

Performance Information for Appropriations

Vote Racing

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Racing (M55)

ADMINISTERING DEPARTMENT: Department of Internal Affairs

MINISTER RESPONSIBLE FOR DEPARTMENT OF INTERNAL AFFAIRS: Minister of Internal Affairs

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Minister for Racing is responsible for appropriations in the Vote for the 2008/09 financial year covering the following:

Departmental Appropriations

- A total of nearly \$361,000 for the purchase of policy advice and information on matters relating to racing and sports betting, and on the New Zealand racing industry generally, and appointments to the New Zealand Racing Board.

Non-Departmental Appropriations

- A total of nearly \$3 million for the establishment of a fund to promote feature horse and greyhound racing carnivals and to increase stake money in feature races.
- A total of nearly \$1 million for the establishment of a contestable fund to enhance workplace safety and to raise the quality of facilities at racecourses.

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Contribution of Appropriations to Government Priorities and Outcomes

| Appropriations | Government Priorities - Themes/Sub-themes | Government Outcomes |
|---|---|---------------------|
| Policy Advice - Racing | | Safer Communities |
| Racing Promotion and Sponsorship Scheme | | Safer Communities |
| Racing Safety Development Fund | | Safer Communities |

Part 1.3 - Trends in the Vote

Summary of Financial Activity

| | 2003/04 | 2004/05 | 2005/06 | 2006/07 | 2007/08 | | 2008/09 | | | 2009/10 | 2010/11 | 2011/12 |
|--|-----------------|-----------------|-----------------|-----------------|-------------------|------------------------------|---|---|--------------------------|--------------------|--------------------|--------------------|
| | Actual \$000 | Actual \$000 | Actual \$000 | Actual \$000 | Budgeted \$000 | Estimated Actual \$000 | Departmental Transactions Budget \$000 | Non- Departmental Transactions Budget \$000 | Total Budget \$000 | Estimated \$000 | Estimated \$000 | Estimated \$000 |
| Appropriations | | | | | | | | | | | | |
| Output Expenses | 176 | 188 | 180 | 204 | 222 | 182 | 361 | - | 361 | 361 | 361 | 226 |
| Benefits and Other Unrequited Expenses | - | - | - | - | - | - | N/A | - | - | - | - | - |
| Borrowing Expenses | - | - | - | - | - | - | - | - | - | - | - | - |
| Other Expenses | - | - | - | - | 1,000 | 1,000 | - | 4,000 | 4,000 | 4,000 | 4,000 | 1,000 |
| Capital Expenditure | - | - | - | - | - | - | - | - | - | - | - | - |
| Intelligence and Security Department Expenses and Capital Expenditure | - | - | - | - | - | - | - | N/A | - | - | - | - |
| Total Appropriations | 176 | 188 | 180 | 204 | 1,222 | 1,182 | 361 | 4,000 | 4,361 | 4,361 | 4,361 | 1,226 |
| Crown Revenue and Receipts | | | | | | | | | | | | |
| Tax Revenue | - | - | - | - | - | - | N/A | N/A | - | - | - | - |
| Non-Tax Revenue | - | - | - | - | - | - | N/A | N/A | - | - | - | - |
| Capital Receipts | - | - | - | - | - | - | N/A | N/A | - | - | - | - |
| Total Crown Revenue and Receipts | - | - | - | - | - | - | N/A | N/A | - | - | - | - |

Budget Policy Initiatives

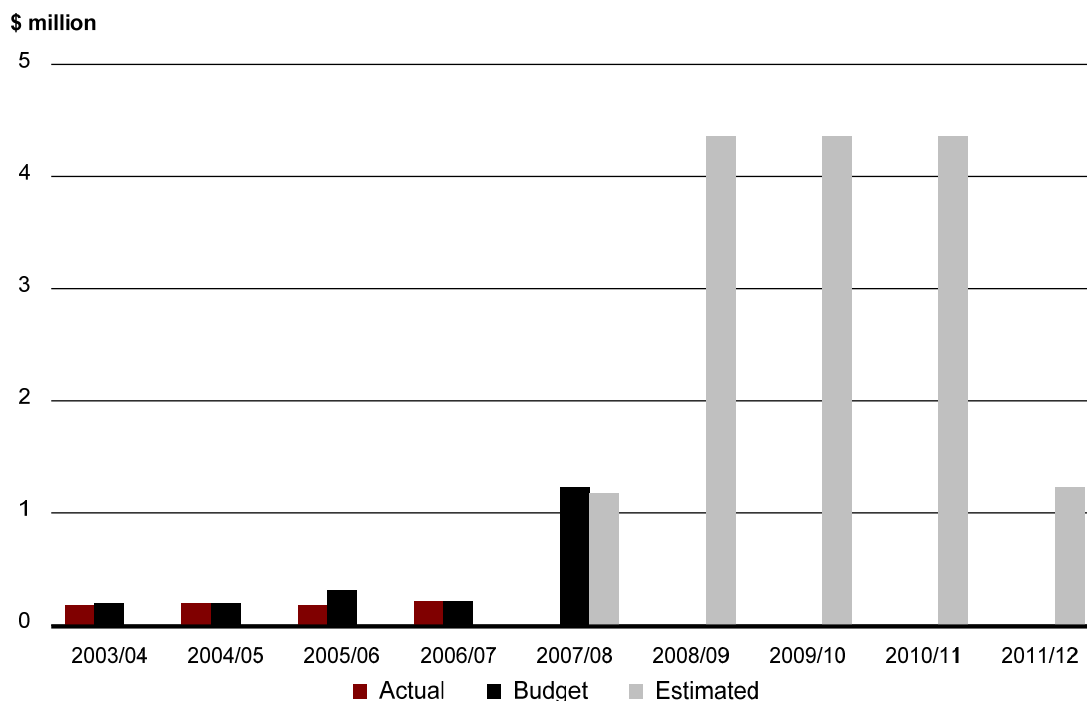
| Policy Initiative | Appropriation | 2007/08 Budgeted \$000 | 2008/09 Budget \$000 | 2009/10 Estimated \$000 | 2010/11 Estimated \$000 | 2011/12 Estimated \$000 |
|---|---|------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Fund to promote feature horse and greyhound racing carnivals and to increase stake money in feature races | Policy Advice - Racing | - | 135 | 135 | 135 | - |
| Fund to promote feature horse and greyhound racing carnivals and to increase stake money in feature races | Racing Promotion and Sponsorship Scheme | - | 3,000 | 3,000 | 3,000 | - |

Analysis of Significant Trends

Total Vote: All Appropriations

Trends in comparative actual and estimated total expenses are shown in Figure 1 below, including budgeted and estimated actual figures for the preceding year.

Figure 1 - Trends in total actual and estimated expenses and capital expenditure



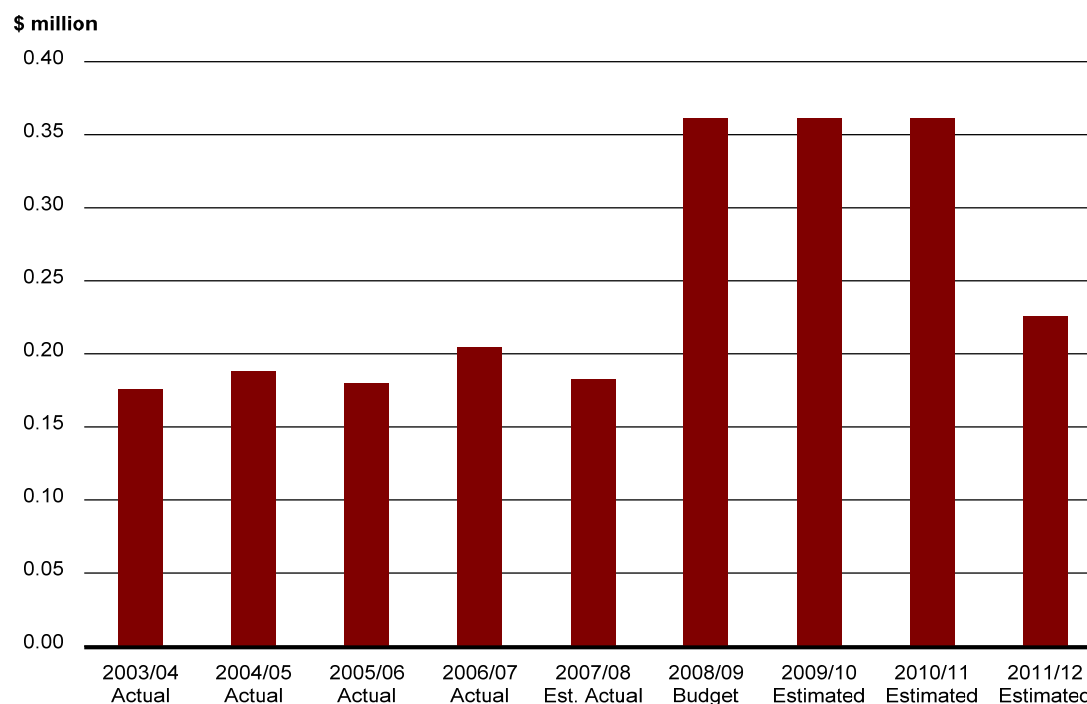
Source: Department of Internal Affairs

The movements in departmental and non-departmental appropriations in Vote Racing are detailed in the Summary of Financial Activity table.

Details of significant movements within each appropriation category are detailed below.

Departmental Output Expenses

Figure 2 - Trends in departmental output expenses

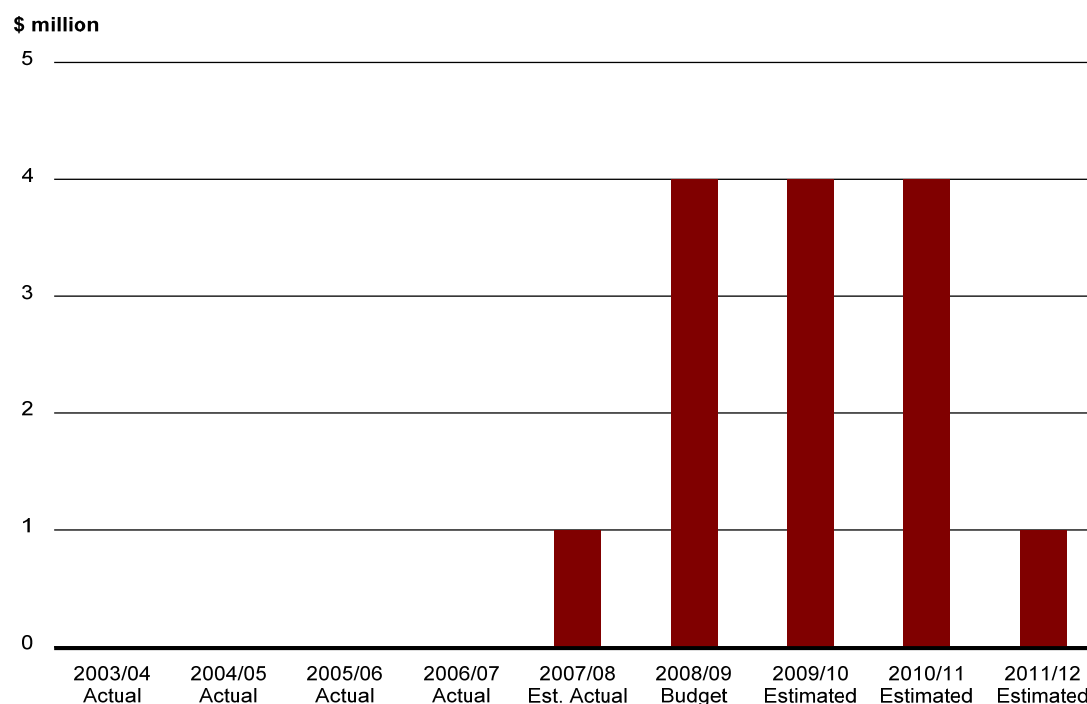


Source: Department of Internal Affairs

The baseline increases by \$135,000 in 2008/09 due to an increase in funding for the administration of the Racing Safety Development Fund and the Racing Promotion and Sponsorship Scheme.

Non-Departmental Other Expenses

Figure 3 - Trends in non-departmental other expenses



Source: Department of Internal Affairs

In 2007/08, the Racing Safety Development Fund was established. From 2008/09 to 2010/11 expenditure will increase due to the establishment of the Racing Promotion and Sponsorship Scheme.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

| | |
|---|------------------------|
| Intended Impacts, Outcomes or Objectives of Appropriations | Appropriations |
| Outcome - Safer Communities <ul style="list-style-type: none"> Gambling is safe, fair, legal and honest | Policy Advice - Racing |

Policy Advice - Racing (M55)

Scope of Appropriation

Provision of policy advice on matters relating to racing and sports betting and on the racing industry generally; drafting ministerial correspondence and questions; and administration of Crown funding in relation to racing.

Expenses and Revenue

| | 2007/08 | | 2008/09 |
|------------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 222 | 182 | 361 |
| Revenue from the Crown | 217 | 217 | 356 |
| Revenue from Others | 4 | 4 | 4 |

Reasons for Change in Appropriation

The increase in this appropriation is due to funding for the administration of the Racing Safety Development Fund and the Racing Promotion and Sponsorship Scheme.

Output Performance Measures and Standards

| Performance Measures | 2007/08 | | 2008/09 |
|--|----------------------|------------------------------|--------------------|
| | Budgeted Standard | Estimated Actual Standard | Budget Standard |
| Racing Policy Advice | | | |
| Policy advice is delivered according to the Output Plan (and any subsequent amendments) as negotiated between the Minister and the Chief Executive | 100% | 100% | 100% |
| Policy advice is delivered in accordance with agreed policy quality criteria (refer Conditions on Use of Appropriation) | 100% | 100% | 100% |

| Performance Measures | 2007/08 | | 2008/09 |
|---|----------------------------------|----------------------------------|----------------------------------|
| | Budgeted Standard | Estimated Actual Standard | Budget Standard |
| The Minister is requested to indicate his/her level of satisfaction with the quality of policy advice | Satisfied or better ¹ | Satisfied or better ¹ | Satisfied or better ¹ |
| Policy advice is delivered according to the timeframes agreed | 100% | 100% | 100% |
| Ministerial Correspondence and Questions | | | |
| Percentage of first versions of replies to ministerial correspondence, Official Information Act 1982 requests, Ombudsman's inquiries and parliamentary questions accepted by the Minister is no less than: | 95% | 95% | 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 is no less than: | 95% | 95% | 95% |
| Percentage of draft responses to Official Information Act 1982 requests and Ombudsman's inquiries returned to the Minister's office for signature five days prior to the statutory deadline for reply is no less than: | 100% | 100% | 100% |
| Percentage of draft replies to parliamentary questions completed within the time frames specified by the Minister is no less than: | 100% | 100% | 100% |
| Activity Information² | | | |
| Number of replies to ministerial correspondence, Official Information Act 1982 requests and Ombudsman's inquiries, and answers to parliamentary questions | 50-100 | 25 | 50-100 |

Note 1 - Ratings used in all Ministerial Satisfaction Surveys are: Very Good, Good, Satisfied, Poor, Very Poor.

Note 2 - Activity information relates to output volume measures that are demand driven and therefore outside the Department's control.

Conditions on Use of Appropriation

| Reference | Conditions |
|---------------------------------------|---|
| Policy Advice 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. |

| | |
|--|---|
| Reference | Conditions |
| Policy Advice Quality Criteria - cont'd | |
| Practicality | The problems of implementation, technical feasibility, timing and consistency with other policies have been considered. Where appropriate, the advice considers the impact on the lives of New Zealanders. |
| Presentation | The length and format of Cabinet papers meet Ministerial and Cabinet Office requirements. All papers and briefings are in accordance with the Department's Policy Quality Assurance guidelines. All presentations to Ministers are in accordance with Ministerial preference for style and format. All key facts and recommendations are on the first page. All material is effectively, concisely and clearly presented, has short sentences in plain English, and is free of grammatical or numerical errors. |
| Impartiality | The Department of Internal Affairs strives to provide professional, impartial and comprehensive advice to Ministers and to alert Ministers to the possible consequences of following particular policies, whether or not such advice accords with the Ministers' views. |

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2007/08 Budgeted \$000 | 2008/09 Budget \$000 | 2009/10 Estimated \$000 | 2010/11 Estimated \$000 | 2011/12 Estimated \$000 |
|---|----------------------|------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Fund to promote feature horse and greyhound racing carnivals and to increase stake money in feature races | 2008/09 | - | 135 | 135 | 135 | - |
| Departmental Personnel Capability | 2005/06 | 19 | 22 | 22 | 22 | 22 |
| Upgrade of Information and Technology Infrastructure | 2004/05 | 13 | 14 | 14 | 14 | 14 |

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Intended Impacts, Outcomes and Objectives

| | |
|---|---|
| Intended Impacts, Outcomes or Objectives of Appropriations | Appropriations |
| Outcome: Safer Communities <ul style="list-style-type: none"> Gambling is safe, fair, legal and honest | Racing Promotion and Sponsorship Scheme Racing Safety Development Fund |

Racing Promotion and Sponsorship Scheme (M55)

Scope of Appropriation

This appropriation is limited to funding to match racing industry contributions towards promoting feature horse and greyhound racing carnivals and to bolster stake money in feature races.

Expenses

| | 2007/08 | | 2008/09 |
|---------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | - | - | 3,000 |

Reasons for Change in Appropriation

New appropriation.

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2007/08 Budgeted \$000 | 2008/09 Budget \$000 | 2009/10 Estimated \$000 | 2010/11 Estimated \$000 | 2011/12 Estimated \$000 |
|---|----------------------|------------------------|----------------------|-------------------------|-------------------------|-------------------------|
| Fund to promote feature horse and greyhound racing carnivals and to increase stake money in feature races | 2008/09 | - | 3,000 | 3,000 | 3,000 | - |

Racing Safety Development Fund (M55)

Scope of Appropriation

A contestable fund to match racing industry contributions towards enhancing workplace safety and raising the quality of facilities at racecourses.

Expenses

| | 2007/08 | | 2008/09 |
|---------------------|-------------------|---------------------------|-----------------|
| | Budgeted \$000 | Estimated Actual \$000 | Budget \$000 |
| Total Appropriation | 1,000 | 1,000 | 1,000 |

Conditions on Use of Appropriation

| Reference | Conditions |
|---------------|--|
| Cabinet paper | The Racing Safety Development Fund supports projects that enhance safety in the racing industry, and is open to all racing clubs and racing code bodies. The Department administers the Fund and supports a working group that makes final decisions on applications for funding. Further information on the Fund's criteria can be obtained from the application form which is available from the Department. |

Current and Past Policy Initiatives

| Policy Initiative | Year of First Impact | 2007/08 Budgeted \$000 | 2008/09 Budget \$000 | 2009/10 Estimated \$000 | 2010/11 Estimated \$000 | 2011/12 Estimated \$000 |
|---|----------------------------|------------------------------|----------------------------|-------------------------------|-------------------------------|-------------------------------|
| Contestable fund to enhance workplace safety and raise the quality of facilities at racecourses | 2007/08 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |