

Archives
New Zealand
Statement of
Intent
2003-04



Archives
New Zealand
*Te Whare Tohu
Tuhituhinga O Aotearoa*



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Marian Hobbs

INTRODUCTION BY THE MINISTER

When the Government established Archives New Zealand in October 2000, there were two primary objectives: one was to raise the standard of recordkeeping across all sectors of government; the other to ensure that New Zealanders continued to have access to the magnificent documentary heritage of New Zealand's development since 1835 contained within the archives. These objectives are captured in the department's Statement of Purpose, and the two Outcomes, described in the following pages.

Good recordkeeping not only ensures that citizens can hold the government to account for its actions, it also allows Ministers to hold their agencies to account for the delivery of outputs, and the achievement of outcomes.

Accountability is a crucial component of democracy, and good recordkeeping is an integral tool of accountability.

When we add to this the fact that good recordkeeping also makes for more efficient business, we have some powerful arguments for taking the time and trouble to make sure that government gets it right, and to ensure that there is someone charged with the responsibility for making it happen.

Archives New Zealand fills that role in the New Zealand government. I was delighted recently when I was invited to launch the department's "Continuum" programme, which aims

to help government agencies meet the challenges of recordkeeping in the current environment. This programme, which I believe has important contributions to make to the transition to electronic government, will be developed further throughout 2004/05 and the coming years.

Archives New Zealand also cares for, and provides access to, over 78,000 linear metres of the most valuable archives dating from the earliest days of government in this country. These archives tell a vital part of the story of who we are and what shaped New Zealand. It is important that more New Zealanders can access the information contained in these archives, be it through personal hands on research, or through the published work of others

who have used the archives as source material. I am pleased with the progress that Archives New Zealand has made in recent years, particularly the development of electronic finding aids. But the need is ongoing, and the SOI also identifies the additional work that needs to be done over the next five years, particularly around use of new technology such as digitisation, use of the internet, and establishment of digital repositories for electronic records. While the challenges are significant, the Government is committed to making progress in this area.



Hon. Marian Hobbs.

Minister responsible for Archives New Zealand



Dianne Macaskill

CHIEF EXECUTIVE'S INTRODUCTION

The purpose of Archives New Zealand is to ensure that the needs of people and government for the public record - as a tool of government accountability and as evidence of their experience - are met now and in the future.

This purpose statement drives everything that Archives New Zealand does. Last year we published our first Statement of Intent. In that publication we identified key Outcomes, and the Interventions that will achieve those Outcomes. This Statement of Intent builds on last year's document with some significant new sections.

In Archives New Zealand we work across a number of sectors. In our role of ensuring government accountability through recordkeeping we have significant synergies with such agencies as Audit New Zealand, the State Services Commission, the Ombudsman and the Privacy Commission, all of which have a focus on accountability.

Our holdings are also important to researchers and historians. Many of the access issues of importance to Archives New Zealand are also of importance to Te Papa and the National Library. We share information and developments with these agencies and work together to identify projects that will benefit from collaboration.

During the year we have undertaken work to identify what Archives New Zealand will look like in the future if it is

to fulfil its purpose. In this Statement of Intent there is an introductory section on Archives New Zealand's future. This is a simple overview of what the organisation will look like in the long-term as a result of the Interventions that we will make over the next few years.

Archives New Zealand will be an organisation that maintains a responsive set of guidelines and tools that will enable government agencies to meet best practice recordkeeping. We will have integrated the needs of Māori into our work processes, and will be an organisation that has developed systems and processes to support access to both public archives and public records.

To achieve this vision there are many challenges to work on over the next few years. There is an increasing volume of paper records to be managed and made accessible. Work on developing a digitisation programme for paper records has started and a proposal for implementing a digital copying programme will be developed over the next year. Of particular complexity is the work on the short and long-term management of 'born digital' records. There is no international consensus on this issue and we will continue to work closely with international agencies and organisations as we move towards a solution.

Over the last year significant progress has been made in a number of areas

including the launch of Continuum - the Government Recordkeeping Programme, the publication of an electronic records policy, preliminary work on digitisation and some significant progress on developing the electronic system for accessing contextual information about archives (GLADIS).

While these new systems and products have been developed, Archives New Zealand has also worked to ensure that the ongoing management of the public record and access to that record is improved. A new organisational structure has been put in place which gives more emphasis to access than has previously been the case. The access systems that we are developing support the e-government strategy and over time will contribute to streamlined access to all public records.

A significant event for Archives New Zealand has been the allocation of funding for a purpose built repository in Auckland. The allocation of funding for this repository recognises the importance that the care of paper records will continue to have.

While there are still many challenges, Archives New Zealand is continuing to make progress towards being an organisation that has effective systems and processes in place to meet its objectives.



Dianne Macaskill
Chief Executive and Chief Archivist

PURPOSE OF ARCHIVES NEW ZEALAND

Archives New Zealand ensures that the needs of people and government for the public record - as a tool of government accountability and as evidence of their experience - are met now and in the future.

OUTCOME 1

Access to government archives, through a variety of channels, provides the people and government with:

- evidence of government activities and functions;
- documented rights and entitlements;
- sources to understand and interpret the nation's history;
- documentation of the relationship between Māori and the Crown.

INTERVENTIONS UNDER THIS OUTCOME

- 1.1 Maintain public archives in Archives New Zealand custody.
- 1.2 Facilitate and improve access to public archives in Archives New Zealand custody.
- 1.3 Develop and operate disposal and access regimes.
- 1.4 Develop broader use and understanding of archives and recordkeeping.

OUTCOME 2

Records of government activities and interactions, regardless of format, are created and well managed.

INTERVENTIONS UNDER THIS OUTCOME

- 2.1 Define and communicate recordkeeping expectations within government.
- 2.2 Enable compliance, encourage the development of recordkeeping capability and improve access to government information.
- 2.3 Develop and operate a compliance programme.
- 2.4 Develop and implement legislative and policy frameworks to provide leadership for government recordkeeping.

Archives New Zealand's Future

INTRODUCTION

Archives New Zealand is currently working on a number of new projects. These projects are being developed as part of a wider plan designed to enable the organisation to become one which works effectively with many stakeholders and which supports best international archival and recordkeeping practices. This will ultimately position Archives New Zealand to meet the needs of New Zealanders, the New Zealand Government and our international users.

The future for Archives New Zealand is one where a comprehensive range of standards, tools and guidelines will be available to support and guide government agency recordkeeping. Records of long-term value will become part of the public archives system, while records of short term value will be disposed of in an orderly fashion once they are no longer required for business purposes. All records will be accessible remotely, as well as through visiting the office where they are held. Systems developed by Archives New Zealand will enable access to both archives and records held in government agencies.

PAPER REPOSITORIES

Archives New Zealand currently holds over 78 kilometres of government records in paper form. These paper records will still be needed in the future

and will be stored in repositories that will be managed to documented archival standards (see Archives New Zealand Standard for the Storage of Public Records and Archives). Although some records are now being created in electronic form we expect transfers of paper records to Archives New Zealand to remain at current levels as paper records from previous years are transferred. In the future the volume of paper records will start to decrease, as the official record becomes the 'born digital' record. In our planning horizon we cannot see a time when a digitised copy of a paper record will have the integrity and authenticity of the original paper record.

DIGITAL REPOSITORIES

Archives New Zealand is currently investigating setting up a digital repository to store both 'born digital' and digitised records. However, it is probable that only a proportion of our paper records will be digitised. Some 'born digital' records may also be managed to Archives New Zealand's standards and under Archives New Zealand's control in the agency of origin. This distributed storage will be for those records that need specialist knowledge to maintain them over time.

SERVICES TO THE PUBLIC

We will maintain and operate repositories and reading rooms in Auckland, Wellington, Christchurch and Dunedin. Records of significance to

each region will remain in that region. The development of an electronic system to allow access to contextual information about archives (GLADIS - Government Locator Archival Description Information System) is already well developed. This system will enable both remote users and users in our reading rooms to identify what public archives are available and to immediately access those records that are available in digital format. New systems will also be developed that allow users to request and schedule the delivery of records and to order copies including digital copies.

Over time GLADIS will be developed to provide access through an e-government portal to the unrestricted public records held by other government agencies.

As our electronic systems develop and remote access becomes more practical we would expect the number of visits to our reading rooms to increase slightly and then stabilise. It is difficult to estimate the number of future users, but it is expected to increase rapidly in the short-to-medium term as our services, and what we hold, become more known.

In the future the record references will be identified directly by users either by coming into our reading rooms or accessing the website. Our staff will be skilled in how users want to access records, and this knowledge will be

incorporated into our systems. Staff will also need to develop specialist expertise to assist 'in depth' users to make optimal use of the large volume of available records.

SERVICES TO GOVERNMENT AGENCIES

Archives New Zealand will have tools and guidelines to enable agencies to manage their own recordkeeping systems. Over the next five years recordkeeping standards will be developed and disseminated to agencies. Archives New Zealand will support agencies to meet these standards prior to audits mandated by the proposed public records legislation.

Over the next ten years, Archives New Zealand will progress from being an agency that directly inputs into agency records management to one that produces the information and guidelines needed to effectively manage records but expects agencies to implement these guidelines for themselves.

NEW ZEALAND ARCHIVES

New Zealand has a large number of institutions that hold archives of importance to New Zealanders. Archives New Zealand will work towards providing systems to support these archives and to support access to their holdings.

What Archives New Zealand needs to do to be successful

Archives New Zealand has identified four high-level themes that must become an integral part of our decision making if the organisation is to be successful in achieving its future goals. Incorporation of these themes into our strategic thinking will assist in ensuring that short and medium term plans take account of what is needed for long-term success.

Archives New Zealand is recognised as an organisation that makes a significant contribution to trust in government.

Archives New Zealand must ensure the work it does is recognised as enhancing trust in Government through our contribution to the effective management of the public record creation, disposal and access processes. Government can be seen to be accountable because there is a record of decisions and because the disposal of all public records is managed by a trusted third party, i.e. the Chief Archivist. An organisation working alone and making decisions regarding its own records cannot engender the trust that can be provided by an independent, skilled third party. Trust is enhanced by the knowledge that:

- Secure repositories, managed and staffed professionally, ensure the long-term preservation of archives;
- Records of government activities are authentic and reliable, because there are standards and guidelines in place.

Archives New Zealand is recognised as adding value to the government system.

A good understanding of the value of recordkeeping, by all agencies, will facilitate the achievement of Archives New Zealand's long-term objectives. Good records management makes a significant contribution towards efficient and effective government. Archives New Zealand adds value to government by providing the tools agencies need to manage their records, by being responsive to agency needs when developing these tools, and by ensuring that solutions keep pace with technological change and are practical for managing electronic records. Good records management also ensures that those records that have enduring value survive over time for the use of future generations, and that records that are not needed are disposed of efficiently.

Public archives and unrestricted public records can be accessed, when and where appropriate, from many locations and delivered in many formats.

The rapid development of easy access to information in electronic form has raised expectations that archives should be readily accessible from any location in the required format. A significant start has been made with the development of the GLADIS system, but over time new initiatives will be required to facilitate access to public archives and to public records.

The forming of collaborative partnerships and effective stakeholder relationships.

To meet the needs of government agencies and the public we must understand what each group requires from Archives New Zealand. Collaborative partnerships and effective stakeholder relationships will provide us with an understanding of those requirements, enable us to focus our services on the right things, and input these requirements into our guidelines and decision making processes.

Enduring Principles

INTEGRITY OF THE PUBLIC RECORD

This is central to the reason Archives New Zealand exists as a recordkeeping authority. The Government trusts the Chief Archivist to ensure a reliable record of government activities is made and managed. Crucial to this is the independence of the Chief Archivist, who under the Archives Act 1957 has the ultimate authority for decisions on the disposal of government records.

PARTNERSHIP WITH MĀORI

The Treaty of Waitangi is the formal contract that embodies the obligations and guarantees of two distinct groups of people to each other. The fundamental principle of the Treaty is to ensure both groups are able to move forward and develop in this land Aotearoa-New Zealand.

This principle must be applied to all decisions made in Archives New Zealand. By committing to operate under this principle the Treaty of Waitangi will be honoured.

The values and aspirations of Māori and Archives New Zealand must be fully considered, and neither should be compromised. In particular, issues surrounding ownership, custody and access need to be discussed, managed and maintained in partnership with Māori.

ACCESSIBILITY

This means being committed to ensuring that public records are

accessible to as many people as possible. Constraints on accessibility, such as privacy concerns, have to be managed responsibly, but Archives New Zealand always works under an assumption of availability unless good reason exists to restrict access.

OPENNESS

Archives New Zealand's processes for delivering key functions should be open and transparent. Stakeholders should be able to understand, for example, how the Chief Archivist reaches decisions on which records will be destroyed or archived, who can have access to certain records and why others are restricted.

TRUST

The records held by Archives New Zealand, and entrusted to its care, are unique. Archives New Zealand needs

the trust of agencies and the public to carry out its work effectively. The department works to engender this trust by engaging with all stakeholders, and makes decisions mindful of the likely impact on stakeholder trust.

PROFESSIONAL EXCELLENCE

Archives New Zealand relies on its staff to maintain the highest levels of professionalism in their work. This relates to all positions in the department, from archivists and analysts to corporate support and management. This in turn requires a commitment by the department to developing capability through training and other opportunities, which needs to include skills in treaty responsibilities, tikanga and te reo, as well as in the core recordkeeping skills encompassing archival studies, information systems and preservation.

Archives New Zealand Outcomes

Archives New Zealand's Outcomes are the impacts on society of the department's work. The Outcomes are not what Archives New Zealand does, but rather what will be achieved as a result of what the department does. They were developed as intermediate Outcomes within the context of the broader outcome goals of the Government. Achievement of Archives New Zealand's Outcomes will contribute towards achievement of the Government's strategic goals.

The two Government goals that Archives New Zealand's Outcomes have the strongest links to are:

Maintain Trust in Government and Provide Strong Social Services

Archives New Zealand plays a key role in ensuring the accountability of government by preserving the public record, regulating government recordkeeping and supporting good records management. These activities are fundamental to the efficiency and integrity of the Public Service, and support the goal of maintaining trust in government.

Strengthen National Identity and Uphold the Principles of the Treaty of Waitangi

By holding and making available the records of government, Archives New Zealand gives the people of New Zealand access to a body of records which greatly illuminate the history and

heritage of the nation. The holdings also provide access to information crucial for the Waitangi Tribunal claims process, and Archives New Zealand cares for and displays the Treaty of Waitangi itself.

OUTCOME 1

Access to government archives, through a variety of channels, provides the people and government with:

- evidence of government activities and functions;
- documented rights and entitlements;
- sources to understand and interpret the nation's history;
- documentation of the relationship between Māori and the Crown.

INTERVENTION LOGIC: OUTCOME 1

Accountability

Government records are essential to maintaining accountable government as they provide evidence of the Government's actions and its dealings with individuals, groups and organisations. Access to archives supports this accountability in the following ways:

- The relationship between the Crown and the people is strengthened by the availability of a reliable record through which the Government's actions can be verified;

- The Government needs records of agency activities to provide assurance that its programmes and policies are being carried out;
- Obligations and commitments by the Crown must be supported by accessible records, to protect the rights and entitlements of New Zealanders.

Cultural identity and historical understanding

Access to government records over time facilitates the development of New Zealand identities (personal, group and national) by enabling the interpretation of the past. Archives New Zealand provides a valuable resource to help understand our history, which in turn informs decisions about the future.

Managed access with transparent rules and processes

Access does not simply mean making records available. Access must be properly managed if the interests of the people and government both now and in the future are to be protected. This requires the development of rules, systems, processes and facilities, to protect security interests, personal privacy, and the longevity of the records themselves, so that future generations can benefit from them. These systems need to be consistent with other relevant legislation.

INTERVENTIONS

The following Interventions describe the practical ways (including examples of projects and activities) that Archives New Zealand will use to achieve this Outcome. Under each Intervention is a brief description of the links between the Intervention and the Outcome. During the year these Interventions have been revised to ensure they are consistent with the high-level indicators we have developed (State Indicators) to measure our progress over time.

OUTCOME 1 INTERVENTIONS

Maintain public archives in Archives New Zealand custody and control.

The maintenance of public archives is the foundation on which access to historical evidence is based. In order to remain accessible over very long periods of time (hundreds or possibly thousands of years), records must be maintained in special conditions and managed carefully.

Ways in which this will be carried out include:

- Provision of storage to standard, including environmental control;
- Preservation work on archives at risk;
- Selective copying to preserve archives and make them more accessible;
- Development of capability to store, preserve and provide access to electronic records that are under

Archives New Zealand control, including those not in Archives New Zealand's custody.

Facilitate and improve access to public archives in Archives New Zealand custody.

Traditionally, access to archival records has not been possible without the active intervention of the archivist, advising the researcher and retrieving documents for inspection. This is largely still the case for Archives New Zealand's holdings. Almost all archival records must be viewed in the original form and the current finding aids can be difficult to use unassisted.

Continuing to provide the traditional facilities, such as reading rooms, is essential to achieving this Outcome, but opportunities offered by new technology, and user expectations, mean changes are also required. Finding aid systems are now being upgraded to meet the public's needs for easier access.

Increasingly, concepts of appropriate levels of access are changing due to the ease of information exchange over the internet. Development in this area will have to be managed extremely carefully however, as expectations are likely to exceed what can reasonably be delivered, at least in the medium term.

Ways in which this will be carried out include:

- Provision of Reading Room services to enable users to consult archival records;
- Remote reference services including a written research service and development of self help tools;
- Government agencies able to access archives as necessary;
- Provision of high-level contextual data relating to government structure, functions and recordkeeping;
- Provision of comprehensive finding aids to archival records;
- Development of approaches to enable remote access to archives through a range of channels, such as the internet.

Develop and operate disposal and access regimes

Under the Archives Act 1957, the Government has created a neutral process around the destruction of public records, and distanced itself from this activity by giving the Chief Archivist statutory independence in the decision to dispose (meaning to either destroy or transfer into archival custody) of a public record. The Chief Archivist acts independently, utilising the criteria provided by the Archives Act and by professional best practice rather than shorter term or single agency thinking that might be applied by individual agencies. This regime is an essential component of ensuring

long-term access to the important records of government. The rights of all affected parties also need to be considered to ensure that access to records is protected and appropriate.

Ways in which this will be carried out include:

- Appraisal programmes and monitoring to ensure decisions about destruction and preservation of government records reflect the government's and the people's needs to access these records. This means considering a range of issues including research use, rights and entitlements documented in records, and the Crown's needs to hold its agencies accountable;
- Ensuring that decisions concerning access or the restriction of access to public archives conform to legal requirements.

Develop broader use and understanding of archives and recordkeeping

Despite the growth in archival research, the actual number of people actively using government archives and records is still a small fraction of the overall population. This does not mean that the benefits of the archives are limited to these users. In many cases the archival research carried out by a small number of users benefits a much broader group, for example through Treaty of Waitangi claims research, or in research resulting in publication or

broadcast. Archives New Zealand can extend this reach through programmes of its own aimed at providing value from the archives to a wider and more representative group.

Ways in which this will be carried out include:

- Programmes such as talks, tours, exhibitions and publications to deliver the benefits of archives to a broader audience;
- Co-operation with community groups and other stakeholders to improve access to archives and to encourage best practice for recordkeeping.

STATE INDICATORS FOR OUTCOME ONE

Outcomes state what will be achieved, and Interventions what Archives New Zealand will do to achieve its Outcomes. State Indicators measure the Outcome experienced over a period of time, assessing impact and end result. Archives New Zealand has identified four State Indicators for Outcome One.

1. That the percentage of the New Zealand population who know of the purpose of Archives New Zealand, and its activities, has increased.
2. That the number of users of government archives, for all purposes specified in Outcome One, is increasing.

3. That the number of Archives New Zealand citations in print, film, television, radio and other media, is growing.
4. That the needs of remote and onsite users (for example the public, government agencies and Māori), accessing services provided by Archives New Zealand, are being effectively met.

State Indicator One we consider primary, as New Zealanders need to know of the existence and purpose of Archives New Zealand; need to know where to come to seek evidence of documented rights and entitlements, government policy and business decisions, and to know where to find sources for interpreting the country's history and the relationship between Māori and the Crown.

Archives New Zealand will focus on the use being made of the archives and the quality of service we provide. Over time, as our work and the value of our holdings becomes more known, we will see an increase in the total number of users through all channels. Many users are doing private research, and this is fully supported by Archives New Zealand. However, it is important that, over time, more use is made of the archives by authors, researchers, journalists and broadcasters who can bring information on our history and heritage to a wider audience.

In addition to ensuring there is increasing use of the archives it is important to make certain all users are satisfied with the service they receive. Archives New Zealand currently undertakes user satisfaction surveys and these will be reviewed to ensure they give the information we need to provide effective and useful service over the long term.

It has not yet been determined how all the above will be measured and this will be the focus of some work over the coming year.

OUTCOME 2

Records of government activities and interactions, regardless of format, are created and well managed

Archives New Zealand will take the leadership role on recordkeeping across government and will be proactive in ensuring the standard of recordkeeping in government agencies is acceptable and meets the legislative standards that require the disposal of public records to be authorised by the Chief Archivist.

INTERVENTION LOGIC: OUTCOME 2

Accountability

Government records must be effectively created and maintained if they are to be accessible for the benefits described under Outcome One.

E-government

The implementation of the

e-government strategy is partly dependent on streamlined access to both public records and public archives that are effectively managed and are accessible.

Changing Environment

Before the government restructuring of the 1980s and 1990s, and the development of information technology, recordkeeping was a matter of well established practice, with records being created “organically” out of the business activities of government. This is no longer the case, resulting in the need for intervention to ensure that records of government activity are both created and maintained for as long as they are required.

Continuity

Most government agencies are driven by short to medium-term objectives and goals. This is entirely appropriate for the carrying out of the Government’s objectives in specific areas, but means that the whole-of-government need for reliable records over a longer term can be overlooked. Archives New Zealand supports longer term requirements to maintain and access records.

Efficiency

Good recordkeeping contributes to greater efficiency in a number of ways: it removes the need to repeat work that was properly documented, and it eliminates costs associated with

maintaining records for longer than they are needed. Developing a consistent approach and set of tools for recordkeeping across government agencies is a cheaper and more efficient option than having each agency develop its own approach.

Effectiveness and Interoperability

Records of past activities are an important component of corporate memory and information management which is vital to effective decision making. From a whole-of-government perspective, efforts to develop policy and deliver services in a more collaborative way require co-ordination and consistency between agencies in the way that records and information are managed. Linked to this is the need for records to be able to move between domains following restructuring and changes in information systems, or as part of inter-agency programmes. Recordkeeping standards developed by Archives New Zealand will enable this to occur.

Risk Management

Good recordkeeping is an important component of the government's overall risk management strategy. It ensures that government has sufficient and reliable information resources to make management decisions, and provides assurance to the public that the integrity of government records is being maintained.

Stewardship

Government agencies hold information and records on behalf of the people and the Crown. Records are assets both in terms of monetary worth and long term cultural and accountability value, and must be managed responsibly and according to agreed principles and standards.

OUTCOME 2 INTERVENTIONS

Define and communicate recordkeeping expectations within government

Without recordkeeping standards and guidelines to follow, vital records of government activities will not be created and remain accessible. This is especially because previously established and widely understood recordkeeping processes have largely disappeared due to administrative changes and the adoption of electronic information systems. This work is building on the standards and advisory notices already developed.

Ways in which this will be carried out include:

- Provision of tools and guidelines;
- Setting of recordkeeping standards.

Enable compliance, encourage the development of recordkeeping capability and improve access to government information

Archives New Zealand needs to take an active, leadership role if it is to ensure

creation and management of records within government. This means providing agencies with integrated recordkeeping solutions and taking these to government recordkeepers. Archives New Zealand provides advice and assistance, but ultimately records are managed within individual government agencies and it is in these settings that the most important results of our efforts will be determined. Improvements in the recordkeeping capability of other agencies will be the basis on which this outcome is achieved.

Ways in which this will be carried out include:

- Development of a strategic programme of guidance and tools, recently launched as Continuum - Create and Maintain, aimed at enabling government agencies to improve all aspects of their recordkeeping;
- Support for training and education initiatives;
- Ongoing development of a relationship management programme and the formation of recordkeeping partnerships with government agencies.

Develop and operate a compliance programme

Judging the effectiveness of Archives New Zealand's programmes to improve government recordkeeping requires

compliance monitoring and incentives. Agencies need to understand the benefits of good recordkeeping, such as improved efficiency and better risk management, and be made aware that non-compliance needs to be publicly documented as part of government expectations and accountability.

Ways in which this will be carried out include:

- Reports on the state of government recordkeeping;
- Agency reporting and recordkeeping audits.

Develop and implement legislative and policy frameworks to provide leadership for government recordkeeping

Robust action to ensure excellence in the creation and management of government records requires a strong legislative framework. There have been many new developments, such as electronic records, which were not envisaged when the Archives Act was passed in 1957. Because of this the present legislation does not adequately deal with these conditions. Passage of new legislation will greatly assist achievement of this outcome.

Ways in which this will be carried out include:

- Effective use and operation of existing archives legislation;
- Advice to government on

recordkeeping aspects of other legislation;

- Development and implementation of new public records legislation;
- Government recordkeeping policies and strategies to respond to challenges such as those posed by the management of electronic records.

STATE INDICATORS FOR OUTCOME TWO

The most effective way to determine whether government records and archives are being successfully managed is to undertake an audit against developed and agreed criteria. An audit would cover such recordkeeping practices as creation, disposal, access, transfer, and quality of records management. Such audits are now being undertaken in other national and state jurisdictions and the proposed public records legislation will empower Archives New Zealand to develop standards and to undertake audits against these standards.

State Indicator Five

5. That Government and the people have access to information on how well government agencies are meeting their obligation to be accountable through recordkeeping.

However, as this work is expected to take five or more years to complete following the finalisation of the new

legislation, two interim measures will be put in place. These are:

5a. That the number of government agencies with defined recordkeeping programmes is increasing.

5b. That the percentage of government records covered by current disposal schedules is increasing.

Further work will be undertaken to ensure agencies have a clear understanding of recordkeeping requirements, and that the standards Archives New Zealand produces are appropriate for the auditing task. In the interim it is important to have State Indicators that are indicative of the state of government recordkeeping and that guide our current work.

Consequently the two sub-indicators above have been developed for use prior to the completion of an audit framework.

RISK MANAGEMENT

Risk management identifies factors affecting the organisation's principles and operations. These factors may affect the Chief Executive's ability to meet legislative requirements and standards set by central agencies; affect our ability to meet short and long term corporate goals; affect the safety, security and health of our employees and users, or affect the care and protection of the records in our custody.

In implementing an organisation-wide risk management strategy Archives New Zealand undertakes the following:

- We include risk analysis in annual business planning;
- Our project management systems include risk analysis, identification of potential problem areas and strategies for mitigation;
- Risk identification is part of policy development;
- The Chief Executive and Executive Management meet on a weekly basis to review performance and on-going developments within the organisation.

At the corporate, project, section and individual level we encourage all members of the organisation to be risk aware, not risk averse.

High Level Risk Management

The four strategic themes outlined in the Statement of Intent provide a framework for identifying risks that might impact on the organisation's ability to meet its long-term objectives. Archives New Zealand recognises that while there are day-to-day processes for managing risks, it is also important to be aware of long-term risk and incorporate consideration of these into all our processes.

The following, while not comprehensive, are some of the issues we will pursue in order to ensure we achieve our long-term objectives:

Archives New Zealand is recognised as an organisation that makes a significant contribution to trust in government

Archives New Zealand must continue to raise its profile, ensure that staff expertise is developed and retained, and that disposal decisions concerning transfer and destruction are professional and transparent. We must ensure that records in our custody are safe and that there are processes in place, and expertise available, to prevent the damage or loss of public archives or the unscheduled release of restricted material.

Archives New Zealand is recognised as adding value to the government system

Archives New Zealand must ensure that it maintains a high level of professional expertise in order to be able to provide sound, accepted advice on the management of archives and records. This advice must be seen as adding value to that which would be achieved if government agencies worked in isolation. The standards and advice issued by Archives New Zealand must support the business needs of individual agencies in a cost-effective way.

Public archives can be accessed from many locations and delivered in many formats

Archives New Zealand must remain continually aware of user expectations

and ensure that users are aware of our need to balance a range of issues in the provision of improved access. For example, cost considerations may impact on the timeliness of response and the quality of what is supplied to the user.

Collaborative partnerships and effective stakeholder relationships, are formed

Archives New Zealand must ensure it has systems in place that facilitate stakeholder input into the archival decision making process. This does not mean stakeholder input into each

decision but the setting up of consultative mechanisms that ensure our processes are trusted as meeting the needs of users and stakeholders.

We must also ensure there is ongoing agency input into the development of recordkeeping standards and products so that they will meet business needs as well as the requirements for a reliable public record. This will necessarily involve the development of collaborative partnerships that ensure the professional knowledge in Archives New Zealand is building on the subject-matter knowledge of the agency.

Capability

The purpose of analysing Archives New Zealand's capability is to determine how well the department is equipped to deliver its outcomes. Our outcomes essentially require Archives New Zealand to undertake the following:

- Continue a focus on maintaining records of long-term value, both paper and electronic, entrusted to our care, and enabling access to these records. This is a traditional but still important role for archives agencies such as Archives New Zealand, and a significant proportion of our current capability is dedicated towards this. The volumes of paper records of long-term value are also increasing at the same time as electronic records are being created;
- Make certain that government recordkeeping is of a standard to ensure that government agencies are managing their records effectively, both for current needs and future needs. Archives New Zealand is achieving this by developing tools, guidelines and standards for agencies, and is developing expertise in the management of electronic records. This will provide for their availability and access in the future. To this end it has recently launched its Government Recordkeeping Programme, Continuum, and is working to build up expertise in the management of electronic records.

Significant capability events in recent years include:

- Establishment as a department 1 October 2000 (formerly National Archives within Department of Internal Affairs);
- Increase in appropriation from \$15.990 million in 2002/03 to \$17.123 million 2003/04;
- In 2000 additional capital funding of \$15.6 million over 8 years allocated to improve archival accommodation and storage, develop systems, including web based, for electronic finding aids and contextual information, and fund items such as the capital contribution associated with the transition;
- Increase in staff establishment from 70 FTE in 1998 to 121 FTE at present;
- In 2003/04 additional investment of approximately \$1.0 million per annum in IT infrastructure;
- The allocation of \$11 million for a purpose built repository to serve the needs of the Auckland region;
- In March 2003 the launch of Continuum;
- In 2002 the introduction of Objective, an electronic document management system (EDMS) to support the effective management of Archives New Zealand's own records.

There are ongoing opportunities to improve access to archives and we will continue to make progress in this area as we develop electronic and web based access systems and identify ways to improve our access service, for example by reviewing opening hours. On the other hand, the strategies and activities needed to achieve Outcome 2 are still relatively new areas for Archives New Zealand, although significant progress has been made in recent years leading up to the launch of Continuum.

1 PEOPLE

Archives New Zealand employs approximately 121 full time equivalents (FTE), an increase from 70 FTE in 1998. The bulk of the increase has been in core professional areas.

Capability Strengths

- Archives New Zealand employs highly educated and motivated staff in both corporate and professional areas;
- Staff are currently trained in archival skills through in-house development and rotation. These skills include access services, appraisal, arrangement and description and preservation, particularly for physical records;
- An increasing expertise in developing the tools needed for government recordkeeping;
- There are strong in-house technical

skills for preservation of physical records and management of film;

- Over the last year more resources have been put into staff training for both professional archivists and corporate staff.

Areas for development

- Achievement of Outcome 2 requires further understanding of the management of current records, and the formation of collaborative partnerships with government agencies to ensure our guidelines, advice and standards are meeting their needs as well as archival needs;
- Archives New Zealand must continue to foster the ability in all staff to understand Māori needs for archival services. A significant part of the work will be ensuring that Māori are made aware of the services that Archives New Zealand can provide, and aware of the relevant archival holdings. A Kaiārahi (Māori Manager) position has now been established which will lead work in this area, with support from a recently set up Māori Consultative Group, the internal Māori network Te Rōpū Māori, and all staff;
- In the last year more resource has been directed at training and this will need to continue to increase to meet the challenges of current recordkeeping;
- At present there are no dedicated academic qualifications in archives or recordkeeping available in New Zealand. This places greater responsibility on Archives New Zealand to build its own staff capability through in-house training and supporting participation in development opportunities. A key tool will be improved competency development. To this end Archives New Zealand has convened a working party to develop a new archival competency system for the organisation. We have also close contacts with universities in New Zealand and with archivists in Australia and are working with them to identify appropriate professional training;
- In 2002 Archives New Zealand completed a review of remuneration to bring staff salaries in line with market rates. To maintain this comparability it will be necessary to continue to review and pay salaries linked to market rates. This will remain a challenge for Archives New Zealand in an environment where current salary information indicates that there is high demand for people with archival skills and a consequent increase in market rates is expected;
- As Archives New Zealand identifies and develops solutions for ensuring electronic records are managed across government, more resources will be needed to assist with the

implementation of these solutions. Currently only about 5% (including overheads) of our budget is allocated to developing standards and advice to government agencies on recordkeeping. The increasing volume of paper records means that it is not possible to transfer funding.

As a relatively small government department, Archives New Zealand needs to strike the right balance between which skills will be maintained in-house and which skills are purchased for short-term use. In addition Archives New Zealand is changing from being an organisation which does the archival assessments for agencies to being one in which agencies will be given the tools and guidelines they need to manage their own records effectively. This is essential for a world in which many records are now created electronically, and where, if they are not managed effectively they will not be available for both short and long-term use.

2 RESOURCES

Archives New Zealand currently stores 78,000 linear metres of paper and other archives, making it the largest archival institution in the country. Storing this quantity of records requires substantial investment in storage repositories and equipment. This investment is reflected in the makeup of the Archives New Zealand budget.

Figure 1 shows the baseline budget for

2003/04 broken down into expense types. Over 50% of the appropriation of \$15.220 million (GST exclusive) is dedicated to a combination of ownership costs (depreciation and capital charge), and the operating funds needed to maintain the property, buildings and equipment. Personnel accounts for 32% of appropriation, which is markedly lower than for most government departments.

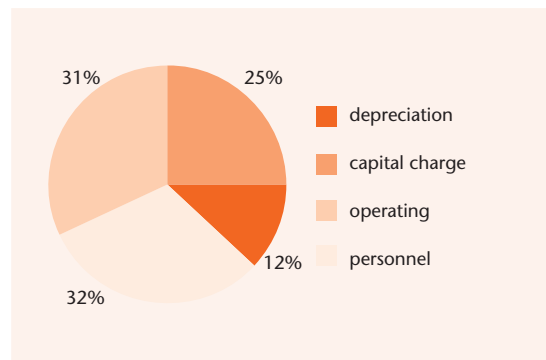


Fig 1. Archives New Zealand 2003/04 Budget by Expense Type

This type of budget breakdown is not unusual for archival institutions. What it does mean, however, is that Archives New Zealand has comparatively little flexibility to move resources to develop new programmes, as so much of the appropriation is locked into the core function of providing suitable storage for records. Additional funding provided in recent years has, however, enabled substantial improvements to repositories, and also substantial improvements to infrastructure which can be leveraged for both paper and electronic records.

ELECTRONIC RECORDS

The move away from traditional paper based recordkeeping to electronic environments carries with it the need to find entirely different solutions to the problems of records selection, arrangement, preservation, storage and access. During the year Archives New Zealand developed an electronic records policy which identifies the responsibilities of Archives New Zealand and responsibilities of agencies. Solutions envisaged will need to incorporate the following:

- A capability for Archives New Zealand to store, preserve and provide access to electronic records where it is appropriate for Archives New Zealand to do so. A decision has been made to develop an electronic records repository and Archives New Zealand is preparing to undertake some testing before identifying solutions and costs;
- In addition some records, because of their complexity, will need to remain for longer periods in the custody of agencies but be managed according to Archives New Zealand's standards and guidelines. How this is best done is a future challenge for Archives New Zealand;
- Archives New Zealand has also started to consider the issues associated with access to digital copies of records. Progress is being made in identifying the direction

we will take. However, more funding will be required to digitise selected paper records and make them available over the web.

BUILDINGS

Archives New Zealand has sites in four locations. Three of these buildings are owned by the department. Funding has been provided for a purpose built repository in Auckland.

Capability Strengths

- Christchurch and Dunedin are purpose built archival repositories, with appropriate environmental control. By 2007 Auckland will also have a purpose built repository;
- The 1999 budget provided \$2.9 million over two years to complete the conversion of the Wellington repository to provide quality storage, and outfit it to provide capacity for a further ten years intake of records.

Areas for development

- Over the long-term additional storage will be necessary. The use of paper records has not yet declined, and Archives New Zealand is still receiving records from many years ago. Although at some stage the use of paper records will most likely decrease significantly, long-term planning still includes the need for increased capability for paper records. In particular, the Christchurch repository does not have a lot of room left to take in new records.

3 SYSTEMS

MANAGEMENT OF APPRAISAL

Appraisal is the process through which decisions about which records to retain as archives, and which may be destroyed, are made. Changes in the ways records are managed mean that Archives New Zealand may need to consider new approaches.

Capability Strengths

- A well developed system for monitoring the appraisal process, and excellent documentation of appraisal decisions;
- An efficient and effective process based on offering appraisal as a service to government clients.

Areas for development

- Archives New Zealand seeks to develop processes that are relevant to electronic records, and that will not only continue to identify records of long-term value, but also ensure a greater proportion of government records are covered by disposal authorities and cross-agency general disposal schedules (GDS).

Archives New Zealand is working with government agencies to ensure that their records are effectively managed through ongoing retention and disposal schedules. However, we need to prioritise this work to ensure that our resources are more effectively used.

INFORMATION SYSTEMS

Archives New Zealand's Outcomes revolve around management of information, and for this reason information technology capability is a vital component of the success of the department. Archives New Zealand needs to use IT in virtually all of its major programmes, from providing information about the holdings to managing and providing access to electronic records. Because of this, steps continue to be taken to ensure that the core systems being developed now are scaleable, and are able to expand to deal with likely future requirements.

The systems that are being developed to manage archival contextual information are also being developed to ensure that these systems can provide wider contextual information about public records as well as public archives.

Capability Strengths

- This development of electronic finding aids and documentation systems is the most significant IT project undertaken by the department. In the 2001 Budget, \$8 million was allocated over 5 years to design and build the system, and populate it with data. The finding aids will greatly improve access to archives, while the documentation system will mean more efficient management of archives in custody. The project

also positions the department to take a more active role in documenting records still under agency control. This is critical if Archives New Zealand is to play a full role in contributing to the e-government strategy;

- Archives New Zealand has implemented its own electronic records and document management system, which as well as supporting the department's recordkeeping, should serve as an example of best practice for other agencies;
- An Information Systems Strategic Plan was prepared in February 2002. Additional funding has been allocated to the department to upgrade and stabilise its current IT infrastructure. This will ensure a sound scaleable infrastructure is in place for moving forward on the management and transfer of electronic records, web based access to archives, and access to contextual information and selected digitised records.

Areas for development

- With rapid development of IT systems there is a need to make certain the IT environment is efficient to manage, and that all the systems are well integrated. The additional funding will enable Archives New Zealand to implement the Information Systems

Strategic Plan that was developed in February 2002;

- Storage, preservation and access systems for electronic archives will require additional integrated IT infrastructure. As reliance on electronic records grows, the investment in this area will need to grow correspondingly.

COMMUNICATIONS

Effective communications with other government agencies and with stakeholders is vital if archival services are going to meet the needs of users.

Capability Strengths

- A growing number of products, such as standards and advisory notices which have been well received by agencies and stakeholders;
- The development and launch of the Government Recordkeeping Programme, Continuum, with a comprehensive set of products designed to facilitate and support recordkeeping in government. This programme is backed up with a dedicated Continuum website;
- Contacts with a significant number of government records managers and the instigation of a regular forum for recordkeepers;
- The completion of a Communications Strategy;
- Publications, including the regular "Outreach" newsletter;

- The appointment of an Archives Communications Adviser;
- The establishment of a position for a Kaiārahi (Māori Manager) which has not yet been filled on a permanent basis.

Development Areas

- The next stage of the Continuum programme will be to develop processes to ensure that agencies have programmes to implement the guidelines and tools provided through the project. We recognise that agencies have many and varied issues and that a one size solution will not suit everyone;
- More effective use of the internet to promote and communicate all aspects of Archives New Zealand's work, including GLADIS, Continuum and the corporate website. A Continuum website has been launched and good progress has been made on redeveloping the corporate website to better meet user needs;
- We need to continue to improve the way that we have regular contact with stakeholders to keep them informed of developments within Archives New Zealand and to facilitate their contribution to these developments.

4 CULTURE OF LEADERSHIP

Archives New Zealand's role is to

provide leadership in government recordkeeping. This means that Archives New Zealand will need to be very clear about its expectations of other agencies, and to be proactive in identifying what agencies need to do to meet recordkeeping standards.

Capability Strengths

- Archives New Zealand is increasingly collaborative and seeks to achieve common objectives through partnerships and relationships with other agencies;
- The proposed legislation will effectively empower Archives New Zealand to undertake a leadership role and to monitor the standard of recordkeeping;
- A long-term, whole-of-government view is consistently maintained in Archives New Zealand.

Development Areas

- Archives New Zealand will need to ensure that it fully understands the needs of government agencies and can respond to those needs in an effective way;
- Archives New Zealand needs to ensure that agencies have the information they need to make appropriate recordkeeping decisions;
- Archives New Zealand must develop auditable criteria for

recordkeeping standards for when the new legislation is passed. Agencies need to be given the appropriate length of time to adapt to the changed regime and implement these standards effectively.

5 RELATIONSHIPS

GOVERNMENT

Achievement of our Outcomes depends on our ability to work effectively with other agencies to ensure that we can add value to their efforts in managing public records. The task for Archives New Zealand is to continue progress in the establishment of strong meaningful relationships with government agencies and to continually expand the available tool-set of advice and support that covers all aspects of recordkeeping.

Capability Strengths

- The establishment of a Māori Consultative Group to provide advice on Māori archival needs both current and future;
- The continuation of an Archives Consultative Group to provide advice on user needs both current and future;
- Partnerships with central agencies, for example Archives New Zealand's role as custodian of the New Zealand Government Locator Service on behalf of the State Services Commission;
- Growing awareness of the importance of recordkeeping within other agencies, as evidenced by demand for Archives New Zealand's standards, the large number of disposal schedules that are now in place in government agencies, and the development of cross-agency general disposal schedules (GDS), all of which are central to good records management;
- The launch of the Government Recordkeeping Programme, Continuum, making available a growing range of products designed to both improve and facilitate good recordkeeping in government;
- Archives New Zealand will be undertaking further work over the coming year to identify sectoral outcomes. Currently we make a significant contribution in a number of areas including the culture and heritage and information sectors. We have worked collaboratively with agencies where our objectives overlap and will continue to pursue these and expand opportunities for broader government outcomes. For example, Archives New Zealand contributes to the Digital Forum, a group chaired by the National Library and including a range of library, archives and museum representatives. In addition Archives New Zealand has the custodial role of the NZGLS as part of its work in the e-Government Sector, and contributes to the National

Preservation Office, located at the National Library.

Development Areas

- The need to develop knowledge of how the department can add value to the recordkeeping efforts of records managers within government.

STAKEHOLDERS

To achieve its outcomes, Archives New Zealand depends on maintaining relationships with a number of stakeholders.

Capability Strengths

- High degree of trust in the professional expertise and management of archives in Archives New Zealand's custody;
- Strong regional support for Archives New Zealand. The department's profile is high in the regions and the work done to care for local archives is valued;
- Archives New Zealand has supported the National Register of Archives and Manuscripts (NRAM), and will continue to do so.

Development areas

- Archives New Zealand must continue to ensure that information about its decision making is readily available. This will be facilitated by development of new internet platforms over the next year. Archives New Zealand also operates two consultative groups, one

dedicated to advising on issues of significance to Māori.

PUBLIC

- Archives New Zealand has established public user groups which access public archives either directly in one of our four reading rooms in the main centres, or through the research service.

Capability Strengths

- Well developed systems and processes to provide the public with hands-on access to physical records, provided that public users travel to the relevant repositories;
- Greatly improved finding aids systems currently under development, GLADIS, a web based platform that will enable internet access to information about records held by Archives New Zealand.

Development Areas

- Limited capacity to deliver remote access to archives and records. Options such as digitisation of physical archives are being investigated. However, any significant improvements in this area will require additional investment due to the sheer size of our holdings (78,000 linear metres of records);
- Limited capacity to service significant increase in demand, which may result from the improved finding aids mentioned above. The improvements will free

some staff time currently needed to explain the difficult-to-use paper finding aids, but whether this will offset increased demand is unclear.

INTERNATIONAL

Archives New Zealand has ongoing relationships with overseas government archives institutions, for example in Australia, where the department is an observer and a contributor to the Council of Federal, State and Territory Archives (COFSTA). In the Pacific, Archives New Zealand currently hosts the General Secretariat of the Pacific Regional Branch of the International

Council on Archives (PARBICA), and is staging the next Biennial Conference and Training Workshops in July 2003. A staff member is also Chairperson of the Association of Commonwealth Archivists and Records Managers (ACARM). Strong relationships have also been developed with archives in Canada and the United Kingdom, and with other nations through the International Council of Archives (ICA). These organisations are facing similar challenges to Archives New Zealand, and the sharing of these experiences greatly benefits the department.

Financial Statements



Dianne Macaskill
Chief Executive and Chief Archivist
17 April 2003



John Masters
Chief Financial Officer
17 April 2003

STATEMENT OF SIGNIFICANT UNDERLYING ASSUMPTIONS

These statements have been compiled on the basis of government policies and the interim outcome of negotiations on the Purchase Agreements between Archives New Zealand and the Minister Responsible for Archives New Zealand at the time the statements were finalised.

The following forecast financial statements comply with generally accepted accounting practice, as required by the Institute of Chartered Accountants of New Zealand. The forecasts have been prepared on the basis of assumptions as to future events that are expected to occur within the forecast period.

Estimated actual information for 2002/2003 has been used as the opening position for 2003/2004 forecasts.

The 2003/2004 forecast information will be updated as part of the Government budget process. Information about changes in appropriations will be published in the Supplementary Estimates for the New Zealand Government for the year ended 30 June 2004.

Finally, the financial statements have been prepared based on the assumptions that:

- the department is a going concern;
- activities are attributable to the reporting period; and

- the accrual basis of accounting has been used to record transactions.

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statutory Authority

The forecast financial statements for Archives New Zealand have been prepared in accordance with Section 34A of the Public Finance Act 1989.

Reporting Entity

The reporting entity is Archives New Zealand. The reporting entity consists of those activities represented by outputs supplied by the department and related assets, liabilities and taxpayers' funds.

Measurement Base

The measurement base adopted is that of historical cost, unless otherwise stated.

Forecast Period

The forecast period for these financial statements is 1 July 2003 to 30 June 2004.

Variations from Forecasts

Actual results for 2003/2004 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.

Basis of Preparation

The forecast financial statements show the expected financial performance and financial position.

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.

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:

Criteria for Direct and Indirect Costs

“Direct Costs” are those costs directly attributed to an output.

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

Direct Costs Assigned to Outputs

Direct costs are treated as follows:

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

Basis for Assigning Indirect Costs

Indirect costs are allocated to outputs on the basis of a mix of assessed charges, based on perceived benefit, personnel numbers and estimated allocation of time.

Accounts Receivable

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

Leases

The department leases office equipment and accommodation. All leases are operating leases. Lease costs are expensed in the period in which they are incurred.

Financial Instruments

The department is party to financial instrument arrangements as part of its daily operations. These include bank, short term deposits, accounts receivable, accounts payable and provisions, accrued expenses and foreign currency. Investments are only made with New Zealand Debt Management Office in accordance with Treasury instructions. 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, buildings, antiquities and works of art are stated at fair value as determined by an independent registered valuer. Fair value is determined using market-based evidence, except for the Wellington and Christchurch properties which are valued at depreciated replacement cost. Land, buildings, antiquities and works of art are revalued every three years. Additions between revaluations are recorded at cost.

The results of revaluing land, buildings, antiquities and works of art are credited or debited to an asset revaluation reserve for that class of asset. Where a revaluation results in a debit balance in the revaluation reserve, the debit

The useful lives and associated depreciation rates of major classes of assets

Buildings:		
• Structural envelope	41-90 years	(1.1-2.4%)
• Heating/ventilation	16-35 years	(2.9-6.25%)
• Fire service/protection	17-40 years	(2.5-5.9%)
• Lifts	15-50 years	(2-6.7%)
• Plumbing and electrical	15-40 years	(2.5-6.7%)
Plant and equipment	5-20 years	(5-20%)
Furniture and fittings	5-10 years	(10-20%)
Office equipment	5-10 years	(10-20%)
Motor vehicles	2 years	(50%)
Computer equipment	3-5 years	(20-33.3%)
Nitrate film	100 years	(1%)

balance will be expensed in the statement of financial performance.

All other fixed assets costing more than \$3,000 are capitalised at cost. Any write down of an item to its recoverable amount is recognised in the statement of financial performance.

Depreciation

Depreciation is provided on a straight line basis on all fixed assets except land, antiquities, works of art and capital work in progress at a rate which will write off the cost (or valuation) of the assets to their estimated residual value over their useful lives (see above).

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

Gains/Losses On Assets

Realised gains and losses arising from the disposal or sale of assets are recognised in the Statement of Financial Performance in the period in which the transaction occurs.

Unrealised gains and losses arising from changes in the value of fixed assets are recognised at balance date. To the extent gains reverse losses previously charged to the Statement of Financial Performance, the gains are credited to the Statement of Financial Performance. Otherwise, gains are credited to an asset revaluation reserve for that class of fixed assets. Unrealised losses are first applied against the revaluation reserve for that class of fixed assets. The balance, if any, is charged to the Statement of Financial Performance.

If an asset is sold that has contributed to a revaluation reserve, the related portion of the reserve is transferred to taxpayers' funds.

Employee Entitlements

Employee entitlements are recognised for annual leave at the time of entitlement based on current rates of pay.

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 net of GST except for the Statement of Appropriations which is GST inclusive. 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.

Commitments

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

Related Parties

Archives New Zealand is a government department and wholly owned entity of the Crown. The Government significantly influences the role of the department as well as being a major source of revenue. The department undertakes a number of trading activities with the Crown, other departments, Crown Entities and State Owned Enterprises.

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

STATEMENT OF FORECAST FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

	2003/04 Forecast	2002/03 Budgeted	2002/03 Estimated Actual
	\$000	\$000	\$000
Revenue			
Crown	14,467	13,460	13,047
Departments	204	309	70
Other	549	444	480
Interest	0	0	0
Total Revenue	15,220	14,213	13,597
Expenses			
<i>Output Expenses</i>			
Personnel	4,990	4,775	4,791
Operating	4,652	4,095	4,449
Depreciation	1,829	1,820	1,180
Capital charge	3,749	3,523	3,128
Revaluation losses	0	0	0
Total Output Expenses	15,220	14,213	13,548
Profit on sale of assets	0	0	49
Net Surplus/(Deficit)	0	0	0

STATEMENT OF FORECAST FINANCIAL POSITION AS AT 30 JUNE 2004

	Forecast Financial Position as at 30 June 2004	Estimated Financial Position as at 30 June 2003	Actual Financial Position as at 30 June 2002
Assets			
<i>Current Assets</i>			
Cash and bank balances	4,903	4,677	4,379
Prepayments	0	0	0
Receivables and advances	99	99	144
Properties intended for sale	0	0	1,800
Total Current Assets	5,002	4,776	6,323
<i>Non-Current Assets</i>			
Term receivables and advances	0	0	0
Fixed Assets	36,871	32,447	32,486
Total Assets	41,873	37,223	38,809
Liabilities			
<i>Current Liabilities</i>			
Payables and provisions	1,358	1,358	854
Accrued expenses	120	120	524
Total Current Liabilities	1,478	1,478	1,378
Term Liabilities			
Provision for employee entitlements	71	71	71
Total Liabilities	1,549	1,549	1,449
Taxpayers' Funds			
General fund	38,756	34,106	35,792
Revaluation reserve	1,568	1,568	1,568
Total Taxpayers' Funds	40,324	35,674	37,360
Total Liabilities and Taxpayers' Funds	41,873	37,223	38,809

STATEMENT OF FORECAST CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2004

	2003/04 Forecast	2002/03 Budgeted	2002/03 Estimated Actual
	\$000	\$000	\$000
Cash Flows from Operating Activities			
<i>Cash provided from:</i>			
Supply of outputs to:			
Crown	14,467	13,460	13,047
Departments	204	309	70
Other	549	444	480
<i>Cash disbursed to:</i>			
Cost of producing outputs:			
Output expenses	(9,642)	(8,829)	(9,240)
Capital charge	(3,749)	(3,524)	(3,128)
Other expenses	0	(41)	
Net Cash Flows from Operating Activities	1,829	1,819	1,229
Cash Flows from Investing Activities			
<i>Cash provided from:</i>			
Sale of physical assets	0	0	1,895
<i>Cash disbursed to:</i>			
Purchase of physical assets	(6,479)	(910)	(1,140)
Net Cash Flows from Investing Activities	(6,479)	(910)	755
Cash Flows from Financing Activities			
<i>Cash provided from:</i>			
Capital contribution from the Crown	4,650	114	114
<i>Cash disbursed to:</i>			
Capital repayments	0	0	(1,800)
Net Cash Flows from Financing Activities	4,650	114	(1,686)
Net Increase/(Decrease) in cash held	0	1,023	298
Total cash balances at 1 July	4,903	5,198	4,379
Effect exchange rate charges	0	1	0
Closing Total Cash Balances at 30 June Projected	4,903	6,222	4,677

RECONCILIATION OF FORECAST NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET SURPLUS IN THE STATEMENT OF FORECAST FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2004

	2003/04 Forecast	2002/03 Budgeted	2002/03 Estimated Actual
	\$000	\$000	\$000
Surplus/(Deficit) from Statement of Financial Performance	0	0	0
<i>Add non-cash items</i>			
Depreciation	1,829	1,820	1,180
<i>Movements in working capital items</i>			
(Increase)/Decrease in receivables and advances	0	0	45
Increase/(Decrease) in payables and provisions	0	0	0
Increase/(Decrease) GST payable	0	0	100
<i>Items classified as investing activities</i>			
Net (gain)/loss on sale of assets	0	0	(49)
Net (gain)/loss on revaluation of assets	0	(1)	(47)
Net Cash Flows from Operating Activities	1,829	1,819	1,229

STATEMENT OF FORECAST MOVEMENTS IN TAXPAYERS' FUNDS (EQUITY) FOR THE YEAR ENDED 30 JUNE 2004

	Forecast Financial Position as at 30 June 2004 \$000	Estimated Financial Position as at 30 June 2003 \$000	Actual Financial Position as at 30 June 2002 \$000
Taxpayers' funds at start of period	35,674	37,360	34,803
Taxpayers' funds at end of period	40,324	35,674	37,360
Change in Taxpayers' Funds	4,650	(1,686)	2,557
<i>Analysed as follows:</i>			
Net surplus/(deficit)	0	0	(1,050)
Increase in revaluation reserves	0	0	1,418
Asset/liability transfers between departments	0	0	0
Capital contribution	4,650	114	2,397
Capital repayment	0	(1,800)	0
Surplus repayment provision	0	0	0
Asset Writedown	0	0	(208)
Change in Taxpayers' Funds	4,650	(1,686)	2,557

STATEMENT OF FORECAST FIXED ASSETS BY CATEGORY FOR THE YEAR ENDED 30 JUNE 2004

	Forecast 30 June 2004			Estimated Actual 30 June 2003		
	Cost or	Accumulated	Carrying	Cost or	Accumulated	Carrying
	Valuation	Depreciation	Amount	Valuation	Depreciation	Amount
	\$000	\$000	\$000	\$000	\$000	\$000
Land	8,820	0	8,820	8,820	0	8,820
Buildings	17,469	1,116	16,353	17,469	558	16,911
Furniture & fittings	841	818	23	841	806	35
Motor vehicles	171	155	16	171	155	16
Plant & equipment	11,555	6,736	4,819	9,726	5,251	4,475
Other assets	6,840	0	6,840	2,190	0	2,190
Total Fixed Assets	45,696	8,825	36,871	39,217	6,770	32,447

STATEMENT OF FORECAST OBJECTIVES - SPECIFYING THE FORECAST FINANCIAL PERFORMANCE FOR THE DEPARTMENT FOR THE YEAR ENDED 30 JUNE 2004

	Unit	2003/04 Forecast	2002/03 Budgeted	2002/03 Estimated Actual
Operating results				
Revenue: other	\$000	549	444	480
Total expenses	\$000	15,220	14,213	13,548
Operating surplus				
before capital charge	\$000	3,749	3,524	3,177
Net Surplus/(Deficit)	\$000	0	0	0
Working capital				
Liquid ratio		3.38:1	10.5:1	3.23:1
Current ratio		3.38:1	10.5:1	3.23:1
Average debtors outstanding	Days	33	39	35
Average creditors outstanding	Days	30	30	30
Resource utilisation				
Fixed assets:				
Fixed assets as% of total assets	%	88.0%	78.0%	83.7%
Additions as % of fixed assets	%	17.6%	4.0%	3.5%
Taxpayers' funds:				
Level at year-end	\$000	40,324	28,450	37,360
Level per employee	\$000	342	245	322
Forecast net cash flows				
Surplus from				
operating activities	\$000	1,829	1,819	1229
Deficit from investing activities	\$000	(6,479)	(910)	755
Net increase/ (decrease) in cash held				
	\$000	0	1,023	298
Human Resources				
Staff turnover (ongoing)	%	11%	9%	11%
Average length of service				
(ongoing)	Years	5	5	5
Total staff	Number	118	116	116

FORECAST STATEMENT OF COMMITMENTS AS AT 30 JUNE 2004

	2003/04	2002/03
	Forecast	Estimated Actual
	\$000	\$000
CAPITAL COMMITMENTS		
Other Plant and Equipment		
Less than one year	0	1191
One to two years	0	0
Total Land and Buildings	0	1191
OPERATING COMMITMENTS		
Non-Cancellable Accommodation Leases		
Less than one year	411	411
One to two years	411	411
Two to five years	445	856
Over five years	0	0
Total Accommodation Commitments	1,267	1,678
Other Non-Cancellable Leases		
Less than one year	0	0
One to two years	0	0
Two to five years	0	0
Total Other Lease Commitments	0	0
Non-Cancellable Contracts for the Supply of		
Goods and Services		
Less than one year	0	0
One to two years	0	0
Two to five years	0	0
Total Supply Commitments	0	0
Total Commitments	1,267	2,869

Statement of Objectives

FORECAST FINANCIAL PERFORMANCE FOR EACH CLASS OF OUTPUTS FOR THE YEAR ENDED 30 JUNE 2004

OUTPUT CLASS D ARCHIVAL SERVICES

Description

This output class involves:

- Activities to ensure that records which document government decision making and have enduring value are identified and well managed;
- Storage, preservation (remedial and preventative) and documentation of these records, which include written documents, film footage, photographs and other items;
- Providing government departments, other organisations and individuals with access to public archives;
- Provision of advice on archives, records and information management issues, and setting of standards aimed at improving government recordkeeping;
- Provision of policy advice and Ministerial servicing.

Performance targets for Reference and Outreach Services are:

- 75,000 to 85,000 reference services provided. This includes providing assistance to researchers in the reading rooms, retrieving archives for researchers to consult,

conducting research in response to written enquiries, and loans of archives to government agencies;

- 90% of archives retrieved for researchers in the reading rooms delivered within 30 minutes of published delivery times, with 98% of these archives delivered within 120 minutes of published delivery times;
- 80% of respondents to a client satisfaction survey rate services at 7 or greater on a scale of 1-9, where 1 is “very poor” and 9 is “outstanding”;
- 2500 to 3000 people attending public talks and tours of the archives. These talks and tours are aimed at improving the public’s understanding of the importance of archives and recordkeeping, and the uses that can be made of the archives held by Archives New Zealand;
- 70% of written reference enquiries are answered within 15 working days, with 90% answered within 30 working days.

Performance targets for Selection and Description are:

- 25,000 to 30,000 pages of legacy list data captured in the Electronic List Management System. This will improve Archives New Zealand’s management of the data, and will greatly enhance the accessibility of the archives documented in these

lists;

- To ensure that archives held by Archives New Zealand are accessible and well managed, 2200 linear metres of unprocessed records will be processed annually to the following standards:¹
 - Transfer registered, if transferred within the last 12 months;
 - Boxed and shelved correctly;
 - In a location guide;
 - Valuation category assigned;
 - Transfer checked to ensure it meets the Transfer Standard;
 - Agency documentation available to the public;
 - Records series documentation available to the public;
 - Series list uploaded into electronic list management system.
- 85% of draft appraisal reports developed by Archives New Zealand will be delivered to clients within contracted timeframes. This contributes towards maintaining the appropriate level of appraisal work and ensuring a professional service.

¹ This revised measure has taken the previous 98% of annual transfers, averaging approximately 2200 linear metres per year over the last four years, and targeted the measure on a linear metreage figure. This will enable Archives New Zealand to focus on both backlog and recently transferred agency records it considers to have priority for full processing and access.

Performance targets for Physical Preservation and Storage are:

- 10,456 square metres of dedicated space available for storage of archives in repositories managed by Archives New Zealand;
- Annual Compliance Certificate for owned repositories are achieved within regulatory and other timeframes;
- 98% of transfers will be entered into the repository location guides within three working days. This provides assurance that all archives have this essential level of control immediately on deposit with Archives New Zealand;
- 90% of targets in Preservation Management Plan completed. This annual plan sets the projects and activities aimed at preventing deterioration of the archives held by Archives New Zealand;
- 95% of requested preservation treatments are completed in accordance with agreed standards based on the “Code of Ethics of the New Zealand Professional Conservators’ Group”.

Performance targets for Recordkeeping Advice, Policies and Standards are:

- To progress the Government Recordkeeping Programme, Continuum by adding 6 to 10 further projects, including policies, standards and substantive advice, to

agreed standards. These items will add to the set of tools already available in the programme for improving government recordkeeping. Standards provide government recordkeepers with best practice guidelines on a range of recordkeeping issues. Substantive advice includes Advisory Notices, which provide guidance on compliance with the Archives Act 1957;²

- 95% of appraisal reports submitted for Chief Archivist approval are processed and where up to standard approved within 6-8 working weeks. This process involves reviewing reports, and where necessary, requesting changes, to ensure that the Chief Archivist has the necessary information on which to base the disposal decision;³
- 98% of all parliamentary questions, ministerial correspondence, reports to Cabinet, and Official Information Act requests completed within

2 In the wake of the launch of the Government Recordkeeping programme in March 2003, Archives New Zealand has achieved the measure set in the 2002/03 SOI. The current interim revision is based on ongoing work in progressing the projects and products of the Continuum programme over the coming year.

3 The approval time for this measure has been extended from 10 working days to 6-8 working weeks to achieve the following: ensure comprehensive assessment of the more complex appraisal reports that in some instances may involve further consultation; to cover the full approval process including Chief Archivist consideration and sign-off; and the need to develop more realistic timeframes in the greatly expanded Government Recordkeeping Programme.

statutory and other agreed time frames;

- Completion of policy work to agreed timeframes including policy advice as required and as agreed by

the Minister and the Chief Executive; legislative advice on the proposed Public Records Bill; participation in relevant interdepartmental initiatives including e-government.

COST

This output class will be provided within the appropriated sum of \$17.123 million including

	2003/04 Forecast \$million	2002/03 Budgeted \$million
Reference and Outreach Services	4.229	4.124
Selection and Description	4.252	3.945
Physical Preservation and Storage	5.613	5.266
Recordkeeping Advice, Policies and Standards	1.126	0.878
Total excluding GST	15.220	14.213
GST	1.903	1.777
Total appropriation for this output class	17.123	15.990

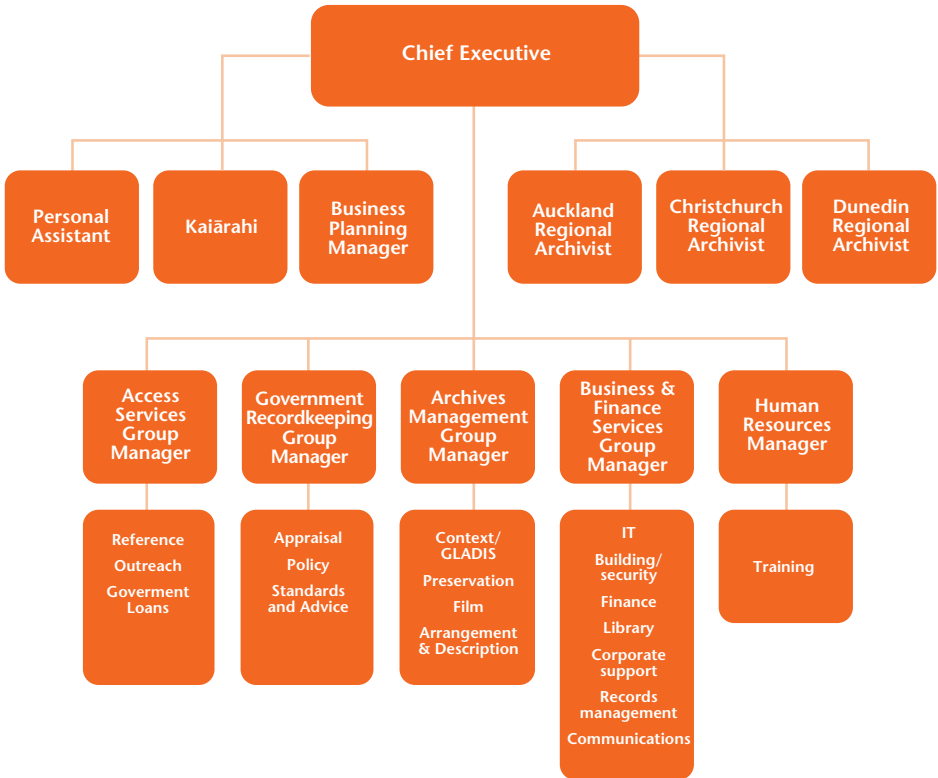
COST

This output class will be provided within the appropriated sum of \$17.123 million including

	2003/04	2002/03
	Forecast	Budgeted
	\$million	\$million
Reference and Outreach Services	4.229	4.124
Selection and Description	4.252	3.945
Physical Preservation and Storage	5.613	5.266
Recordkeeping Advice, Policies and Standards	1.126	0.878
	<hr/>	<hr/>
Total excluding GST	15.220	14.213
GST	1.903	1.777
	<hr/>	<hr/>
Total appropriation for this output class	17.123	15.990

Appendices

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