Government has decided to seek amendments to the Films, Videos, and Publications Classification Act 1993. The changes include the creation of new offences, broader investigative powers and greater penalties for those caught possessing, making and distributing objectionable publications.

The Department's censorship interventions to reduce harm are focused on achieving:

- full compliance with censorship laws
- compliance with standards related to restricted material
- prosecution of offences involving objectionable material
- promotion of consumer awareness.

ENSURING RESTRICTED AND OBJECTIONABLE MATERIAL IS PROPERLY DEALT WITH

The Department intervenes to ensure that the film and video industry, magazine distributors and shops adhere to the decisions of the Office of Film and Literature



SAFER COMMUNITIES

Classification. An inspection programme for retail outlets and suppliers, ensures that restricted material is correctly labelled and displayed, and objectionable material is not available to the public.

To combat trading in objectionable material over the Internet, the Department works closely with many overseas jurisdictions, who are continually stepping up international and cross border cooperation and information sharing. A constant focus on developments in technology is maintained through sharing information, forensic investigation techniques and software development ideas with similar agencies in New Zealand and overseas. A covert presence in Internet Relay Chat and Peer to Peer networks, and an inspection programme of news groups and New Zealand based adult rated websites, have also been established.

MONITORING, INVESTIGATING AND PROSECUTING

In addition to inspection programmes, the Department is the primary agency responsible for monitoring, investigating and prosecuting offences involving objectionable material across all publication formats, including the Internet. A key to success in this area is to maintain effective networks and relationships with other New Zealand and international enforcement agencies. Close partnerships have been established with the Police and New Zealand Customs with the objective to detect and prosecute offenders and to reduce the level of offending.

PROMOTING CONSUMER AWARENESS

Consumer awareness of censorship laws is promoted through the provision of education and advice. The objective is to inform people about the risks, so they can make informed choices. For example, the Department provides educational material to schools and libraries on Internet safety including ways to monitor Internet activity. Information about court cases and convictions is also actively promoted as part of a regularly updated media strategy.

The Department also provides administrative support to the key bodies of New Zealand's censorship regime, including the Film and Literature Board of Review, monitors the performance of the Office of Film and Literature Classification, and supports its relationship with the Minister.



OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:

- Vote Internal Affairs – Output Class Policy Advice
- Vote Internal Affairs – Output Class Gaming and Censorship Regulation.

The following key initiatives will enhance the Department's services and contribute to the achievement of this outcome:

- the effective implementation of the amendments to the Films, Videos, and Publications Classification Act 1993 supported by adequate resourcing and staff training
- growing and maintaining effective networks with other New Zealand and international enforcement agencies
- focusing on developments in technology through sharing information, forensic investigation techniques and software development ideas with agencies in New Zealand and overseas.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

The greatest risk to minimising harm from restricted and objectionable material is in the area of Internet safety, particularly the scope it allows for illegal activity. This is mitigated by enhancing the Department's capability through inter-agency partnerships and a focus on technology developments. There are also risks (mental or physical) to censorship staff arising from their work. To mitigate this risk, the Department ensures staff undertake a regular psychological supervision programme and are constantly monitored by management.



NEW ZEALAND AND INTERNATIONAL COMMUNITIES TRUST THE INTEGRITY OF NEW ZEALAND'S RECORDS OF IDENTITY





The Department is responsible for the creation and stewardship of trusted records of, or relating to, New Zealanders' identity. Its success is dependent on the records of New Zealanders' identity being trusted by the public, the government sector and internationally.

The records of births, deaths, marriages and citizenship constitute a complete public record about New Zealand citizens, held in public registers. These registers are used for such purposes as providing population statistics, determining eligibility for individual rights and entitlements, and helping individuals to establish their identity.

New Zealand's identity registers and documents have a reputation for reliability and integrity both nationally and internationally, and are widely used by other government agencies, researchers and the general public. To maintain this high degree of trust, scrupulous attention is paid to maintaining their completeness, accuracy, security and integrity, and to exercising responsible stewardship.

The use of proven technology in production and service provision is also necessary to maintain this reputation. Systems are continuously improved to address integrity requirements, meet the goals of the E-Government Strategy and provide sustainable services based on modern technology.

Changes to the principal identity-related legislation will allow enhanced protection of identity records, allow for e-government developments such as online registration and keep pace with changes in New Zealand society.

The Department's interventions are to ensure New Zealand's records of identity are trusted:

- by New Zealanders
- across government
- internationally.

TRUSTED BY NEW ZEALANDERS

Key to New Zealanders' trust in the management of their records is assurance that the records are accurate and maintained with the utmost integrity. A number of



NEW ZEALAND AND INTERNATIONAL COMMUNITIES TRUST THE INTEGRITY OF NEW ZEALAND'S RECORDS OF IDENTITY

checks and balances are applied to protect the integrity of identity information. Increased use of technology enhances the integrity of the registration, secure storage, retrieval and certification or verification of identity, or identity-related, information.

The Department's Identity Services group administers the registers in accordance with legislation, and pays particular attention to privacy requirements. This contributes to maintaining public confidence and securing the continued cooperation of individuals and organisations in providing information as required.

The information resources held in trust are of value and interest to all New Zealanders. Identity Services exercises stewardship in making this information appropriately accessible to the public and to specialist user groups such as genealogists.

These records also carry great cultural significance as they contain whakapapa information. The records are treated as taonga, with due care and protection.

Development work is underway to improve service delivery through increased online public access to services, such as Internet access to birth, death and marriage indexes. Conversion of records to electronic formats and upgrading of the information systems infrastructure have been completed. The focus is now on developing the right capability to support these new technology-based services.

Identity Services will also continue to develop customer information and services that better meet the needs of the increasingly diverse ethnicity of New Zealand communities.

TRUSTED ACROSS GOVERNMENT

Government agencies need to trust that identity records are accurate and managed with integrity, in a secure environment.

The Department actively supports the E-Government Strategy, and is collaborating with other agencies to integrate government service delivery. For example, developing the capability to enable online registration of selected information, such as death information from funeral directors. Work is also underway to implement



authorised information-matching agreements, to permit other government agencies to directly verify entitlement or identity information against the registers.

The Department continues to take a leadership role on cross-government initiatives relating to identity verification, with the aim of encouraging better understanding and processes across the public sector. This includes working closely with the E-Government Unit on developing design solutions for all-of-government identity authentication.

TRUSTED INTERNATIONALLY

A key goal is to ensure that New Zealand travel documents continue to have a world-class reputation for integrity. This is highlighted by growing international concerns about security at borders and an increase in organised crime that relies on identity fraud.

International security standards, including those set by the International Civil Aviation Organisation (ICAO), play a major role in determining how New Zealand travel documents are produced. New Zealand continues to take a leadership role in improving those standards through active involvement with ICAO.

Work is underway on redevelopment of the passports production system, to ensure passport production incorporates the highest levels of integrity and makes the best use of modern technologies. The first stage is to incorporate a microchip containing biometric information into the passport, in line with international standards. Work is also underway on enhancing the processes for overseas issuance of travel documents. Both of these measures will increase the integrity of New Zealand travel documents and enable compliance with changes to the United States visa-waiver programme requirements.

The Department collaborates with the Ministry of Foreign Affairs and Trade to ensure travel is facilitated (especially in emergencies) for New Zealanders overseas by the provision of secure, internationally accepted documentation.

OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:



NEW ZEALAND AND INTERNATIONAL COMMUNITIES TRUST THE INTEGRITY OF NEW ZEALAND'S RECORDS OF IDENTITY

- Vote Internal Affairs – Output Class Policy Advice
- Vote Internal Affairs – Output Class Identity Services.

The following key initiatives will begin or continue over the 2004/05 year to enhance services and support the achievement of this outcome:

- Implementation of legislative changes that enhance protection of the identity records and enable E-government initiatives
- Implementation of public internet access to BDM Index information
- Online notification of BDM registration information
- Exploration of avenues for exchanging information with other jurisdictions to ensure comprehensive records of the key life events of New Zealanders offshore
- Online verification services that enable authorised agency access to certain identity information held in the registers
- Contribution to development of a whole of government authentication solution
- Leadership of cross-government evidence of identity guideline development
- Redevelopment of the passports system, the first stage of which will be incorporation of a microchip into the passport to hold biometric data.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

Safeguarding the integrity of identity products in the face of rising international security issues, organised crime threats and increasingly complex operational issues remains a key priority for the Department. To manage the risks associated with these trends, the Department is:

- keeping travel document technology in step with leading edge international developments and standards
- improving audit and investigation activities to combat identity fraud and minimise the potential for internal fraud
- working and sharing information with Immigration, Customs, Police and other agencies to combat identity fraud
- planning implementation of legislation that increases penalties for citizenship fraud
- implementing good practice models for risk management and integrity assurance.

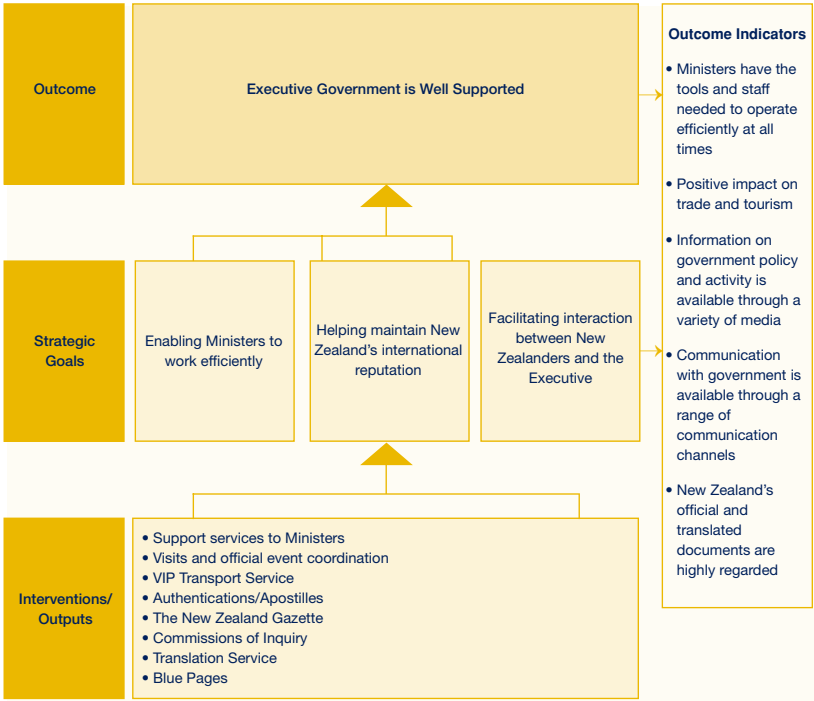


The Department is managing risks to major development projects through rigorous project and financial management. Effective change management will also ensure that business as usual activities are not compromised by extensive development work.

The need for robust internal controls, security and business continuance systems, as well as effective communication to allay public or stakeholder concerns, continues to be recognised. Potential privacy concerns in relation to new services will be addressed through development of privacy impact assessments and information matching agreements, as appropriate.



EXECUTIVE GOVERNMENT IS WELL SUPPORTED





“Good Government” depends on the effective functioning of executive government processes. The Executive Government, which includes Ministers in Cabinet, Ministers outside Cabinet, and Parliamentary Under-Secretaries, need services that will assist them to maximise their time to focus on running the country.

The Department’s Executive Government Support group (EGS) provides the Executive Government with the environment, support and advice to carry out their duties effectively including:

- enabling Ministers to work efficiently at any time of the day, anywhere in the world
- helping to maintain New Zealand’s international reputation
- facilitating interaction between New Zealanders and the Executive.

This is achieved through working closely and collaboratively with other agencies, especially Parliamentary Service, the Department of Prime Minister and Cabinet, the Office of the Clerk and the Ministry of Foreign Affairs and Trade (MFAT), ensuring seamless services.

ENABLING MINISTERS TO WORK EFFICIENTLY

Ministers’ workloads and the immediacy of information in New Zealand society requires Ministers to have the support of personal staff, access to information and supporting technology, to be able to maintain the credibility and integrity of Executive Government. Ministers need to work closely with each other, and with other agencies, particularly government departments and ministries.

Ministers are provided with efficiently organised, professionally staffed offices, and a range of services including advice, financial services, media, communications and information technology. Ministers are linked with their portfolio departments and ministries through seconded staffing arrangements and shared workspaces.

Core information is continuously available and internationally accessible through the information technology infrastructure. IT systems are not only robust and reliable, but also interface securely with technology operated by other Government agencies.

Ministers are provided with a safe and confidential environment in which to work, whether they are in the office, at home or travelling. Executive Government Support directly provides residential services, chauffeur-driven vehicle services, and works alongside the Parliamentary Service to ensure an effective office environment.



EXECUTIVE GOVERNMENT IS WELL SUPPORTED

All these services are delivered in an unobtrusive, but easy-to-access and trouble-free way. Support and advice is available 24 hours a day, seven days a week.

HELPING MAINTAIN NEW ZEALAND'S INTERNATIONAL REPUTATION

Executive Government Support will facilitate a number of key international interactions that will reflect well on New Zealand's reputation.

Official guests of Government will meet the right people and experience the best of New Zealand, as the Visits and Ceremonial Office carefully aligns the visit objectives with New Zealand success stories, or creates opportunities for this to happen.

The Translation Service and Authentication/Apostille Unit will ensure that all the official and translated documents prepared for international use have a high level of accuracy and integrity.

FACILITATING INTERACTION BETWEEN NEW ZEALANDERS AND THE EXECUTIVE

New Zealanders will be kept informed about the Government's intentions, decisions and actions, and will be able to communicate their views to Government. Executive Government Support makes this possible through Government's media staff and a variety of media and communication technology including the Executive Government website, and the publication of the New Zealand Gazette.

The Department also facilitates the setting up and support of Royal Commissions of Inquiry and Commissions of Inquiry, which enable New Zealanders to be involved in matters of significant public importance including processes of major policy development and processes of government.

OUTPUTS AND KEY INITIATIVES

The following outputs, detailed in Part Two of this Statement of Intent, will contribute to the achievement of this outcome:

- Vote Ministerial Services
- Vote Internal Affairs – Output Class Information and Advisory Services
- Vote Internal Affairs – Output Class Contestable Services



During 2004/05 the priority initiatives toward achieving this outcome are:

- Improving information management and technology capability
- Developing a knowledge management strategy, culture and capability
- Provision of support to Commission of Inquiry.

MANAGING THE RISKS TO OUTCOME ACHIEVEMENT

The greatest risk to a well supported Executive Government, is delivering poor service or incorrect advice. This would be most likely to eventuate through failure to coordinate services properly, or, failure to find and consider all information when offering advice. Accordingly, these risks are mitigated through focusing on a team approach and building a stronger knowledge base across teams, so that staff can make and contribute to decisions wisely.

There is also a risk that the Department may not be able to match expectations for ever-faster physical service delivery, which arise in part from the increasing speed of communication. To manage this risk, it is important to clarify what is possible, communicate proactively about service levels and explore opportunities to improve response times.

Ministerial Services and expenditure occasionally draw media attention and hostile public comment. This requires strong processes and systems, risks to be identified and dealt with, and effective communication with the media.



ORGANISATIONAL CAPABILITY

The Department has a good reputation for carrying out its diverse functions to a high standard and the services used by other agencies are perceived very positively. It also has a good reputation for establishing new services and this says much about the ability of its management team and staff, who have an innovative attitude and a strong customer focus.

The Department's policy capability and capacity has to date been geared predominantly towards the Department's legislative or operational policy roles. However, this has resulted in the Department's role as a strategic policy advisor not being fully realised.

The Department is currently implementing the recommendations of a recent review of the policy function. The implementation of the review findings will result in:

- a tighter focus on the Department's activities of regulation and compliance, and local government and community development
- closer relationships between policy and operations
- increased strategic capability, particularly in the policy function
- strengthening evidence-based and timely strategic policy advice.

In order to achieve a strategic policy leadership role the Department needs to invest significantly in improving the quality of its policy advice through acquiring and developing new skills, combined with an increase in capacity. Innovative approaches will be required to enhance the policy capability given there is a limited pool with the required skills that are in high demand across the public sector.

The nature of the Department's work means people are its most significant and important resource. Ensuring the development of people capability is essential. These people must be supported by the right internal systems and processes and have the right training and resources available to them, to ensure that they deliver the right things at the right time. The Department needs to constantly monitor and adapt its systems to remain efficient and effective.

The Department's priorities in the development of its current and future capability needs are as follows:

PEOPLE

The Department has developed a People Strategy aimed at ensuring that it has the people needed to deliver outstanding service and policy advice. This will be achieved through working together to develop the leaders, people and work environment that will ensure the Department's success. The focus of the strategy is on:



■ Developing Leaders

- Invest time and resources in developing a pool of people with the leadership/management competencies required now and in the future.

■ Growing people capability

- Develop a workforce-planning model to forecast capability and capacity needs in both the short and long term
- Put in place a set of organisational competencies as the foundation for building both current and future capability
- Establish an infrastructure for learning and development
- Establish a career development framework to provide individuals with the career development skills and the capability to manage their own careers within the Department and the wider Public Sector.

■ Creating a high performing inclusive work environment

- Provide a work environment that attracts the capability needed; that supports people to contribute their best; and that recognises and makes full use of their diverse range of skills, knowledge and talents.

STRUCTURE

Implementation of the Policy Project outcomes will be completed within the 2004/05 year. This includes:

- enhancing policy capability and capacity including increasing regional capacity, development of policy disciplines and the addition of specialist staff
- ensuring operational functions are embedded in the new structure with minimal disruption
- establishing a policy-focused evaluation and research function.

In their report, the Steering Committee for the review of the Department's policy functions recommended that the Chief Executive undertake a review of the Department's corporate arrangements to align to the new branch structure. This review was completed in the second half of the 2003/04 year. The results of this review will also be implemented during 2004/05.

RELATIONSHIPS

To deliver optimum value from its varied responsibilities, the Department requires strong relationships with stakeholders and the ability to exercise strategic and



ORGANISATIONAL CAPABILITY

operational leadership with other departments and agencies where there are overlapping or related responsibilities. To achieve a stronger leadership role, the Department needs to:

- continue to build on the strong links with local communities and iwi/hapū and develop relationships of trust and respect among the stakeholders in central and local government on whose cooperation the Department's success depends
- work more closely with other agencies, particularly where there are opportunities for integrated government service delivery
- continue to develop effective international networks.

INFORMATION MANAGEMENT AND TECHNOLOGY

Ensuring robust and effective information technology systems and infrastructure is essential. Information and technology development priorities include:

- enhancing support systems and software tools to provide more efficient, integrated and secure processes
- further enabling effective information management
- improving the quality of the online experience for users of the Department's internet-based information and services
- responding to legislative and E-Government expectations, including collaborating with other agencies to provide integrated online services, where appropriate
- developing an Information Management & Technology Strategic Framework that enables flexible and responsive use of technology and information while maintaining necessary standards, security and risk management.

MANAGING RISK

The organisation faces diverse risks, including international crises, service delivery, organisational effectiveness, technology and unintended outcomes of policies. Commitment to effective risk management practices are necessary to support achievement of the Department's outcomes, enable opportunities for innovation to be secured, and protect business activities, reputation and integrity. The Department is continuing the implementation of a comprehensive risk management framework.



PART TWO
STATEMENT OF OBJECTIVES



STATEMENT OF RESPONSIBILITY



The forecast financial statements for the Department of Internal Affairs, for the year ended 30 June 2005 contained in this report, have been prepared in accordance with Section 34A of the Public Finance Act 1989.

The Chief Executive of the Department of Internal Affairs acknowledges, in signing this statement, that he is responsible for the forecast financial statements contained in this report.

The financial performance forecast to be achieved by the Department for the year ended 30 June 2005, specified in the statement of objectives, is as agreed with the Minister of Internal Affairs, who is the Minister responsible for the financial performance of the Department of Internal Affairs.

The performance of each class of outputs forecast to be achieved by the Department for the year ended 30 June 2005, specified in the statement of objectives, is as agreed with the Minister responsible for each Vote administered by the Department.

We certify that the information contained in this report is consistent with the appropriations contained in the Estimates for the year ended 30 June 2005, that are being laid before the House of Representatives under Section 9 of the Public Finance Act 1989.

Christopher Blake
Chief Executive

Shareez Farouk
**General Manager Finance and
Performance (Acting)**

Date: 26 April 2004

Date: 26 April 2004



STATEMENT OF OBJECTIVES FOR 2004/05

The following performance objectives are specific to the classes of outputs produced by the Department. These performance objectives are based on the Department's expected performance as set out in the 2004/05 Output Plan to be agreed between the Chief Executive and respective Vote Ministers.

Changes in expected performance can occur after this report is published due to:

- changes to the Department's Output Plan as agreed between the Minister and Chief Executive
- changes to appropriations
- changes to the forecast financial statements once the audited financial statements for the previous year are available.

There is no requirement to prepare an updated Statement of Intent during a financial year. Instead the Department will insert an extra column or note disclosure in the financial statements in the annual report, indicating the changes agreed during the year and reflected in the Supplementary Estimates. It will also include text explaining changes to agreed expected performance, and explain any variances between the updated expected performance and the actual performance reported.

The 2004/05 Annual Report will contain:

- 2004 Budget day forecasts shown in the 2003/04 Statement of Intent
- 2004/05 Supplementary Estimates forecasts
- 2004/05 actual results
- comparative actual results for 2003/04
- discontinued or new activities arising from Government policy.



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VOTE COMMUNITY AND VOLUNTARY SECTOR

D1 POLICY ADVICE – COMMUNITY

DESCRIPTION

This output class involves the provision of:

- Policy advice with a community/whānau/hapū/iwi development perspective. Policy advice also involves preparation of Ministerial briefings and speech notes and the provision of support for the Minister for the Community and Voluntary Sector as required in Cabinet committees, select committees and Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries and parliamentary questions, addressed to the Minister for the Community and Voluntary Sector or referred from other Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister for the Community and Voluntary Sector and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97.	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%
Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply.	100%

VOTE COMMUNITY AND VOLUNTARY SECTOR



Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	30 - 80

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	1,114	735
Revenue Other	4	0
Total Revenue	1,118	735
Expenses	1,119	689
Net Surplus/(Deficit)	(1)	46
Total Appropriation (GST Incl)	1,259	781



VOTE COMMUNITY AND VOLUNTARY SECTOR

D2 ADMINISTRATION OF GRANTS

DESCRIPTION

This output class involves:

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

Grant services cover the following schemes:

- Lottery grants
- Crown funded grants
- Crown Trusts and Fellowships.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of grant disbursements completed accurately is no less than:	95%
The percentage of respondents to a survey of Lottery grant applicants who rate their satisfaction with the quality of services at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of complete and eligible applications received before the advertised closing date which are presented to the next decision making meeting is no less than:	95%
On receipt of committee approval and completed client documentation, payment is made to 99% of grant recipients within 10 working days.	99%
The percentage of respondents to a survey of Lottery committee members who rate their satisfaction with the quality of advisory services to the committee at 3 or above on a scale of 1 to 5 is no less than:	75%



The percentage of respondents to a survey of Lottery committee members who rate their satisfaction with the quality of administration services provided to the committee at 3 or above on a scale of 1 to 5 is no less than:

75%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of applications received.	8,000-10,000
Number of grants disbursed.	6,500-8,500

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	3,221	3,165
Revenue Other	6,626	7,004
Total Revenue	9,847	10,169
Expenses	9,845	10,168
Net Surplus/(Deficit)	2	1
Total Appropriation (GST Incl)	11,076	11,439



VOTE COMMUNITY AND VOLUNTARY SECTOR

D₃ COMMUNITY ADVISORY SERVICES

DESCRIPTION

This output class involves the provision of a community development service operating from a national office and 16 regional offices providing information, resources, and facilitation services to enable communities/whānau/hapū/iwi, Māori organisations and community groups to develop their own innovative responses to meet their needs.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of respondents to a customer survey who rate their satisfaction with the quality of advice at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of respondents to a customer survey who rate their satisfaction with the quality of information resources at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of respondents to a customer survey who rate their satisfaction with the timeliness of advice provided at 3 or above on a scale of 1 to 5 is no less than:	75%

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	4,484	4,403
Revenue Other	36	14
Total Revenue	4,520	4,417
Expenses	4,520	4,418
Net Surplus/(Deficit)	0	(1)
Total Appropriation (GST Incl)	5,085	4,970



D1 POLICY ADVICE – EMERGENCY MANAGEMENT

DESCRIPTION

This output class involves the provision of:

- Strategic policy development and policy advice on risk management, and on civil defence and emergency management frameworks, procedures and operations. Policy advice also involves preparation of Ministerial briefings and speech notes and the provision of support for the Minister of Civil Defence as required in Cabinet committees, select committees and Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries, and parliamentary questions, addressed to the Minister of Civil Defence or referred from other Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister of Civil Defence and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97.	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%
Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply.	100%



VOTE EMERGENCY MANAGEMENT

Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

RESULTS INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	0 – 65

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	658	696
Revenue Other	6	1
Total Revenue	664	697
Expenses	665	697
Net Surplus/(Deficit)	(1)	0
Total Appropriation (GST Incl)	748	784



D2 SUPPORT SERVICES, INFORMATION AND EDUCATION

DESCRIPTION

This output class involves:

- Development and implementation of structures and policies and assisting with the delivery of best practice approaches to civil defence and emergency management.
- The provision of support, monitoring, information, frameworks, guidelines and professional development to the civil defence and emergency management sector.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of respondents to a customer survey who rate their satisfaction with the quality of the advice and assistance services, at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of respondents to a customer survey who rate their satisfaction with the quality of stakeholder resources at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of nationally directed education and training programme attendees who rate their satisfaction with the quality of programmes at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of Civil Defence Emergency Management Groups who rate their satisfaction with the quality of the assistance provided by the Ministry for regional professional development initiatives at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of CDEM Groups who rate their satisfaction with the quality of the participation and/or evaluation provided by the Ministry for readiness and response exercises at 3 or above on a scale of 1 to 5 is no less than:	75%
Training modules developed in consultation with CDEM Groups and piloted prior to delivery.	100%



VOTE EMERGENCY MANAGEMENT

Guidelines are developed in consultation with emergency management sector and other relevant agencies or organisations 100%

Draft National CDEM Plan submitted to the Minister of Civil Defence by 30 June 2005.

ACTIVITY INFORMATION	ESTIMATED VOLUME
Visits and meetings to provide advice and assistance on civil defence and emergency management to stakeholders.	800 – 1,000
Participation in and/or evaluation of local government civil defence readiness and response exercises. A minimum of 6 exercises.	6
Research, production and distribution of stakeholder resource items. A minimum of 9.	9
Delivery of nationally directed education and training programmes.	4 programmes
Assistance with regional professional development initiatives.	6 initiatives
Develop training modules to support CDEM Groups operational response requirement.	3 training modules
Development of guidelines/best practice statements for Civil Defence Emergency Management Groups. A minimum of 3.	3

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	3,431	3,427
Revenue Other	15	3
Total Revenue	3,446	3,430
Expenses	3,446	3,430
Net Surplus/(Deficit)	0	0
Total Appropriation (GST Incl)	3,877	3,859



**D3 MANAGEMENT OF NATIONAL EMERGENCY READINESS, RESPONSE
AND RECOVERY**

DESCRIPTION

This output class involves:

- Management of the capability to monitor and deal with events which may lead to emergencies, and the coordination and management of the response to, and recovery from, emergencies that are beyond the scope of local civil defence and emergency management organisations.
- Maintaining the National Emergency Operations Centre (NEOC) in a state of readiness, including ensuring an appropriate level of national event management training within the Ministry of Civil Defence and Emergency Management.
- The establishment of a National Crisis Management Centre (NCMC) and a national capability for response and rescue.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of local authorities who rate their satisfaction with quality of information provided for monitoring events and incidents at 3 or above on a scale of 1 to 5 is no less than:	75%
The percentage of national warnings, of events likely to lead to an emergency, issued within 60 minutes after the identification of the pending event is:	100%
Structure and infrastructure changes in the NCMC implemented in accordance with the NCMC project plan.	
Percentage of responses to declared civil defence emergencies managed in accordance with criteria outlined in the current National Civil Defence Plan is:	100%
Percentage of preliminary briefings provided to the Minister within 24 hours after the declaration of a civil defence emergency is:	100%
Percentage of recovery processes managed in accordance with criteria and principles set out in the current National Civil Defence Plan is:	100%



VOTE EMERGENCY MANAGEMENT

Recovery management framework reflects outcomes from the national Recovery Symposium.

ACTIVITY INFORMATION	ESTIMATED VOLUME
Monitoring of events and incidents that have the potential to lead to civil defence emergency declarations.	200 – 300
Number of declared and non-declared civil defence emergencies requiring co-ordination and/or management of Central Government response.	0 – 10
Number of emergency events requiring management of Central Government activity in regard to recovery support.	0 – 10

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	1,490	1,434
Revenue Other	6	3
Total Revenue	1,496	1,437
Expenses	1,496	1,436
Net Surplus/(Deficit)	0	1
Total Appropriation (GST Incl)	1,683	1,616



D1 POLICY ADVICE – INTERNAL AFFAIRS

DESCRIPTION

This output class involves the provision of:

- Policy advice and information on matters relating to gaming, censorship, fire and identity; the performance of and appointments to Crown entities; and appointments to statutory bodies. Policy advice also involves preparation of Ministerial briefings and speech notes and the provision of support for the Minister of Internal Affairs as required in Cabinet committees, select committees and Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries, and parliamentary questions, addressed to the Minister of Internal Affairs or referred from other Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister of Internal Affairs and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97.	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%
Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply.	100%



VOTE INTERNAL AFFAIRS

Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	500 – 700

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	3,464	5,019
Revenue Other	12	4
Total Revenue	3,476	5,023
Expenses	3,476	4,170
Net Surplus/(Deficit)	0	853
Total Appropriation (GST Incl)	3,911	4,798



D₂ INFORMATION AND ADVISORY SERVICES

DESCRIPTION

This output class involves:

- Delivery of the New Zealand Gazette and the authentication of official documents.
- Information, advisory and support services to Commissions of Inquiry when warranted.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Number of complaints concerning typesetting errors where published text is inconsistent with text supplied by client. On average no more than 1 complaint per month.	1 per month
Percentage of Principal & Customs editions available at retail outlets by the applicable deadline.	100%
Commissioners' rating of the quality of services provided is 3 or above on a scale of 1 to 5.	3
Commissioners' rating of the timeliness of services provided is 3 or above on a scale of 1 to 5.	3
ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of editions of the New Zealand Gazette published.	100



VOTE INTERNAL AFFAIRS

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	1,158	1,212
Revenue Other	1,543	1,540
Total Revenue	2,701	2,752
Expenses	2,700	2,809
Net Surplus/(Deficit)	1	(57)
Total Appropriation (GST Incl)	3,038	3,153



D3 GAMING AND CENSORSHIP REGULATORY SERVICES

DESCRIPTION

This output class involves the provision of a range of services aimed at encouraging and enforcing compliance with censorship and gaming legislation and regulations, maximising the returns to the community from gambling and ensuring the social and economic harm from gambling is minimised. The four objectives in this output class are to:

- increase compliance in the gaming sector
- increase the return to the community from non-casino gaming machine operations
- contribute effectively to strategies to prevent and minimise harm
- increase compliance with censorship laws.

This is achieved through a range of activities including:

- issuing licences to operators involved in the higher risk forms of gambling
- auditing of casinos and gaming sector organisations containing gaming machines to assess compliance with an emphasis on high risk organisations, operators and activities
- investigating possible breaches of the gaming legislation and taking enforcement action against those who breach the legislation
- responding to public enquiries and providing education, advice and information to gamblers and to operators to encourage voluntary compliance
- investigating possible breaches of the censorship legislation and taking enforcement action against those who breach the legislation
- responding to public enquiries and providing education, advice and information regarding censorship laws to minimise harm to the community and encourage voluntary compliance
- policy advice on the gaming licensing regulatory regime and associated fees
- provision of services to the Gambling Commission (these functions are carried out entirely separately to the Department's gambling related policy and operational functions, to underpin the independence of the Gambling Commission).



VOTE INTERNAL AFFAIRS

PERFORMANCE INFORMATION

Results Information

Increase Compliance in the Gaming Sector

Information will be gathered on the extent of non-compliance by gaming sector organisations in 2004/05 and compared with benchmark information obtained in the base year 2003/04.

All non-compliant practices identified during audit processes or via complaints will be acted on in accordance with GCR's Enforcement Policy during the audit or within 3 months (75%) or 12 months (25%) of the completion of the audit/receipt of the complaint.

A survey of gaming sector organisations and operators will show 75% are satisfied or very satisfied with how information services provided by the Department support their ability to comply with relevant laws, conditions and rules.

The Gambling Commission will make no adverse comment on the Department's regulatory activities.

The Gambling Commission's satisfaction with the services provided by the secretariat is 3 or above on a scale of 1 to 5.

Increase Compliance with Censorship Laws

The number of instances of non-compliance (excluding internet related non-compliance) with censorship laws will be no greater than 15%.

All non-compliant practices identified during inspection processes or as a result of complaints will be dealt with during the inspection or within 3 months (75%) or 12 months (25%) of the completion of the inspection, in accordance with Censorship's Enforcement Policy.

No more than 2 censorship prosecution cases dismissed where prima facie case is not established.

No more than 2 censorship prosecution cases that receive adverse judicial comments on preceding investigation process.



Increase the return to the Community from non-casino gaming machine operations

Information will be gathered on the percentage of return to the community from non-casino gaming machine operations and compared with benchmark information obtained in the base year 2003/04.

ACTIVITY INFORMATION	ESTIMATED VOLUME
Percentage of audits of gaming machine societies identified as high risk.	100%
Percentage of audits of gaming machine societies identified as low risk.	Minimum of 10%
Audits of other gambling activities.	As determined by assessment of risk
Number of casino audits.	72
Investigation of all gaming machine societies where serious non-compliance is identified.	As required
Number of casino investigations.	280-380
Number of formal presentations and educative site visits to the gaming sector.	200
Number of inspections at outlets for publications/videos/films.	1200
Respond to censorship complaints for publications/videos/films and on the internet (including proactive detection).	250
Censorship prosecutions completed.	15 – 30

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	1,766	1,450
Revenue Other	13,626	9,664
Total Revenue	15,392	11,114
Expenses	15,277	14,720
Net Surplus/(Deficit)	115	(3,606)
Total Appropriation (GST Incl)	17,202	16,109



VOTE INTERNAL AFFAIRS

D4 IDENTITY SERVICES

DESCRIPTION

This output class involves the provision of identity products and information about the services, entitlements and obligations arising from the Citizenship Act 1977, the Passport Act 1992 and the Births, Deaths and Marriages Registration Act 1995 including:

- assessment of applications for and issuing of New Zealand passports and other travel documents
- assessment of applications for grant of citizenship
- registration and confirmation of citizenship
- registration of births, deaths and marriages
- issuing certificates and providing information and services relating to births, deaths and marriages
- maintenance of associated national records relating to passports, citizenship, births, deaths and marriages.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Percentage of applications for grant of citizenship recommended to the Minister within 8 months of receipt of a completed application.	80%
Percentage of applications for registration of citizenship, not involving adoption, processed within 20 working days of receiving a completed application.	95%
Percentage of certificates of citizenship status issued within 20 working days of receiving a completed application.	95%
Percentage of passports, certificates and other identity documents issued without error.	99%
Percentage of birth, death and marriage information registered without error.	99%
Percentage of passports issued within 10 working days for standard passports and 3 working days for urgent passports from date of receipt of a completed application.	99%

VOTE INTERNAL AFFAIRS



Percentage of births, deaths and marriages registered within 4 working days from receipt of a completed notification or application form.	95%
Percentage of certificates from fully computerised registrations issued within one working day of receipt of a completed application.	99%
Percentage of certificates from registrations that are partially computerised issued within 8 working days of receipt of a completed application.	95%
Percentage of birth, death and marriage printouts issued within 8 working days of request.	95%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of applications for grant of citizenship to foreign nationals recommended to the Minister.	18,000-22,000
Number of registrations of citizenship by descent for New Zealanders born abroad.	5,000-6,000
Number of certificates of citizenship status issued.	3,500 – 4,000
Number of passports and travel documents issued.	315,000 – 387,000
Number of birth, death and marriage registrations.	102,000 – 116,000
Number of birth, death and marriage certificates and printouts issued.	200,000 – 250,000

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	2,574	2,576
Revenue Other	42,025	45,737
Total Revenue	44,599	48,313
Expenses	48,455	50,622
Net Surplus/(Deficit)	(3,856)	(2,309)
Total Appropriation (GST Incl)	54,030	56,661



VOTE INTERNAL AFFAIRS

D5 SERVICES FOR ETHNIC AFFAIRS

DESCRIPTION

This output class involves the provision of:

- Policy advice and information on matters relating to ethnic affairs. This also involves arranging meetings for the Minister to facilitate contact with ethnic communities, preparation of briefings, speech notes and support for the Minister for Ethnic Affairs, as required, in Cabinet committees, select committees and Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries, and parliamentary questions, addressed to the Minister for Ethnic Affairs or referred from other Ministers.
- Advisory and information services to ethnic communities and the provision of public information to raise the level of knowledge about ethnic communities and their contribution to New Zealand.
- Management of the contract for the telephone interpreting service pilot (Language Line).

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister for Ethnic Affairs and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97.	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%

VOTE INTERNAL AFFAIRS



Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply. 100%

Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

Percentage of requests for written advice answered within 10 working days or according to the timeframes agreed with the correspondent. 95%

Feedback from key stakeholders to assess the quality and effectiveness of the advisory services to ethnic communities. Percentage of respondents who rate the quality of the service at 3 or above on a scale of 1-5 is no less than: 75%

The contract with the supplier of the telephone interpreting service (Language Line) will specify the nature and level of services to be provided, price, duration, monitoring arrangements, scope for variation and mechanisms for dispute resolution.

Reports will be provided regularly to the Minister on the Language Line provider's performance against service standards.

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	30 - 90
Number of requests from ethnic communities for information or advice responded to.	2,000 – 3,000

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	2,309	1,895
Revenue Other	6	63
Total Revenue	2,315	1,958
Expenses	2,317	1,817
Net Surplus/(Deficit)	(2)	141
Total Appropriation (GST Incl)	2,606	2,062



D6 WEATHERTIGHT HOMES RESOLUTION SERVICE

DESCRIPTION

The purpose of the Weathertight Homes Resolution Services Act 2002 is to provide owners of dwellinghouses that are leaky buildings with access to speedy, flexible, and cost-effective procedures for assessment and resolution of claims relating to those buildings.

The Weathertight Homes Resolution Service, established in November 2002, provides a dispute resolution process for homeowners whose homes are affected by the leaky building “syndrome”. This dispute resolution process is an alternative to legal action through the court system.

- The Service assesses eligibility of claims under identified criteria, and provides for an independent assessment of the specific technical issues of each case, including remedial measures.
- The Service provides a voluntary mediation facility through which affected parties can express their perspectives and potentially agree on a binding settlement acceptable to them all.
- Where mediation is not the preferred option of the parties, or where a successful resolution is not achieved, the Service provides the option of an adjudication process. The adjudication service includes provision for compulsory involvement and for enforceable determinations by an adjudicator appointed by the Crown.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Acknowledgement, and accurate and timely information and advice is provided to applicants within 5 working days of receipt of their applications to the WHRS.	100%
Assessments of claims are completed within 12 months of receipt of their application.	85%
Percentage of mediation of claims completed within 6 months of the claimant electing mediation.	80%

VOTE INTERNAL AFFAIRS



Percentage of hearings completed within 35 working days of the last written response from respondents to the adjudication claim (other than where further time has been agreed by the parties). 100%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Estimated number of assessments completed.	804
Number of claims for which mediation held.	611

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	13,576	11,717
Revenue Other	37	54
Total Revenue	13,613	11,771
Expenses	13,613	11,771
Net Surplus/(Deficit)	0	0
Total Appropriation (GST Incl)	15,315	13,243

D7 CONTESTABLE SERVICES

DESCRIPTION

This output class involves the provision of services to both government and non-government agencies, which may be provided by other organisations and are therefore contestable services. These services include translation and other foreign language services to Ministers and third parties, and administrative support services provided to other government departments.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of respondents to a customer survey who rate their satisfaction with the quality of translation services at 3 or above on a scale of 1 to 5 is no less than:	80%
Percentage of translations meeting timeframes agreed with customers.	98%

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	0	0
Revenue Other	832	1,223
Total Revenue	832	1,223
Expenses	832	1,223
Net Surplus/(Deficit)	0	0
Total Appropriation (GST Incl)	936	1,376



D1 POLICY ADVICE – LOCAL GOVERNMENT

DESCRIPTION

This output class involves the provision of:

- Policy advice and information on local government issues. It also involves monitoring the local government system, preparation of briefings and speech notes and the provision of support for the Minister of Local Government as required in Cabinet committees, select committees, and in Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries, and parliamentary questions, addressed to the Minister of Local Government or referred from other Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister of Local Government and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97.	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%
Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply.	100%



VOTE LOCAL GOVERNMENT

Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	835 – 1,370

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	4,467	3,449
Revenue Other	14	3
Total Revenue	4,481	3,452
Expenses	4,482	3,275
Net Surplus/(Deficit)	(1)	177
Total Appropriation (GST Incl)	5,042	3,707



D2 INFORMATION, SUPPORT AND REGULATORY SERVICES – LOCAL GOVERNMENT

DESCRIPTION

This output class involves the provision of:

- Advisory and support services to the Local Government Commission, including advice on proposals received, advice on appeals against representation reviews, preparation of representation guidelines and accountability documentation, and administrative services.
- Administration of the Local Government Act 2002 and other statutes, including advice to the Minister of Local Government on local government boundaries and reorganisation schemes, on approval of sales of endowment land and other statutory approvals, administration of the Rates Rebates Scheme and of various offshore islands, public information relating to Local Government and servicing of ministerial review authorities when required.
- Administration of the Local Electoral Act 2001, including the approval of voting documents, administrative matters relating to the STV calculator, the collection and publication of local government election statistics, and the provision of public information in relation to the local electoral systems.
- Regulatory and boating services for Lake Taupo, including the provision of the Harbourmaster for Lake Taupo and management of the Lake Taupo Landing Reserve.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Local Government Commission's satisfaction with the quality of advice and support services will be surveyed annually. Satisfaction will be rated on a scale of 1 to 5.	3 or above
Local Government Commission decisions are dispatched to parties within 10 working days of decision, or to such other timetable as instructed by the Commission.	100%



VOTE LOCAL GOVERNMENT

All responses to requests for information from the public will be easy to comprehend and 100% accurate.	100%
All rates rebates claims will be processed accurately.	100%
Percentage of requests for information from the public responded to within 15 working days.	95%
Percentage of claims for rates rebates processed within 20 working days.	98%
The Lake Taupo Harbourmaster will implement a programme of facilities inspections and maintenance.	Facilities managed in accordance with programme and standards
All boating facilities will be maintained to an appropriate level of safety and usability.	Facilitates maintained to specified standards
Percentage of respondents to a survey of key stakeholders who rate their satisfaction with the quality of Lake Taupo regulatory services at 3 or above on a scale of 1 to 5.	75%
The number of prosecutions taken under Lake Taupo Regulations or Water Recreation Regulations dismissed where prima facie case is not established. A maximum of:	2 cases
Landing Reserve is managed in accordance with a Reserve Management Plan approved by the Ministers of Local Government and Conservation.	Managed in accordance with Reserve Management Plan
A public education campaign will be conducted for electors in District Health Board and local authority elections, to raise awareness of STV and how to vote.	The STV public education campaign will be completed on time.

ACTIVITY INFORMATION	ESTIMATED VOLUME
Estimated number of requests for information from the public.	100 - 500
Estimated number of rates rebates claims received for processing.	3,000 – 4,000



REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	3,595	3,090
Revenue Other	381	363
Total Revenue	3,976	3,453
Expenses	3,975	2,843
Net Surplus/(Deficit)	1	610
Total Appropriation (GST Incl)	4,472	3,275



VOTE MINISTERIAL SERVICES

D1 SUPPORT SERVICES TO MINISTERS

DESCRIPTION

This output class involves the provision of:

- A range of support services for Ministers, including office administration, accounting, personnel, information technology, facilities management, media and advisory services.
- Services relating to the management of residential accommodation provided for Ministers of the Crown. This includes owned and leased property.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The percentage of Ministers responding to the annual satisfaction survey who assess the quality of support services provided at satisfactory or better.	75%
The Minister Responsible for Ministerial Services views on the level of support services provided to the Executive will be sought through a formal feedback process.	Satisfactory or better
The percentage of Ministers responding to the annual satisfaction survey who rate their satisfaction with the timeliness of services provided to them at satisfactory or better.	75%

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	21,938	21,938
Revenue Other	169	80
Total Revenue	22,107	22,018
Expenses	22,107	21,718
Net Surplus/(Deficit)	0	300
Total Appropriation (GST Incl)	24,870	24,470



D2 VISITS AND OFFICIAL EVENTS CO-ORDINATION

DESCRIPTION

This output class involves the provision of services relating to visits by guests of Government, reception services at international airports for the Governor-General, Ministers, and guests of Government, State and Ministerial functions, commemorative events and national anniversaries.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Percentage of visit programme content and logistics arranged to reflect visit objectives.	100%
The percentage of Ministers who rate their satisfaction with the quality of arrangements for Ministerial and State functions as satisfied or better.(Only Ministers sponsoring Ministerial and State functions are surveyed).	75%
The percentage of Ministers who rate their satisfaction with the co-ordination and management of official events as satisfactory or better.(Only Ministers with responsibility for hosting events are surveyed).	75%

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	2,108	2,391
Revenue Other	13	6
Total Revenue	2,121	2,397
Expenses	2,121	2,397
Net Surplus/(Deficit)	0	0
Total Appropriation (GST Incl)	2,386	2,697



VOTE MINISTERIAL SERVICES

D₃ VIP TRANSPORT

DESCRIPTION

This output class involves the provision of chauffeur-driven vehicle services principally for Ministers, the Leader of the Opposition, former Prime Ministers and their spouses, former Governors-General and their spouses, the Judiciary and distinguished visitors and the provision of self-drive vehicles, principally for Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
The maximum number of customer complaints received regarding quality and timeliness of transport services is no more than one complaint for every 1,500 chauffeur drive vehicle hires.	1 per 1,500
The percentage of Ministers who rate their satisfaction with the transport services provided to them as satisfactory or better.	75%

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	0	0
Revenue Other	5,416	5,666
Total Revenue	5,416	5,666
Expenses	5,416	5,667
Net Surplus/(Deficit)	0	(1)
Total Appropriation (GST Incl)	6,093	6,375



D1 POLICY ADVICE – RACING

DESCRIPTION

This output class involves the provision of:

- Policy advice and information on matters relating to racing and sports betting and on the racing industry generally. Policy advice also involves preparation of briefings and speech notes and the provision of support for the Minister for Racing as required in Cabinet committees, select committees and Parliament.
- Draft replies to Ministerial correspondence, Official Information Act 1982 requests, Ombudsman's enquiries, and parliamentary questions, addressed to the Minister for Racing or referred from other Ministers.

PERFORMANCE INFORMATION

RESULTS INFORMATION	PERFORMANCE STANDARD
Policy advice will be delivered according to the policy work programme (and any subsequent amendments) as negotiated between the Minister for Racing and the Chief Executive.	100%
Policy advice delivered in accordance with agreed policy quality criteria as detailed on page 97 .	100%
Through regular feedback processes, the Minister will indicate his/her level of satisfaction with the quality of policy advice.	Satisfied or better
Policy advice is delivered according to the timeframes agreed.	100%
Percentage of first versions of replies to Ministerial correspondence, Official Information Act requests, Ombudsman's enquiries and parliamentary questions accepted by the Minister.	95%
Percentage of draft responses to Ministerial correspondence returned to the Minister's office for signature, within 15 working days of receipt from the Minister's office or such other deadlines as may be specifically agreed.	95%
Percentage of draft responses to Official Information Act requests and Ombudsman's enquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply.	100%



VOTE RACING

Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister. 100%

ACTIVITY INFORMATION	ESTIMATED VOLUME
Number of replies to Ministerial correspondence, Official Information Act requests and Ombudsman's enquiries and answers to parliamentary questions.	50 - 100

REVENUE AND EXPENSES

Appropriation	2004/05 Forecast GST Excl \$000	2003/04 Est. Actual GST Excl \$000
Revenue		
Revenue Crown	190	190
Revenue Other	2	0
Total Revenue	192	190
Expenses	192	190
Net Surplus/(Deficit)	0	0
Total Appropriation (GST Incl)	216	214



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

Purpose

Policy papers should be short (where practicable), succinct and clearly focused on decisions required from Ministers.

Consistency

The advice takes account of other Government policies and decisions, and is consistent with the principles of the Treaty of Waitangi.

Logic

The assumptions behind the advice are explicit and argument is logical and supported by the facts.

Accuracy

The facts in the papers are legally and statistically accurate and all material facts and sources are included. Where appropriate, the advice includes sound legal opinion.

Options

An appropriate range of options is presented; each option is assessed in terms of the benefits and costs for the Government, the economy, the community sector and all other relevant parties. The information provided has sufficient range and depth.

Consultation

There is evidence of adequate consultation with other Government agencies and other affected parties and possible objections to proposals are identified.

Practicality

The problems of implementation, technical feasibility, timing and consistency with other policies have been considered. Where appropriate, the advice considers the impact on the lives of New Zealanders.



POLICY ADVICE QUALITY CRITERIA

Presentation

The length and format of Cabinet papers meet Ministerial and Cabinet Office requirements. All papers and briefings are in accordance with Policy Best Practice guidelines promulgated within the Department. All presentations to Ministers are in accordance with Ministerial preference for style and format. All key facts, and recommendations are on the first page. All material is effectively, concisely and clearly presented, has short sentences in plain English, and is free of grammatical or numerical errors.

Impartiality

The Department of Internal Affairs strives to provide professional, impartial and comprehensive advice to Ministers, and to alert Ministers to the possible consequences of following particular policies, whether or not such advice accords with the Minister's views.



PART THREE

FORECAST FINANCIAL STATEMENTS



FINANCIAL SUMMARY



Revenue

The Department of Internal Affairs expects to receive \$142.312 million in revenue made up of:

- 50% Crown
- 50% Third Parties



Expenditure

The Department expects to incur expenses of \$146.054 million to deliver outputs under 19 Department Output classes across 6 votes

Investment

The Department expects to receive a capital contribution from the Crown of \$0.637 million in the 2004/05 financial year:

- \$0.600 million is to fund the development of a case management system for the Weathertight Homes Resolution Service
- \$0.037 million is to fund equipment required for monitoring of the Ruapehu Lahar

Financial Forecast

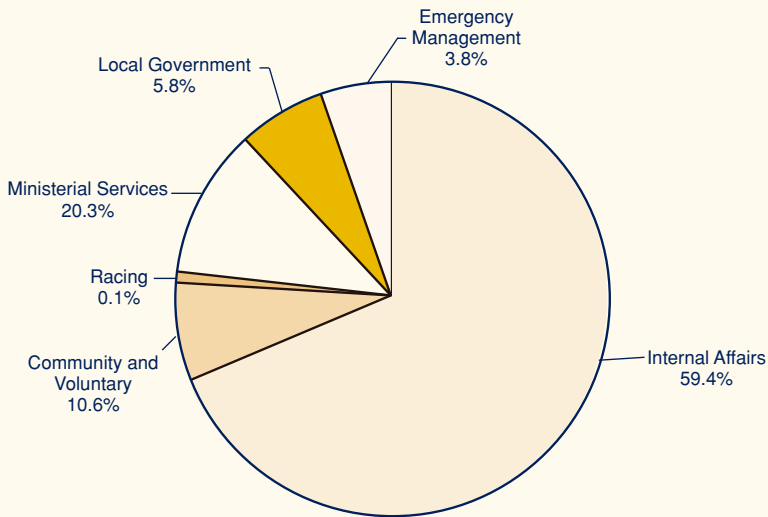
	2004/05 Forecast (Main Estimates)	2003/04 Budget (Supplementary Estimates)	2003/04 Estimated Actual
	\$000	\$000	\$000
Total Revenue	142,312	140,215	140,215
Less Total Expenses	146,054	146,552	144,060
Net Surplus/(Deficit)	(3,742)	(6,337)	(3,845)
Taxpayers' Funds*	20,354	20,967	23,459

* (Crown's Investment in the Department)



FINANCIAL SUMMARY

PERCENTAGE OF DEPARTMENTAL EXPENSE BY VOTE FOR 2004/05



Major Financial Changes

The main movements in revenue Crown between 2003/04 Supplementary Estimates and 2004/05 Main Estimates include:

- an increase of \$ 1,859,000 for the continued operation of the Weathertight Homes Resolution Service,
- an increase of \$414,000 for the pilot Language Line telephone interpreting service,
- an increase of \$316,000 for additional resourcing to the censorship unit to increase the compliance with censorship laws,
- an increase of \$800,000 for the review of the effectiveness of the Local Government Act and the Local Electoral Act,
- an increase of \$356,000 for developing and maintaining a comparative information database on Local Authority performance,
- a decrease of \$333,000 for the public education campaign on dog control,
- a decrease of \$318,000 for the implementation of the Single Transferable Vote electoral system under the Local Electoral Act 2001,
- a decrease of \$283,000 for the guest of government programme.



These statements have been compiled on the basis of government policies and the Department of Internal Affairs' purchase agreements with the relevant Vote Ministers.

These forecast financial statements comply with generally accepted accounting practice. The measurement base applied is historical cost adjusted for revaluations of assets. Revaluations are made to reflect the forecast service potential or economic benefit to be obtained through the control of assets.

These statements have been prepared on an ongoing basis for the period 1 July 2004 to 30 June 2005. Accrual accounting has been used to prepare these financial statements.



STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING FRAMEWORK

The forecast financial statements for the Department of Internal Affairs have been prepared in accordance with Section 34a of the Public Finance Act 1989.

The reporting entity is the Department of Internal Affairs. The reporting entity consists of those activities represented by outputs supplied by the Department and related assets, liabilities and taxpayers' funds.

The forecast financial statements show the financial performance and financial position after eliminating all significant intra entity transactions between output classes.

Actual results for 2004/05 are likely to vary from the information presented and the variations could be material. These variations would be mainly attributed to changes in the level of demand for services produced by the Department.

INVENTORIES

Inventories or stock holdings are stated at the lower of cost or net realisable value. Costs are determined on a first in-first out basis.

ACCOUNTS RECEIVABLE

Accounts receivable are shown at expected net realisable value after making allowance for doubtful debts.

FINANCIAL INSTRUMENTS

The Department is party to financial instrument arrangements as part of its daily operations. These include bank, accounts receivable, accounts payable and provisions, accrued expenses and foreign currency. Financial instruments are recognised in the Statement of Financial Position, except for foreign exchange contracts.

All revenue and expenses in relation to financial instruments are recognised in the Statement of Financial Performance.



PROPERTY, PLANT AND EQUIPMENT

Land and buildings are recorded at fair value which has been determined by reference to the highest and best use of those assets, the value of buildings subsequently depreciated over their useful lives. Valuations are undertaken with sufficient regularity to ensure that no individual item of property, plant and equipment within a class is included at a valuation that is materially different from its fair value, in accordance with New Zealand Institute of Valuers' standards. Antiques and works of art are recorded at fair value and not depreciated. All other fixed assets costing more than \$3,000 are capitalised at cost and subsequently depreciated over their useful lives. Capital work in progress is recognised as costs are incurred. Depreciation is not recorded until the asset is fully acceptance tested and operational.

DEPRECIATION

Depreciation is charged on all fixed assets except land, antiquities and works of art and capital work in progress. Assets are depreciated on a straight-line basis over the estimated useful life after allowing for residual values where appropriate. Revalued assets are depreciated on their revalued amount on a straight line basis over their estimated useful life.

The estimated useful life of the buildings has been estimated to be 33 years, plant and equipment 5-20 years, furniture and fittings 5-10 years, office equipment 5-10 years, motor vehicles 2-6 years and IT equipment and software 3-5 years. The estimated useful life of the Births, Deaths and Marriages Historical Records database is 10 years.

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

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

LEASES

The Department leases office equipment, motor vehicles and accommodation. Operating lease costs are expensed in the period in which they are incurred. Finance



STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

lease costs are initially capitalized and recognized as a liability. These are subsequently expensed over the period of the finance lease.

EMPLOYEE ENTITLEMENTS

Employee entitlements are recognised for annual leave at the time of entitlement based on current rates of pay. Retirement and long service leave are recognised on an actuarial basis according to entitlement based on service to date after making allowance for the average attrition rate.

COST ALLOCATION

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

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

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

“Indirect Costs” are those costs incurred by overhead units that are not directly attributable to an output.

- Indirect costs are allocated to outputs on an activity costing basis reflecting a mix of perceived benefit, personnel numbers, floor space and estimated allocation of time.

TAXATION

The Department is exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided. The Department is subject to fringe benefit tax (FBT), and goods and services tax (GST). It administers pay as you earn tax (PAYE).



GOODS AND SERVICES TAX (GST)

The Departmental financial statements are prepared GST exclusive except for the Statement of Specific Forecast Performance Objectives, which is GST inclusive where noted. GST is included based on revenue earned in accordance with Treasury instructions. The amount of GST owing to or from Inland Revenue at balance date is included in accounts receivable or payable as appropriate.

FOREIGN CURRENCY TRANSACTIONS

Foreign exchange contracts are entered into for the primary purpose of reducing material exposure to fluctuations in foreign currency exchange rates. The rates specified in foreign exchange contracts are used to convert the transaction into New Zealand currency at the date of settlement. No exchange gains or losses resulting from the difference between the foreign exchange contract rate and the spot exchange rate on dates of settlement are recognised. Unhedged transactions in foreign currencies are converted into New Zealand currency using the exchange rate on the date of the transaction.

Monetary assets denominated in a foreign currency are translated to New Zealand dollars at the closing mid-point exchange rate.

Unrealised foreign exchange gains and losses on overseas cash balances are recognised at balance date in the Statement of Financial Performance.

CHANGES IN ACCOUNTING POLICIES

There is no change in accounting policy for the 2004/05 financial year. The accounting policies have been applied on a basis consistent with the previous year.



FORECAST FINANCIAL PERFORMANCE

STATEMENT OF FORECAST FINANCIAL PERFORMANCE

for the year ended 30 June 2005

	2004/05 Forecast (Main Estimates) \$000	2003/04 Budget (Supplementary Estimates) \$000	2003/04 Estimated Actual \$000
Revenue			
Crown	71,543	68,787	68,787
Departments	8,266	7,214	7,214
Other	62,503	64,214	64,214
Total Revenue	142,312	140,215	140,215
Expenses			
<i>Output Expenses</i>			
Personnel	76,432	77,761	76,959
Operating	62,156	62,399	60,709
Depreciation	5,282	4,071	4,071
Capital charge	2,184	2,321	2,321
Total Output Expenses	146,054	146,552	144,060
Net Surplus/(Deficit)	(3,742)	(6,337)	(3,845)

FORECAST FINANCIAL POSITION



STATEMENT OF FORECAST FINANCIAL POSITION

for the year ended 30 June 2005

	Forecast Financial Position as at 30 June 2005 \$000	Estimated Financial Position as at 30 June 2004 \$000	Actual Financial Position as at 30 June 2003 \$000
Assets			
<i>Current Assets</i>			
Cash and bank balances	5,855	10,831	26,087
Prepayments	11	21	294
Inventory	3,998	2,157	1,848
Receivables and advances	1,204	1,873	1,752
Total Current Assets	11,068	14,882	29,981
<i>Non-current Assets</i>			
Property, Plant and Equipment	26,412	25,797	20,011
Total Assets	37,480	40,679	49,992
Liabilities			
<i>Current Liabilities</i>			
Accounts Payable	2,653	4,018	5,120
Provisions	1,056	1,056	1,056
Provision for payment of surplus	0	0	4,459
Accrued expenses	8,393	7,122	8,745
Revenue received in advance	4,336	4,336	2,620
Total Current Liabilities	16,438	16,532	22,000
<i>Term Liabilities</i>			
Accrued Expense	688	688	688
Total Liabilities	17,126	17,220	22,688
Taxpayers' Funds			
General Funds	20,096	23,201	27,046
Revaluation reserve	258	258	258
Total Taxpayers' Funds	20,354	23,459	27,304
Total Liabilities and Taxpayers' Funds	37,480	40,679	49,992

FORECAST CASH FLOWS

STATEMENT OF FORECAST CASH FLOWS

for the year ended 30 June 2005

	2004/05 Forecast (Main Estimates) \$000	2003/04 Budget (Supplementary Estimates) \$000	2003/04 Estimated Actual \$000
Cash Flows from Operating Activities			
<i>Cash provided from:</i>			
Supply of outputs to:			
Crown	71,543	68,787	68,787
Departments	8,266	7,201	7,201
Other	63,173	64,117	64,117
Cash disbursed to:			
Cost of producing outputs:			
Output expenses	(140,513)	(140,904)	(138,412)
Capital charge	(2,184)	(2,321)	(2,321)
Net Cash Flows from Operating Activities	285	(3,120)	(628)
Cash Flows from Investing Activities			
<i>Cash provided from:</i>			
Sale of property, plant and equipment	527	1,369	1,369
<i>Cash disbursed to:</i>			
Purchase of property, plant and equipment	(6,425)	(11,538)	(11,538)
Net Cash Flows from Investing Activities	(5,898)	(10,169)	(10,169)
Cash Flows from Financing Activities			
<i>Cash provided from:</i>			
Capital contribution from the Crown	637	0	0
Cash disbursed to:			
Payment of surplus to the Crown	0	(4,459)	(4,459)
Net Cash Flows from Financing Activities	637	(4,459)	(4,459)
Net Increase/(Decrease) in cash held	(4,976)	(17,748)	(15,256)
Total cash balances at 1 July	10,831	26,087	26,087
Closing Total Cash Balances at 30 June Projected	5,855	8,339	10,831

RECONCILIATION OF FORECAST NET CASH FLOWS



RECONCILIATION OF FORECAST NET CASH FLOWS

*Operating activities to net surplus in the statement of
forecast financial performance
for the year ended 30 June 2005*

	2004/05 Forecast (Main Estimates) \$000	2003/04 Budget (Supplementary Estimates) \$000	2003/04 Estimated Actual \$000
Surplus/(Deficit) from Statement of Financial Performance	(3,742)	(6,337)	(3,845)
<i>Add non-cash items</i>			
Depreciation	5,282	4,071	4,071
<i>Movements in working capital items</i>			
(Increase)/Decrease in receivables and advances	679	152	152
Increase/(Decrease) in Accounts Payable and Provisions	(1,365)	(1,038)	(1,038)
(Increase)/Decrease in Inventories	(1,841)	(309)	(309)
Increase/(Decrease) in Accrued Expenses	1,272	338	338
<i>Items classified as investing activities</i>			
Net (gain)/loss on sale of assets	0	3	3
Net Cash Flows from Operating Activities	285	(3,120)	(628)



FORECAST MOVEMENTS IN TAXPAYERS' FUNDS

STATEMENT OF FORECAST MOVEMENTS IN TAXPAYERS' FUNDS (equity)

for the year ended 30 June 2005.

	Forecast Position as at 30 June 2005 \$000	Estimated Position as at (30 June 2004 \$000	Actual Position as at 30 June 2003 \$000
Taxpayers' Funds at start of year	23,459	27,304	23,249
Taxpayers' Funds at end of year	20,354	23,459	27,304
Change in Taxpayers' Funds	(3,105)	(3,845)	4,055
<i>Analysed as follows:</i>			
Net surplus/(deficit)	(3,742)	(3,845)	4,459
Capital contribution	637	0	4,055
Provision for payment of surplus to the Crown	0	0	(4,459)
Change in Taxpayers' Funds	(3,105)	(3,845)	4,055

FORECAST PROPERTY, PLANT AND EQUIPMENT



STATEMENT OF FORECAST PROPERTY, PLANT AND EQUIPMENT

*By category
for the year ended 30 June 2005.*

	Forecast 30 June 2005			Estimated Actual 30 June 2004		
	Cost or Valuation \$000	Accumulated Depreciation \$000	Carrying Amount \$000	Cost or Valuation \$000	Accumulated Depreciation \$000	Carrying Amount \$000
Land	3,280	0	3,280	3,280	0	3,280
Buildings	1,900	200	1,700	1,900	142	1,758
Building alterations	2,971	1,263	1,708	2,771	733	2,038
Antiquities & works of art	368	0	368	368	0	368
Furniture & fittings	663	494	169	658	463	195
Office equipment	804	706	98	784	668	116
Motor vehicles	4,023	1,557	2,466	3,744	1,135	2,609
Plant & equipment	1,433	806	627	1,252	731	521
IT equipment	33,103	17,402	15,701	28,267	14,001	14,266
Leased equipment	531	236	295	646	0	646
Total Property, Plant and Equipment	49,076	22,664	26,412	43,670	17,873	25,797



STATEMENT OF OBJECTIVES

STATEMENT OF OBJECTIVES

*Specifying the forecast financial performance for the Department
for the year ended 30 June 2005*

	Unit	2004/05 Forecast	2003/04 Budgeted	2003/04 Estimated Actual
Operating results				
Revenue: other	\$'000	62,503	64,214	64,214
Revenue: Department	\$'000	8,266	7,214	7,214
Total expenses	\$'000	46,054	146,552	144,060
Operating surplus before capital charge	\$'000	(1,558)	(4,016)	(1,524)
Net Surplus/(Deficit)	\$'000	(3,742)	(6,337)	(3,845)
Working capital				
Liquid ratio		0.48:1	0.68:1	0.88:1
Current ratio		0.67:1	0.75:1	0.9:1
Average debtors outstanding	Days	6	10	9
Average creditors outstanding	Days	23	27	27
Resource utilisation				
Property, Plant and Equipment				
Property, Plant and Equipment as % of total assets	%	70	63	63
Additions as % of property, plant and equipments	%	24	45	45
Taxpayers' funds:				
Level at year-end	\$'000	20,354	20,967	23,459
Forecast net cash flows				
Surplus/(Deficit) from operating activities	\$'000	285	(3,120)	(628)
Deficit from investing activities	\$'000	(5,898)	(10,169)	(10,169)
Surplus/(Deficit) from financing activities	\$'000	637	(4,459)	(4,459)
Net decrease in cash held	\$'000	(4,976)	(17,748)	(15,256)

STATEMENT OF COMMITMENTS



FORECAST STATEMENT OF COMMITMENTS

As at 30 June 2005.

	2004/05 Forecast (Main Estimates) \$000	2003/04 Estimated Actual \$000
OPERATING COMMITMENTS		
Non-Cancellable Accommodation Leases		
Less than one year	4,746	5,362
One to two years	4,583	4,746
Two to five years	4,773	9,049
Over five years	58	365
Total Accommodation Commitments	14,160	19,522
Other Non-Cancellable Leases		
Less than one year	258	567
One to two years	63	257
Two to five years	0	63
Total Other Lease Commitments	321	887
Non-Cancellable Contracts for the Supply of Goods and Services		
Less than one year	2,306	2,409
One to two years	4,110	4,975
Two to five years	2,135	2,135
Total Supply Commitments	8,551	9,519
Total Commitments	23,032	29,928



FINANCIAL PERFORMANCE FOR EACH CLASS OF OUTPUTS

FORECAST FINANCIAL PERFORMANCE FOR EACH CLASS OF OUTPUTS

for the year ended 30 June 2005

Departmental Output Class	Revenue Crown \$000	Revenue Depts \$000	Revenue Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000	Output Class Descriptions Page Ref
Vote Community and Voluntary Sector						
Policy Advice – Community	1,114	4	0	1,119	(1)	62
Administration of Grants	3,221	53	6,573	9,845	2	64
Community Advisory Services	4,484	27	9	4,520	0	66
Vote Emergency Management						
Policy Advice – Emergency Management	658	6	0	665	(1)	67
Support Services, Information and Education	3,431	15	0	3,446	0	69
Management of National Emergency Readiness, Response and Recovery	1,490	6	0	1,496	0	71
Vote Internal Affairs						
Policy Advice – Internal Affairs	3,464	12	0	3,476	0	73
Information and Advisory Services	1,158	635	908	2,700	1	75
Gaming and Censorship Regulatory Services	1,766	71	13,555	15,277	115	77
Identity Services	2,574	1,807	40,218	48,455	(3,856)	80
Services Relating to Ethnic Affairs	2,309	6	0	2,317	(2)	82
Weather-tight Homes Resolution	13,576	12	25	13,613	0	84
Contestable Services	0	74	758	832	0	86
Vote Local Government						
Policy Advice – Local Government	4,467	14	0	4,482	(1)	87
Information, Support and Regulatory Services	3,595	66	315	3,975	1	89
Vote Ministerial Services						
Support Services to Ministers	21,938	134	35	22,107	0	92
Visits and Official Events Co-ordination	2,108	8	5	2,121	0	93
VIP Transport	0	5,314	102	5,416	0	94
Vote Racing						
Policy Advice – Racing	190	2	0	192	0	95
TOTAL DEPARTMENT	71,543	8,266	62,503	146,054	(3,742)	

