

# *Performance Information for Appropriations*

## *Vote Science and Innovation*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Science and Innovation (M84)

ADMINISTERING DEPARTMENT: Ministry of Science and Innovation

MINISTER RESPONSIBLE FOR MINISTRY OF SCIENCE AND INNOVATION: Minister of Science and Innovation

## Part 1 - Summary of the Vote

### Part 1.1 - Overview of the Vote

The Minister of Science and Innovation is responsible for appropriations in Vote Science and Innovation of \$833 million, a net increase of \$40 million. Appropriations for the 2012/13 financial year cover the following:

- outputs purchased directly from the Ministry of Science and Innovation, and
- a total of just over \$35 million (4% of the Vote) for Strategic Leadership in the Science and Innovation Sector, Science and Innovation Contract Management, and Policy Advice.

Outputs purchased through Non-Departmental Expenses:

- \$220 million (26% of the Vote) for CRI Core Funding
- \$178 million (21% of the Vote) for High Value Manufacturing and Services Research
- \$106 million (13% of the Vote) for Biological Industries Research
- \$84 million (10% of the Vote) for Health and Society Research
- \$47 million (6% of the Vote) for Marsden Fund
- \$33 million (4% of the Vote) for Environmental Research
- \$14 million (2% of the Vote) for National Science Challenges
- \$14 million (2% of the Vote) for Hazards and Infrastructure Research
- \$13 million (2% of the Vote) for Fellowships for Excellence
- \$12 million (1% of the Vote) for Energy and Minerals Research
- \$10 million (1% of the Vote) for Engaging New Zealanders with Science and Technology
- \$6 million (less than 1% of the Vote) for Research Contract Management
- \$6 million (less than 1% of the Vote) for Vision Mātauranga Capability Fund
- \$6 million (less than 1% of the Vote) for National Measurement Standards, and
- \$35 million (4% of the Vote) for other expenses, including International Relationships, National eScience Infrastructure, Genomics Research Infrastructure, Australian Synchrotron, Convention du Metre, Royal Society of New Zealand and Science Collections and Infrastructure.

Non-Departmental Capital Appropriations:

- just under \$12 million on an advanced technology institute.

Departmental Capital Appropriations:

- just under \$2 million on information systems for the Ministry of Science and Innovation.

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

## Part 1.2 - High-Level Objectives of the Vote

### Government Priorities and Outcomes - Links to Appropriations

Government Priorities	Government Outcomes	Appropriations
Infrastructure and policies better support innovation	Reduced barriers to innovation and accelerated innovation	<p><b>Departmental</b></p> <p>Science and Innovation Contract Management</p> <p>Strategic Leadership in the Science and Innovation Sector</p> <p>Policy Advice</p> <p><b>Non-Departmental</b></p> <p>Biological Industries Research</p> <p>Crown Research Institute Core Funding</p> <p>High Value Manufacturing and Services Research</p> <p>National Measurement Standards</p> <p><b>Non-Departmental Other Expenses</b></p> <p>Advanced Network Capability Building</p> <p>Australian Synchrotron</p> <p>Convention du Metre</p> <p>Genomics Research Infrastructure</p> <p>National eScience Infrastructure</p> <p>Royal Society of New Zealand</p> <p>Science Collections and Infrastructure</p>
Greater impact from public research	More knowledge transfer, more effective funding models and more collaboration across the science system	<p><b>Departmental</b></p> <p>Science and Innovation Contract Management</p> <p>Strategic Leadership in the Science and Innovation Sector</p> <p>Policy Advice</p> <p><b>Non-Departmental</b></p> <p>Biological Industries Research</p> <p>Crown Research Institute Core Funding</p> <p>Energy and Minerals Research</p> <p>Environmental Research</p> <p>Fellowships for Excellence</p> <p>Hazards and Infrastructure Research</p> <p>Health and Society Research</p> <p>High Value Manufacturing and Services Research</p> <p>Marsden Fund</p> <p>National Science Challenges</p> <p>Research Contract Management</p> <p><b>Non-Departmental Other Expenses</b></p> <p>Advanced Network Capability Building</p> <p>Australian Synchrotron</p> <p>Genomics Research Infrastructure</p> <p>National eScience Infrastructure</p> <p>Science Collections and Infrastructure</p>

Government Priorities	Government Outcomes	Appropriations
Develop innovation skills	More capacity to create and absorb new ideas	<b>Departmental</b> Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice <b>Non-Departmental</b> Crown Research Institute Core Funding Engaging New Zealanders with Science and Technology Fellowships for Excellence Health and Society Research Marsden Fund National Science Challenges Vision Mātauranga Capability Fund Non-Departmental Other Expenses International Relationships
More business investment in R&D	More firms innovating and more intensively	<b>Departmental</b> Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice <b>Non-Departmental</b> Biological Industries Research Crown Research Institute Core Funding High Value Manufacturing and Services Research
Stronger international linkages	More international collaborations and more knowledge intensive exports	<b>Departmental</b> Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice <b>Non-Departmental Other Expenses</b> International Relationships Advanced Network Capability Building Australian Synchrotron

The Ministry of Science and Innovation Statement of Intent 2012-15 discusses the link between the Minister's priorities, and the Ministry's outputs and outcomes in more detail.

## Part 1.3 - Trends in the Vote

### Summary of Financial Activity

	2007/08	2008/09	2009/10	2010/11	2011/12		2012/13			2013/14	2014/15	2015/16
	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
<b>Appropriations</b>												
Output Expenses	618,028	546,820	574,304	630,011	760,196	743,620	35,272	749,786	785,058	794,400	807,400	807,400
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	3,245	133,966	146,097	117,655	30,390	30,390	-	34,628	34,628	32,528	32,128	32,128
Capital Expenditure	4,180	4,630	1,217	22,419	2,446	2,446	1,768	11,900	13,668	22,137	22,580	25,814
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
<b>Total Appropriations</b>	<b>625,453</b>	<b>685,416</b>	<b>721,618</b>	<b>770,085</b>	<b>793,032</b>	<b>776,456</b>	<b>37,040</b>	<b>796,314</b>	<b>833,354</b>	<b>849,065</b>	<b>862,108</b>	<b>865,342</b>
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## New Policy Initiatives

Policy Initiative	Appropriation	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
National Science Challenges	Advice and Support on Shaping the Science and Innovation System MCOA(M84) Departmental Output Expenses	-	500	500	500	500
	National Science Challenges (M84) Non-Departmental Output Expenses	-	14,500	14,500	14,500	14,500
Advanced Technology Institute	Advice and Support on shaping the Science and Innovation System MCOA (M84) Departmental Output Expenses	-	1,871	-	-	-
	High Value Manufacturing and Services Research (M84) Non-Departmental Output Expenses	-	10,000	20,000	30,000	30,000
	Advanced Technology Institute (M84) Non-Departmental Capital Expenses	-	11,900	20,000	20,600	23,600
Australian Synchrotron	Australian Synchrotron (M84) Non-Departmental Other Expenses	-	7,500	1,500	1,500	1,500
High Value Manufacturing and Services Capability	High Value Manufacturing and Services Research (M84) Non-Departmental Output Expenses	-	-	2,000	2,000	2,000

## Analysis of Significant Trends

### *Total Vote: All Appropriations*

Significant changes in departmental and non-departmental appropriations in Vote Science and Innovation are discussed below:

### *Departmental*

Crown funding will reduce by \$1.991 million (5.7%) from 2012/13 onwards. This relates to a further \$1 million savings required from the merger of the Ministry of Research Science and Technology and The Foundation for Research Science and Technology and a required 3% efficiency saving of \$991,000 as announced in Budget 2011.

New functions have required ongoing funding of \$500,000 to administer the National Science Challenges and a one off increase in funding in 2012/13 of \$1.871 million for the administration costs of scoping and managing the establishment of an advanced technology institute.

### *Non-Departmental*

There is new funding of \$14.500 million per annum for the National Science Challenges from 2012/13 onwards.

There is new funding for the establishment and ongoing costs of an advanced technology institute. This includes \$76.100 million for capital expenditure over four years and operating costs of \$10 million in 2012/13, \$20 million in 2013/14 and \$30 million from 2014/15 onwards.

There is new funding for the Australian Synchrotron of \$7.500 million and an increase in funding through the High Value Manufacturing and Services Research output expense of \$15 million reflects a programmed increase from Budget 2010 and is for the Technology Development Grant.

## Part 1.4 - Reconciliation of Changes in Appropriation Structure

2011/12 Appropriations in the 2011/12 Structure	2011/12 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2011/12 Appropriations in the 2012/13 Structure	2011/12 (Restated) \$000	2012/13 \$000
Departmental Multi-Class Output Expenses						
Science and Innovation Contract Management	15,195	Transferred to Policy Advice	(244)			
		Transferred to Science and Innovation Contract Management	(14,951)			
		Transferred from Science and Innovation Contract Management	14,951	Science and Innovation Contract Management	14,951	14,445
Leadership in the Science and Innovation Sector	20,254	Transferred to Policy Advice	(4,561)			
		Transferred to Leadership in the Science and Innovation Sector	(15,693)			
		Transferred from Leadership in the Science and Innovation Sector	15,693	Leadership in the Science and Innovation Sector	15,693	16,115
Policy Advice	-	Transferred from Science and Innovation Contract Management	244	Policy Advice	4,805	4,712
		Transferred from Leadership in the Science and Innovation Sector	4,561			
<b>Total Appropriations</b>	<b>35,449</b>		<b>-</b>		<b>35,449</b>	<b>35,272</b>

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-6.

## 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
Impact: Reduce barriers to innovation and accelerate innovation Outcome: Infrastructure and policies better support innovation	Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice
Impact: Support more knowledge transfer, more effective funding models and more collaboration across the science system Outcome: Greater impact from public research	Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice
Impact: Increase capacity to create and absorb new ideas Outcome: Developed and focused innovation skills	Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice
Impact: Support more firms to innovate more intensively Outcome: More business investment in research and development	Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice
Impact: Increase international collaborations and knowledge intensive exports Outcome: Stronger international linkages	Science and Innovation Contract Management Strategic Leadership in the Science and Innovation Sector Policy Advice

For further information on the intended impacts, outcomes and objectives of the departmental output expense appropriations, please see the Statement of Intent for the Ministry of Science and Innovation.

#### Advice and Support on Shaping the Science and Innovation System MCOA (M84)

##### *Scope of Appropriation*

##### **Contract Management**

Negotiating, managing and monitoring contracts with the Crown's funding and investment agents and with other specific science and technology service providers.

##### **Policy Advice**

This output class is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by Ministers on government policy matters.

##### **Science and Innovation Contract Management**

This output class is limited to contract management, planning, monitoring and evaluating science and innovation outputs and impacts.

##### **Strategic Leadership in the Science and Innovation Sector**

This output class is limited to ministerial services and leadership of the science and innovation sector.



### *Explanation for Use of Multi-Class Output Expense Appropriation*

The output classes relate to the provision of policy advice and related outputs such as Ministerial servicing, monitoring of funded Crown entities, sector leadership and funding contract management within Vote Science and Innovation.

### *Expenses and Revenue*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	35,643	35,449	35,272
Policy Advice	-	-	4,712
Science and Innovation Contract Management	15,300	15,195	14,445
Strategic Leadership in the Science and Innovation Sector	20,343	20,254	16,115
Revenue from Crown	34,673	34,673	34,627
Policy Advice	-	-	4,712
Science and Innovation Contract Management	14,534	14,534	13,800
Strategic Leadership in the Science and Innovation Sector	20,139	20,139	16,115
Revenue from Other	970	776	645
Policy Advice	-	-	-
Science and Innovation Contract Management	766	661	645
Strategic Leadership in the Science and Innovation Sector	204	115	-

### *Reasons for Change in Appropriation*

The movement between 2011/12 and 2012/13 relates to the following:

- a reduction in Crown Funding relating to a further \$1 million savings from the merger of Ministry of Research, Science and Technology and the Foundation for Research, Science and Technology
- a 3% reduction in Crown Funding (\$991,000) for identified efficiency savings
- an increase in funding of \$1.871 million for administration costs of scoping and managing the establishment of the Advanced Technology Institute, and
- an increase in funding of \$500,000 for administration costs of the National Science Challenges.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Strategic Leadership in the Science and Innovation Sector			
State of the science and innovation ecosystem report prepared and issued to the Minister by 30 June 2013.	New measure	New measure	Achieved
Proportion of key stakeholders who agree that MSI's leadership of the science and innovation ecosystem is effective.	New measure	New measure	Baseline to be established in June 2012 (see Note 1)

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Strategic Leadership in the Science and Innovation Sector - cont'd</b>			
Percentage of drafts that meet the quality standard for Ministerial correspondence replies, parliamentary question responses, Ministerial Official Information Act request replies, and responses to information requests from the Minister.	New measure	95%	95% (see Note 2)
Proportion of scheduled evaluations completed.	New measure	100%	90% (see Note 3)
An independent review of MSI's CRI ownership and performance advice confirms that it meets acceptable standards.	New measure	New measure	90% of cases
The Ministry will report three times a year against the Forecast Statement of Service Performance for MSI, for the periods ending 31 October, 29 February, and 30 June.	3 reports annually	3 reports annually	No longer measured
Provide ministerial support services as required, including: <ul style="list-style-type: none"> <li>• draft replies for letters to the Minister</li> <li>• responses to Parliamentary Questions</li> <li>• responses to Official Information Act, and</li> <li>• responses to information requests from the Minister.</li> </ul> A written response is provided for each request within the required timeframes.	100%	100%	No longer measured
An annual survey is established to measure key stakeholders opinions on the performance of MSI. (the measure is the proportion of respondents who consider MSI's performance is very good or better). <ul style="list-style-type: none"> <li>• whether MSI is an effective leader in developing strategy</li> <li>• whether MSI works effectively with stakeholders, and</li> <li>• whether MSI's contracting processes are viewed as transparent and efficient.</li> </ul>	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured
Percentage of responses are completed within required timeframes, including: <ul style="list-style-type: none"> <li>• draft replies to letters to the Minister</li> <li>• responses to Parliamentary Questions</li> <li>• responses to Official Information Act, and</li> <li>• responses to information from the Minister.</li> </ul>	100%	100%	No longer measured
<b>Science and Innovation Contract Management</b>			
Percentage of proposals and expressions of interest assessed against science and innovation priorities, programme objectives and assessment criteria, prior to approval (proposals assessed/total proposals received).	New measure	100%	100% (see Note 4)
Percentage of science contracts assessed annually as on track to achieve their objectives and milestones to date, or where there is non-achievement, remedial action has been taken.	New measure	New measure	95%
Percentage of maturing science contracts that are assessed using predetermined guidelines for contract outputs.	New measure	New measure	95% (see Note 5)
Proportion of scheduled reviews completed.	New measure	90%	90% (see Note 6)
Percentage of total business contract value, where contract has been assessed as on track (based on drawdown) or, if not on track, remedial action has been taken.	New measure	New measure	90%
Percentage of maturing business contracts that are assessed as delivering as promised.	New measure	100%	100%

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Output agreements or contracts established with each provider of science and innovation services.	100%	100%	No longer measured
Sector investment plans are in place for all significant Sectors as agreed in the output plan.	100%	100%	No longer measured
RfPs issued by MSI are linked to appropriate sector investment strategies or government priorities.	100%	100%	No longer measured
Contracts with research providers negotiated by MSI have objectives that are linked to the RFP and Science Board decisions.	100%	100%	No longer measured
An independent advisory group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposals recommended	100% of proposals recommended	No longer measured
For "On Demand" investments, applications in excess of \$250,000, MSI receives independent expert review and advice.	100% of proposals recommended	100% of proposals recommended	No longer measured
The Science Board chair is satisfied with advice it has received from MSI on the proposals before it.	90% will achieve "very good" or better	90% will achieve "very good" or better	No longer measured
The Innovation Board chair is satisfied with the advice it has received from MSI on proposals before it.	90% will achieve "very good" or better	90% will achieve "very good" or better	No longer measured
<b>Policy Advice</b>			
Quality of policy briefings as assessed independently by the New Zealand Institute of Economic Research (NZIER) - or an equivalent organisation.	New measure	New measure	A median score of at least 7.5 (halfway between 'adequate' and 'good' - goes beyond the task at hand somewhat')
Deliver policy advice in accordance with the output agreement.	100%	100%	No longer measured
Ministerial satisfaction with the quality of analysis and advice, will be gauged through regular feedback from the Minister.	90% will achieve "very good" or better	90% will achieve "very good" or better	No longer measured
Ministerial ranking of satisfaction with the quality and timeliness of policy advice expressed through a six month questionnaire.	90% will achieve "very good" or better	90% will achieve "very good" or better	No longer measured

### Strategic leadership in the Science and Innovation sector

Note 1 - Effectiveness is defined as agree or strongly agree

Note 2 - The Quality standard is based on Minister's guidelines and includes timeliness requirements.

Note 3 - Priority for evaluations may shift over the year due to organisational change and Minister's directions.

### Science and Innovation contract management

Note 4 - Assessment criteria are predetermined. For science proposals the science priorities and programme objectives for 2012/13 are those set out in the November 2011 Sector Investment Plans and December 2011 Requests for Proposals. A statement of science priorities will be developed during 2012/13 for future investment rounds. MSI processed approximately 1,000 proposals in the 9 months to 31 March 2012.

Note 5 - The outputs are those defined in the contract, to be achieved by the end of the contract.

Note 6 - The majority of reviews will be within the science system.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
MCOA Policy Advice - Creation of Policy Advice output class	2012/13	-	4,805	4,875	4,971	5,077
MCOA Policy Advice - Efficiency Savings	2012/13	-	(93)	(58)	(45)	(39)
MCOA Strategic Leadership in the Science and Innovation Sector - Administration of establishing the Advanced Technology Institute	2011/12	1,000	1,871	-	-	-
MCOA Strategic Leadership in the Science and Innovation Sector - Efficiency Savings	2012/13	-	(273)	(530)	(625)	(568)
MCOA Strategic Leadership in the Science and Innovation Sector - Creation of Policy Advice output class	2012/13	-	(4,561)	(4,858)	(5,215)	(5,183)
MCOA Science and Innovation Contract Management - Administration of National Science Challenges	2012/13	-	500	500	500	500
MCOA Science and Innovation Contract Management - Reduction of Contract Management other revenue	2011/12	(379)	(650)	(500)	(500)	(500)
MCOA Science and Innovation Contract Management - Creation of Policy Advice output class	2012/13	-	(625)	(403)	(321)	(384)
MCOA Science and Innovation Contract Management - Efficiency Savings	2012/13	-	(244)	(17)	244	106
MCOA Strategic Leadership in the Science and Innovation Sector - Realignment of Departmental output expenses	2011/12	4,413	4,756	4,433	4,433	4,433
MCOA Science and Innovation Contract Management - Realignment of Departmental output expenses	2011/12	(4,413)	(4,756)	(4,433)	(4,433)	(4,433)
MCOA Strategic Leadership in the Science and Innovation Sector - adjustment for rate change for capital charge	2011/12	312	324	326	326	326
MCOA Science and Innovation Contract Management - adjustment for rate change for capital charge	2011/12	419	447	445	445	445
MCOA Science and Innovation Contract Management - Technology Transfer - Global Technology Partnership	2011/12	400	400	400	400	400
MCOA Science and Innovation Contract Management - Technology Transfer - science/business collaboration	2010/11	780	1,180	1,180	1,180	1,180
MCOA Science and Innovation Contract Management - establish MSI	2010/11	18,493	18,013	17,758	17,758	17,758
Capital injection for the Ministry of Science and Innovation	2010/11	(500)	-	-	-	-
MCOA Strategic Leadership in the Science and Innovation Sector - outturn adjustment as at 1 Feb 2011 for MoRST	2010/11	500	-	-	-	-
MCOA Strategic Leadership in the Science and Innovation Sector	2010/11	14,618	14,178	14,178	14,178	14,178
MCOA Contract Management - establish MSI	2010/11	(1,089)	(1,089)	(1,089)	(1,089)	(1,089)

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
MCOA Policy Advice - outturn adjustment as at 1 Feb 2011 for MoRST	2010/11	(500)	-	-	-	-
MCOA Policy Advice - establish MSI	2010/11	(13,702)	(13,702)	(13,702)	(13,702)	(13,702)
Amalgamation of MoRST and FRST	2010/11	500	-	-	-	-
MCOA Policy Advice CRI policy capability	2010/11	1,000	1,000	1,000	1,000	1,000
MCOA Policy Advice Budget 2009 Discontinuation of R and D tax credit evaluation	2009/10	(250)	(250)	(250)	(250)	(250)
<b>Previous Government</b>						
MCOA Policy Advice Budget 2008 MoRST capability	2008/09	300	300	300	300	300

## Part 2.2 - Non-Departmental Output Expenses

### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Impact: Reduce barriers to innovation and accelerate innovation Outcome: Infrastructure and policies better support innovation	Biological Industries Research Crown Research Institute Core Funding High Value Manufacturing and Services Research National Measurement Standards
Impact: Support more knowledge transfer, more effective funding models and more collaboration across the science system Outcome: Greater impact from public research	Biological Industries Research Crown Research Institute Core Funding Energy and Minerals Research Environmental Research Hazards and Infrastructure Research Health and Society Research High Value Manufacturing and Services Research Marsden Fund National Science Challenges Research Contract Management
Impact: Increase capacity to create and absorb new ideas Outcome: Developed and focused innovation skills	Crown Research Institute Core Funding Engaging New Zealanders with Science and Technology Fellowships for Excellence Health and Society Research Marsden Fund National Science Challenges Vision Mātauranga Capability Fund
Impact: Support more firms to innovate more intensively. Outcome: More business investment in research and development	Biological Industries Research Crown Research Institute Core Funding High Value Manufacturing and Services Research

For further information on the intended impacts, outcomes and objectives of the non- departmental output expense appropriations please see the Statement of Intent for the Ministry of Science and Innovation.

### Biological Industries Research (M84)

#### *Scope of Appropriation*

This appropriation is limited to research and research applications to support productivity growth and sustainability of New Zealand's primary industries, and the development of premium food and industrial biological products and technologies responsive to global consumer preferences.

#### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	108,869	105,213	105,637

#### *Reasons for Change in Appropriation*

The reason for the change is realignment of contracts and expense transfers between financial years.

## Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of proposals and expressions of interest assessed against science and innovation priorities, programme objectives and assessment criteria, prior to approval (proposals assessed/total proposals received).	New measure	100%	100% (see Note 1)
Percentage of science contracts assessed annually as on track to achieve their objectives and milestones to date, or where there is non-achievement, remedial action has been taken.	New measure	95%	95%
Percentage of maturing science contracts that are assessed using predetermined guidelines for contract outputs.	New measure	New measure	95% (see Note 2)
Percentage of total business contract value, where contract has been assessed as on track (based on drawdown) or, if not on track, remedial action has been taken.	New measure	New measure	90%
Percentage of maturing business contracts that are assessed as delivering as promised.	New measure	New measure	70%
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95% of contracts	95% of contracts	No longer measured
All contracts are monitored in term of their likelihood of delivering on the contract outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured
Action plans will be developed for all contracts managed by MSI which are assessed as being "at risk".	100% of "at risk" contracts	100% of "at risk" contracts	No longer measured
An Independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposal recommended	100% of proposal recommended	No longer measured
For "On Demand" investments, applications in excess of \$250,000, MSI receives independent expert review and advice.	100% of proposal recommended	100% of proposal recommended	No longer measured
A MSI one stage investment round will take no longer than 6 months to complete from the release of the RFP to notification of applicants.	95%	95%	No longer measured
A MSI two stage investment round will take no longer than 9 months to complete from the release of the RFP to notification of applicants.	95%	95%	No longer measured
All TechNZ contracts will be managed to ensure that contract conditions are fulfilled on time.	100%	100%	No longer measured

Note 1 - Assessment criteria are predetermined. For science proposals the science priorities and programme objectives for 2012/13 are those set out in the November 2011 Sector Investment Plans and December 2011 Requests for Proposals. A statement of science priorities will be developed during 2012/13 for future investment rounds. MSI processed approximately 1,000 proposals in the 9 months to 31 March 2012.

Note 2 - The outputs are those defined in the contract, to be achieved by the end of the contract.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Realignment of Technology Development Grant funding from High Value Manufacturing and Services Research output expense MBU 2012	2011/12	3,465				
Remapping of contracts to the new vote structure OBU 2011	2011/12	(172)	(172)	(172)	(172)	(172)
Expense transfer from 2010/11 OBU 2011	2010/11	757				
CRI Core Purpose (New NDOC)	2011/12	(65,788)	(65,788)	(65,788)	(65,788)	(65,788)
Response to Christchurch Earthquake	2010/11	(2,000)	(1,000)	(3,000)	(3,000)	(3,000)
Business R and D and Commercialisation BEFU 2011	2010/11	(387)	(400)	(1,700)	(1,700)	(1,700)
Global Alliance	2010/11	(2,315)	(2,500)	(2,500)	(2,500)	(2,500)
Savings- Budget Economic Fiscal Update 2010	2010/11	(765)	(1,716)	(1,859)	(1,859)	(1,859)
Science Priorities for Research, Science and Technology	2010/11	176,074	177,213	177,219	177,219	177,219

### Crown Research Institute Core Funding (M84)

#### Scope of Appropriation

This appropriation is limited to Crown Research Institutes to create and maintain capability that is required for their core purpose and strategy.

#### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	220,145	220,145	220,145

#### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Crown research institutes manage and administer their core funding in accordance with their Statements of Corporate Intent and their core funding agreement.	New measure	New measure	Achieved
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps which will lead to their overall outcome during the year.	95% of contracts	95% of contracts	No longer measured
All Statement of Core Purpose and Statements of Corporate Intent are monitored to ensure the delivery of agreed outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured
MSI will monitor and evaluate each CRI quarterly reports to assess performance.	100% of quarterly reports assessed	100% of quarterly reports assessed	No longer measured



*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Increase in Industrial Research Limited core funding	2011/12	5,000	5,000	5,000	5,000	2,800
CRI Core Purpose	2011/12	215,145	215,145	215,145	215,145	215,145

**Energy and Minerals Research (M84)***Scope of Appropriation*

This appropriation is limited to research and research applications to improve mineral extraction, improve energy security and to obtain efficient and affordable energy use.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	13,457	13,215	11,572

*Reasons for Change in Appropriation*

The reason for the change is due to an expense transfer from 2010/11 to 2011/12 to match funding commitments.

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of proposals and expressions of interest assessed against science and innovation priorities, programme objectives and assessment criteria, prior to approval (proposals assessed/total proposals received)	New measure	100%	100% (see Note 1)
Percentage of science contracts assessed annually as on track to achieve their objectives and milestones to date, or where there is non-achievement, remedial action has been taken.	New measure	95%	95%
Percentage of maturing science contracts that are assessed using predetermined guidelines for contract outputs.	New measure	New measure	95% (see Note 2)
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives and critical steps.	95% of contracts	95% of contracts	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Action plans will be developed for all contracts managed by MSI which are assessed as being "at risk".	100% of "at risk" contracts	100% of "at risk" contracts	No longer measured
An independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposals recommended	100% of proposals recommended	No longer measured
An MSI one stage investment round will take no longer than 6 months to complete from release of the RFP to notification of applicants.	95% of proposals	95% of proposals	No longer measured
An MSI two stage investment round will take no longer than 9 months to complete from release of the RFP to notification of applicants.	95% of proposals	95% of proposals	No longer measured

Note 1 - Assessment criteria are predetermined. For science proposals the science priorities and programme objectives for 2012/13 are those set out in the November 2011 Sector Investment Plans and December 2011 Requests for Proposals. A statement of science priorities will be developed during 2012/13 for future investment rounds. MSI processed approximately 1,000 proposals in the 9 months to 31 March 2012.

Note 2 - The outputs are those defined in the contract, to be achieved by the end of the contract.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Remapping of contracts to the new vote structure OBU 2011	2011/12	711	711	711	711	711
Expense transfer from 2010/2011 OBU 2011	2010/11	749				
CRI Core Purpose (NDOC)	2011/12	(9,706)	(9,706)	(9,706)	(9,706)	(9,706)
Business R and D and Commercialisation BEFU 2011	2010/11	(24)	-	-	-	-
Restructure of the Vote - BEFU 2010	2010/11	51	(236)	(279)	(279)	(279)
Science Priorities for Research, Science and Technology	2010/11	21,676	20,803	20,819	20,819	20,819

## **Engaging New Zealanders with Science and Technology (M84)**

### *Scope of Appropriation*

This appropriation is limited to engaging New Zealanders with science and technology through approaches determined by the Minister.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,189	9,189	10,433

*Reasons for Change in Appropriation*

The reason for the change is due to a transfer of the Futureintech programme from Vote Economic Development.

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Initiatives are developed and managed to align with objectives of the fund.	New measure	New measure	Achieved
<b>New Zealand Science Journals</b>			
A report that advises the number of subscriptions, journals published, average turnaround time from submission to publication as specified in the funding agreement, and that accepted papers were published subject to available journal space will be provided each six months by the FIA.	Two reports received	Two reports received	No longer measured
<b>Supporting Talented School Students</b>			
A report on the identification and awarding of opportunities to talented students as provided in the funding agreement will be provided each six months by the FIA.	Two reports received	Two reports received	No longer measured
<b>Linking school students with Science and Innovation</b>			
A report on the usage and operation of the Science and Biotechnology Learning Hubs which link school students with New Zealand science and innovation will be provided each four months by the FIA.	Three reports received	Three reports received	No longer measured
<b>Linking school students with RST</b>			
Provision of data by the FIA for the RST Scorecard is in alignment with content guidelines specified in the funding agreement.	Supplied by 30 September following the end of the financial year	Supplied by 30 September following the end of the financial year	No longer measured
<b>Support for Smash Palace</b>			
An annual report on projects to build links between scientists and artists as specified in the funding agreement will be provided annually by the FIA.	Report received	Report received	No longer measured
<b>The Science and Technology Media Centre</b>			
A report on the maintenance of a media centre that strengthens linkages between the media and the science and innovation sector will be provided each six months by the FIA.	Two reports received	Two reports received	No longer measured
<b>The Prime Minister's Prizes for Science</b>			
A report on the management and awarding of the Prime Minister's Prizes for Science will be provided annually by the FIA.	Report received by 30 June each year	Report received by 30 June each year	No longer measured
<b>Science, Mathematics and Technology Teacher Fellowships</b>			
A report on the management and awarding of the contracts as provided in the funding agreement will be provided each six months by the FIA.	Two reports received	Two reports received	No longer measured

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Engage New Zealanders with science and technology through approaches determined by the Minister.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Transfer from NZTE (MED) for Futureintech	2012/13		1,244	1,244	1,244	1,244
Transfer of Funding for Prime Minister's Chief Science Adviser	2011/12	(625)	(625)	-	-	-
Business Internships MBU 2011	2010/11	220	220	220	220	220
James Cook Fellowship transfer to Fellowship for Excellence- OBU 2010	2010/11		(720)	(720)	(720)	(720)
Creative Commons Aotearoa New Zealand	2010/11	170	170	-	-	-
Savings - Budget Economic Fiscal Update 2010	2010/11	(2,171)	(2,171)	(2,171)	(2,171)	(2,171)
Science Priorities for Research, Science and Technology	2010/11	5,244	5,244	5,244	5,244	5,244
Budget 2009 Prime Minister's Prizes for Science	2009/10	1,000	1,000	1,000	1,000	1,000
<b>Previous Government</b>						
Budget 2008 Science Learning Hub and Media Centre	2008/09	1,825	1,825	1,825	1,825	1,825

**Environmental Research (M84)***Scope of Appropriation*

This appropriation is limited to research and research applications to underpin the management, protection and enhancement of natural ecosystems, land and freshwater resources, climate and atmosphere within New Zealand, including Antarctica.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	35,211	34,961	33,238

*Reasons for Change in Appropriation*

The reason for the change is due to an expense transfer from 2010/11 to 2011/12 to match funding commitments.

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Measures and standards are the same as those for Energy and Minerals Research.			
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95% of contracts	95% of contracts	No longer measured
An independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposals recommended	100% of proposals recommended	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured
Action plans will be agreed with the research organisation and MSI will monitor the implementation of those plans.	100% of contracts	100% of contracts	No longer measured
Annual Report information shows increases in the levels of formal collaboration by relevant government agencies and regional councils in the research funded by MSI.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured
An MSI one stage investment round will take no longer than 6 months to complete from release of the RFP to notification of applicants.	100%	100%	No longer measured
An MSI two stage investment round will take no longer than 9 months to complete from release of the RFP to notification of applicants.	100%	100%	No longer measured
A qualitative survey (supplemented by case studies) shows an increased use of research results.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Remapping of contracts to the new vote structure OBU 2011	2011/12	(1,840)	(1,840)	(1,840)	(1,840)	(1,840)
Expense transfer from 2010/11 OBU 2011	2010/11	1,736				
CRI Core Purpose (new NDOC)	2011/12	(38,324)	(38,324)	(38,324)	(38,324)	(38,324)
Business R&D and Commercialisation BEFU 2011	2010/11	(242)	-	-	-	-
Global Alliance	2010/11	(185)	-	-	-	-
Science Priorities for Research, Science and Technology	2010/11	(24,552)	(23,958)	(23,957)	-	-
Savings - BEFU 2010	2009/10	(4,218)	(5,446)	(5,514)	-	-
Align Backbone output funding OBU 2009/10	2009/10	643	643	643	643	643
Budget 2009 reversal of the unfunded Budget 2008 commitment	2009/10	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
<b>Previous Government</b>						
Budget 2008 Land and water use and quality	2008/09	3,000	3,000	3,000	3,000	3,000
Budget 2008 coordinated call by FRST and EU	2008/09	1,500	1,500	1,500	1,500	1,500
Budget 2008 Backbone	2008/09	4,564	4,564	4,564	4,564	4,564
Budget 2008 Outcome Based Investments	2008/09	4,500	4,500	4,500	4,500	4,500

## Fellowships for Excellence (M84)

### *Scope of Appropriation*

This appropriation is limited to encouraging the career development of the country's talented early and mid-career researchers.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,479	9,879	13,355

### *Reasons for Change in Appropriation*

The reasons for the change are the following:

- in 2011/12 \$1 million was transferred to Departmental output appropriation: Strategic Leadership in the Science and Innovation Sector to fund the administration costs of scoping and managing the establishment of the Advanced Technology Institute
- \$200,000 was transferred to Vision Mātauranga to meet the additional costs of contract extensions to 30th September 2012
- \$909,000 transferred from 2010/11 to align with funding commitments in 2011/12
- \$1.085 million has been transferred into 2012/13 to cover the residual commitments for the Post Doctorate Fellowship Scheme which was closed in the 2010 Budget
- the funding for the Top Talent, Entrepreneurial Fellowship Scheme increased by \$1 million in 2012/13, and
- funding for the Rutherford Discovery Fellowships reduced by \$500,000 in 2012/13.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
An annual report is prepared by the investment agent outlining the outputs of any research funded through the output expense that has concluded during the year.	New measure	Achieved	Achieved
A report is prepared by the FIA outlining the outcomes of any research funded through the output expense that has concluded during the year.	One annual report on research outcomes received	One annual report on research outcomes received	No longer measured
A report on the Fulbright scholarships awarded, showing details as specified in the Funding Agreement, will be provided annually.	Report received	Report received	No longer measured
Outputs are delivered within time lines as specified by the Funding Agreement.	100%	100%	No longer measured

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Established by terms of reference that set out the funding delivery mechanisms, operable criteria and expected levels of research commitment in each mechanism.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Transfer to Vision Mātauranga MBU 2012	2011/12	(200)				
Administration costs of establishing the ATI MBU 2012	2011/12	(1,000)				
Expense transfer from 2010/11 OBU 2011	2010/11	909				
Science Entrepreneurial Scheme	2011/12	1,707	1,707	1,707	1,707	1,707
Response to Christchurch Earthquake BEFU 2011	2011/12	(1,000)	(2,000)	-	-	-
Business R and D and Commercialisation BEFU 2011	2010/11	(2,500)	(2,000)	(3,000)	-	-
Post-Doc Fellowships	2010/11	-	1,085	-	-	-
James Cook Fellowship	2010/11	720	720	720	720	720
Top Talent	2010/11	5,000	6,000	7,000	7,000	7,000
Science Priorities for Research, Science and Technology	2010/11	7,843	7,843	7,843	7,843	7,843

**Hazards and Infrastructure Research (M84)***Scope of Appropriation*

This appropriation is limited to research and research applications to support hazard management and improve the durability of NZ urban and rural settlements.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	14,343	13,440	14,265

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Measure and standards are the same as those for Energy and Minerals Research.			
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95% of contracts	95% of contracts	No longer measured
An independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposal recommended	100% of proposal recommended	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured
Action plans will be agreed with the research organisation and MSI will monitor the implementation of those plans.	100% of contracts	100% of contracts	No longer measured
Annual reporting information shows increases in the levels of formal collaboration by relevant government agencies and regional councils in the research funded by MSI.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured
An MSI one stage investment round will take no longer than 6 months to complete from release of RFP to notification of applicants.	95%	95%	No longer measured
An MSI two stage investment round will take no longer than 9 months to complete from release of RFP to notification of applicants.	95%	95%	No longer measured
A qualitative survey (survey will be supplemented by case studies) will show an increased use of research results.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Remapping of contracts to the new vote structure OBU 2011	2011/12	884	884	884	884	884
CRI Core Purpose (new NDOC)	2011/12	(12,754)	(12,754)	(12,754)	(12,754)	(12,754)
Response to Christchurch Earthquake BEFU 2011	2010/11	3,000	3,000	3,000	3,000	3,000
Savings - Budget Economic Fiscal Update 2010	2010/11	52	(100)	(100)	(100)	(100)
Science Priorities for Research, Science and Technology	2010/11	23,161	23,235	23,245	23,245	23,245



## Health and Society Research (M84)

### *Scope of Appropriation*

This appropriation is limited to research and research applications to improve the health and social well-being of New Zealanders.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	84,970	84,970	83,958

### *Reasons for Change in Appropriation*

The reasons for the change are due to funding of \$459,000 for Tourism contracts transferred to High Value Manufacturing and Services Research and a reduction of \$553,000 due to the reprioritisation of funding in previous budgets.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Measures and standards are the same as those for Energy and Minerals Research.			
A report is prepared by the FIA outlining the outcomes of any research funded through the output expense that has concluded during the financial year.	One annual report on research outcomes received	One annual report on research outcomes received	No longer measured
For MSI funded contract these will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95% of contracts	95% of contracts	No longer measured
MSI will monitor the report to the Minister on performance of the Health Research Council quarterly.	100% of quarterly reports assessed	100% of quarterly reports assessed	No longer measured
Action plans will be developed for all contracts managed by MSI which are assessed as being "at risk".	100% of "at risk" contracts	100% of "at risk" contracts	No longer measured
Outputs and objectives are achieved as specified by the Funding Agreement.	95%	95%	No longer measured
Annual reporting information shows increases in the levels of formal collaboration by relevant government agencies and regional councils in the research funded by MSI.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured
Outputs are delivered within time lines as specified by the Funding Agreement.	100%	100%	No longer measured
An MSI one stage investment round will take no longer than 6 months to complete from the release of the RFP to notification of applicants.	95%	95%	No longer measured
An MSI two stage investment round will take no longer than 9 months to complete from the release of the RFP to notification of applicants.	95%	95%	No longer measured
A qualitative survey (supplemented by case studies) shows an increased use of research results.	Baseline to be established in 2011/12	Baseline to be established in 2011/12	No longer measured

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Health Research Council capital charge funding MBU 2012	2011/12	1,276	1,276	1,276	1,276	1,276
Transfer of Tourism based Economic Research	2011/12	(993)	(459)	(78)	-	-
Business R and D and Commercialisation BEFU 2011	2010/11	(268)	(1,100)	(2,100)	(2,100)	(2,100)
Longitudinal Study of NZ Youth(MSD)	2010/11	(250)	(250)	-	-	-
Productivity Commission	2010/11	(140)	(150)	(150)	(150)	(150)
Savings - BEFU 2010	2010/11	(5,093)	(5,199)	(4,920)	(4,920)	(4,920)
Science Priorities for Research, Science and Technology	2010/11	90,438	89,840	89,844	89,844	89,944

**High Value Manufacturing and Services Research (M84)***Scope of Appropriation*

This appropriation is limited to research and research applications to develop new technologies, novel materials, and new products, processes and services for the manufacturing and technology sectors.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	160,464	150,733	177,715

*Reasons for Change in Appropriation*

The net increase in the appropriation of \$17.251 million consists of the following:

- new funding of \$10 million for an advanced technology institute
- an increase of \$15 million from Budget 2010 in the funding for Technology Development Grant
- a one-off transfer of \$3.465 million to Biological Industries Research in 2011/12 to match Technology Development Grant commitments
- an increase of \$646,000 for TechNZ Capability investments
- a one-off transfer of \$10.274 million due to a reappropriation of funding in 2011/12 to match funding commitments
- a decrease a \$1.052 million due to funding re-prioritised in previous Budgets, and
- a decrease of \$534,000 in time limited funding for Tourism contracts.

### Output Performance Measures and Standards

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Measures and standards are the same as those for Biological Industries Research.			
An advanced technology institute is established in 2012/13.	New measure		Achieved
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95% of contracts	95% of contracts	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract outcomes.	100% of contracts monitored	100% of contracts monitored	No longer measured
Action plans will be developed for all contracts managed by MSI which are assessed as being "at risk".	100% of "at risk" contracts	100% of "at risk" contracts	No longer measured
An independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposal recommended	100% of proposal recommended	No longer measured
For "On Demand" investments, applications in excess of \$250,000, MSI receives an independent expert review and advice.	100% of proposal recommended	100% of proposal recommended	No longer measured
An MSI one stage investment round will take no longer than 6 months to complete from release of the RFP to notification of applicants.	95%	95%	No longer measured
An MSI two stage investment round will take no longer than 9 months to complete from release of the RFP to notification of applicants.	95%	95%	No longer measured
For successful applicants the time between receipt of a proposal for business R&D support (TechNZ, TDG, or TTV) from a business and the finalisation of a contract will not exceed 6 months.	95% of proposals	95% of proposals	No longer measured

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Establishment of an advanced technology institute	2012/13		10,000	20,000	30,000	30,000
Expansion of capability funding in the High Value Manufacturing and Services sector MBU 2012				2,000	2,000	2,000
Transfer to Biological Industries to match Technology Development Grant contract commitments MBU 2012	2011/12	(3,465)				
Increase in Industrial Research Limited Core funding OBU 2011	2011/12	(5,000)	(5,000)	(5,000)	(5,000)	(2,800)
Remapping of contracts to the new vote structure OBU 2011	2011/12	417	417	417	417	417
Expense transfer from 2010/11 OBU 2011	2010/11	10,274				
Technology Transfer Contingency drawdown OBU 2011	2011/12	1,034	1,680	1,828	1,828	1,828
Transfer of Tourism based Economic Research	2011/12	993	459	78	-	-
CRI Core Purpose (New NDOC)	2011/12	(10,342)	(10,342)	(10,342)	(10,342)	(10,342)

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government - cont'd</b>						
Business R and D and Commercialisation BEFU 2011	2010/11	6,000	6,000	6,000	6,000	6,000
TechNZ internships MBU 2011	2010/11	1,260	1,260	1,260	1,260	1,260
Savings - BEFU 2010	2010/11	(1,979)	(2,975)	(3,160)	(3,160)	(3,160)
Technology Development Grant (BEFU) 2010	2010/11	45,000	60,000	62,000	62,000	62,000
Technology Transfers initiatives (BEFU) 2010	2010/11	8,000	8,000	8,000	8,000	8,000
Science Priorities for Research, Science and Technology	2010/11	108,272	108,216	108,179	108,179	108,179

## Marsden Fund (M84)

### *Scope of Appropriation*

This appropriation is limited to excellent investigator-initiated research.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	46,755	46,755	46,755

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Measures and standards are the same as those for Fellowships for Excellence.			
A report is prepared by the FIA outlining the outcomes of any research funded through the output expense that has concluded during the year.	One annual report on research outcomes received	One annual report on research outcomes received	No longer measured
MSI will monitor and evaluate the Royal Society of New Zealand's six monthly reports to assess the Marsden Fund performance.	100% of the Marsden Fund decision are assessed	100% of the Marsden Fund decision are assessed	No longer measured
Outputs are delivered with in time lines as specified by the Funding Agreement.	100%	100%	No longer measured

## Conditions on Use of Appropriation

Reference	Conditions
Terms of Reference - Marsden Fund - 2008.	<p>The primary objectives of the Marsden Fund are to:</p> <ul style="list-style-type: none"> <li>enhance the quality of research in New Zealand by creating increased opportunity to undertake excellent investigator-initiated research, and</li> <li>support the advancement of knowledge in New Zealand, and contribute to the global knowledge base.</li> </ul> <p>A secondary objective of the Marsden Fund is to contribute to the development of advanced skills in New Zealand including support for continuing training of post-doctoral level researchers and support for the establishment of early careers of new and emerging researchers.</p> <p>The Marsden Fund is open to applicants that meet the Marsden Fund's eligibility criteria. The eligibility criteria are determined by the Marsden Fund Council. The eligibility criteria must:</p> <ul style="list-style-type: none"> <li>ensure successful proposals are consistent with the nature and objectives of the Marsden Fund stated above, and</li> <li>applicants are New Zealand-based researchers undertaking research to be carried out in New Zealand or overseas if its nature demands that it be carried out elsewhere. Collaborating researchers from outside New Zealand are able to be included in proposals, but are not able to receive direct funding support for their time or institutional costs.</li> </ul> <p>Otherwise, the Council may, from time to time adjust the eligibility criteria of the Marsden Fund to increase its effectiveness in achieving the Marsden Fund's objectives.</p>

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
RCM for RSNZ for administration expenses for the Marsden Fund (as at 2009/10 FBU)	2009/10	(123)	(123)	(123)	(123)	(123)
Budget 2009 Increased funding	2009/10	9,000	9,000	9,000	9,000	9,000
Budget 2009 Reversal of unfunded Budget 2008 commitment	2009/10	(1,000)	(4,000)	(4,000)	(4,000)	(4,000)
<b>Previous Government</b>						
Budget 2008 Increased funding	2008/09	6,000	6,000	6,000	6,000	6,000

## National Measurement Standards (M84)

### Scope of Appropriation

This appropriation is limited to providing specified standards to satisfy the needs for traceable physical measurement in New Zealand.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,764	5,764	5,764

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
MSI will review the Industrial Research Limited (IRL) six monthly reports to assess adequacy of performance and outcomes.	New measure	Achieved	Achieved
Provision of national measurements standards and related services by the FIA in accordance with the requirements specified in the Funding Agreement with the Minister reviewed each six months.	Two reports received	Two reports received	No longer measured
Maintenance of the measurement standards in accordance with the resolutions and recommendations of the Metric Treaty Organisation with all technical procedures related to the measurement standards validated and reviewed each six months by the FIA.	Two reports received	Two reports received	No longer measured
Outputs delivered in accordance with time lines specified in the Funding Agreement with the Minister and reviewed each six months by the FIA.	Two reports received	Two reports received	No longer measured
MSI will monitor and evaluate the Industrial Research Limited six monthly reports to assess outcomes.	100% of the National Measurement decisions are assessed	100% of the National Measurement decisions are assessed	No longer measured
Outputs are delivered with in time lines as specified by the Funding Agreement.	100%	100%	No longer measured

*Conditions on Use of Appropriation*

Reference	Conditions
Measurements Standards Act 1992	The Minister of Science and Innovation shall provide for the use throughout New Zealand of uniform units of measurement of physical quantities, and for the establishment and maintenance of standards of measurement of physical quantities.

**National Science Challenges (M84)***Scope of Appropriation*

This appropriation is limited to research and research applications to find innovative solutions to fundamental issues New Zealand faces in its future development.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	14,500

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Number of investments in national science challenges	-	-	2-4

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Funding for National Science Challenges	2012/13	-	14,500	14,500	14,500	14,500

**Research Contract Management (M84)***Scope of Appropriation*

This appropriation is limited to selection of research, science and technology-related organisations and individuals for either the provision of research, science and technology outputs, or the award of grants; and negotiate, manage and monitor appropriate contracts with those organisations or individuals.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,412	6,412	6,482

*Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
An annual report is received from the funding and investment agent and their effectiveness and efficiency in administering contracts is assessed as adequate.	New measure	Achieved	Achieved
Percentage of outputs delivered as specified by the Funding Agreements or where there has been non-achievement, remedial action has been taken (outputs delivered or with remedial action/total outputs specified).	New measure	95%	95%
The number of new and active contracts and dollars disbursed during the financial year are reviewed quarterly.	Four reports received	Four reports received	No longer measured
Provision of data for the RST Scorecard is alignment with content guidelines specified in the funding agreement.	Supplied by 30 September following the end of the financial year	Supplied by 30 September following the end of the financial year	No longer measured
Contracts are monitored on the achievement of their performance objectives as specified in the funding agreement between the Minister of S+I and FIAs.	Report received by each FIA	Report received by each FIA	No longer measured
FIA reports that contracts are awarded in accordance with assessment processes outlined in annually updated documents.	Report received by each FIA	Report received by each FIA	No longer measured

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
FIA reports that research contract payments are made at the agreed sum to correct providers and no payment are made in excess of the agreed sum as specified in the funding agreements.	Report received by each FIA	Report received by each FIA	No longer measured
FIA reports that contracts, where appropriate, require research providers to obtain ethical approvals, and satisfy government regulatory requirements before the research can be undertaken.	Report received by each FIA	Report received by each FIA	No longer measured
Contracts (\$ contract management budget/no. of contracts let) will be reported in the 4th quarter or 2nd six-monthly reports for 2010/11.	Reports received from each FIA	Reports received from each FIA	No longer measured
FIA deliver key accountability reports in accordance with timelines specified in their funding agreements with the Minister.	Each report received as specified	Each report received as specified	No longer measured
Investment efficiency (\$ contract management budget/\$ investment funds disbursed) will be reported in the 4th quarter and 2nd six-monthly report for 2010/11.	Reports received from each FIA	Reports received from each FIA	No longer measured

### *Conditions on Use of Appropriation*

Reference	Conditions
Output agreements or contracts with FIAs	Funds the contract administration undertaken by HRC, RSNZ, and Fulbright New Zealand.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Amalgamation of MoRST and FRST	2011/12	900	1,000	2,000	2,000	2,000
Establishment of MSI MBU 2011	2010/11	(15,395)	(15,325)	(15,315)	(15,315)	(15,315)
RCM for RSNZ for administration expenses for the Marsden Fund (as at 2009/10 FBU)	2009/10	123	123	123	123	123
TechNZ - incorporation of 2005 Budget decision relating to rollout year of 2009/10 (as at 2005/06 OBU (BEFU))	2009/10	178	178	178	178	178
<b>Previous Government</b>						
OBU 2008 increase in RCM for FRST	2008/09	300	300	300	300	300



## Vision Mātauranga Capability Fund (M84)

### *Scope of Appropriation*

This appropriation is limited to the development of skilled people and organisations undertaking research that supports the four themes of Vision Mātauranga; indigenous innovation, environmental sustainability, health and social well being, and exploring indigenous knowledge.

### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,595	6,595	5,967

### *Reasons for Change in Appropriation*

The reason for the change is due to an expense transfer from 2010/11 to 2011/12 to match funding commitments.

### *Output Performance Measures and Standards*

Performance Measures	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of proposals assessed against programme objectives and assessment criteria, prior to approval (proposals assessed/total proposals received).	New measure	New measure	100%
Percentage of contracts assessed annually as on track to achieve their objectives and milestones to date, or where there is non-achievement, remedial action has been taken.	New measure	New measure	95%
Contracts will be managed so that 95% of contracts will be on track to achieve their objectives, and critical steps.	95%	95%	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract outcomes.	100% of contracts monitored though Red, Amber, Green status reporting	100% of contracts monitored though Red, Amber, Green status reporting	No longer measured
Action plans will be developed for all contracts managed by MSI which are assessed as being "at risk" (amber or red).	100% of "at risk" contracts	100% of "at risk" contracts	No longer measured
An independent Advisory Group will provide advice to MSI on investment decisions for all contestable investment rounds.	100% of proposal recommended	100% of proposal recommended	No longer measured

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Transfer from Fellowship for Excellence MBU 2012	2011/12	200	-	-	-	-
Expense transfer from 2010/11	2010/11	428	-	-	-	-
Science Priorities for Research, Science and Technology	2010/11	5,967	5,967	5,967	5,967	5,967

**Summary of Service Providers for Non-Departmental Outputs**

Provider	2011/12 Budgeted \$000	2011/12 Estimated Actual \$000	2012/13 Budget \$000	Reporting Mechanism	Expiry of Funding Commitment
Health Research Council	81,802	82,028	82,021	Annual Report	No Expiry
Royal Society of New Zealand	67,784	61,921	61,361	Section 32A	No Expiry
Industrial Research Limited	5,764	5,764	5,764	Annual Report	No Expiry
Fulbright New Zealand	675	675	675	MSI Annual Report	No Expiry

The above table summarises funding to be allocated through Vote Science and Innovation to non-departmental providers, along with an indication of the mechanism to be used for reporting actual performance and (where determined) the length of the funding commitment.

## 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
Impact: Reduce barriers to innovate and accelerate innovation Outcome: Infrastructure and policies better support innovation	Convention Du Metre Genomics Research Infrastructure National eScience Infrastructure Royal Society of New Zealand Science Collections and Infrastructure
Impact: Support more knowledge transfer, more effective funding models and more collaboration across the science system Outcome: Greater impact from public research	International Relationships National eScience Infrastructure Science Collections and Infrastructure
Impact: Increase capacity to create and absorb new ideas Outcome: Developed and focused innovation skills	International Relationships
Impact: Increase international collaborations and knowledge intensive exports Outcome: Stronger international linkages	International Relationships

For further information on the intended impacts, outcomes and objectives of the non-departmental other expenses appropriations please see the Statement of Intent for the Ministry of Science and Innovation.

#### Australian Synchrotron (M84)

##### *Scope of Appropriation*

This appropriation is limited to a grant being New Zealand Government's contribution to the operation of a synchrotron located in Victoria, Australia.

##### *Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	7,500

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant payment for the New Zealand Government's contribution to the future operation of the Australian synchrotron is made as agreed by Cabinet	-	-	Baseline to be established in June 2012.

*Conditions on Use of Appropriation*

Reference	Conditions
	The Minister of Finance and the Minister for Science and Innovation to jointly approve the draw down of the Australian Synchrotron funding, following submission of a satisfactory business case

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
New Zealand's contribution to the Australian Synchrotron	2012/13	-	7,500	1,500	1,500	1,500

**Convention Du Metre (M84)***Scope of Appropriation*

This appropriation is limited to the payment of New Zealand's annual subscription to the Convention du Metre.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	135	135	135

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
<b>Quality</b>			
Membership obligations are maintained and access to international peer review is ensured by making the annual subscription payment.	Paid in full and on time	Paid in full and on time	Paid in full and on time

*Conditions on Use of Appropriation*

Reference	Conditions
Ratification of the convention for use of the international metric measurement system.	New Zealand meets all obligations anticipated by the convention; including participation in the governing forum established in France and administered by the Bureau International des Poids et Mesures (BIPM).

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Budget 2009 foreign exchange cost pressures	2008/09	40	40	40	40	40

**Genomics Research Infrastructure (M84)***Scope of Appropriation*

This appropriation is limited to a grant to contribute towards the purchase and operation of infrastructure that will support genomics research.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,600	5,600	4,700

*Reasons for Change in Appropriation*

The appropriation reduces to match the amount due on the contract with New Zealand Genomics Limited.

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant made to New Zealand Genomics Limited in accordance with Crown Funding Agreement.	New measure	Achieved	Achieved
MSI will monitor and assess reporting from New Zealand Genomics Limited to assess its effectiveness and efficiency in providing genomics infrastructure and services.	New measure	Achieved	Achieved
Each Financial Year a report to MSI from New Zealand Genomics Limited will supply key performance Indicators, results of service performance and business planning, financial reporting, and confirmation of compliance.	Report received by the due date	Report received by the due date	No longer measured
All contracts are monitored in terms of their likelihood of delivering on the contract performance.	100% of contracts are assessed and reported	100% of contracts are assessed and reported	No longer measured
Outputs are delivered with in time lines as specified by the Funding Agreement.	100%	100%	No longer measured

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	Funding is provided to establish a national infrastructure that will significantly enhance genomics research and analytical capability in New Zealand and which is expected to provide substantial economic and social benefits in health care, food production and environmental protection. This national genomics research infrastructure in New Zealand combines expertise in four research institutions.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Reverse rollover effect OBU 2010	2014/15	-	-	-	(4,800)	(4,800)
Funding for NZGL OBU 2010	2014/15	-	-	-	4,000	4,000
<b>Previous Government</b>						
PREFU 2008 genomics research Infrastructure	2009/10	5,600	4,700	4,800	4,800	4,800

**International Relationships (M84)***Scope of Appropriation*

This appropriation is limited to grants for international research relationships.
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*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,621	9,621	9,851

*Reasons for Change in Appropriation*

The reason for the change relates to an expense transfer of \$200,000 to match commitments due to a timing delay in the NZ-USA bi-annual Joint Commission meeting.

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Percentage of proposals assessed against international relationship fund objectives and assessment criteria, prior to approval (proposals assessed/total proposals received).	New measure	95%	100%
Percentage of contracts assessed annually as on track to achieve their objectives and milestones to date, or where there is non-achievement, remedial action has been taken.	New measure	95%	95%
Assessment and publication of international results is undertaken annually.	100% of reports	100% of reports	No longer measured
Independent review of reports identifying linkages are made.	100% of linkages are reviewed	100% of linkages are reviewed	No longer measured
Increased international activity is linked to investments by country.	100% of activity can be linked to investment by country	100% of activity can be linked to investment by country	No longer measured
Completed international activities are assessed and it is confirmed that objectives and milestones have been achieved.	95% of objectives achieved	95% of objectives achieved	No longer measured
Status reporting on all MSI international activity is completed annually and on time.	100% of reports	100% of reports	No longer measured

Note - Assessment criteria for the international relationship fund are predetermined by the DCE Innovation Performance and Marketing.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
The NZ-USA bi-annual Joint commission Meeting moved from 2011/12 to 2012/13 OBU 2011	2011/12	(200)	200			
Business R and D and Commercialisation BEFU 2011	2011/12	(230)	(400)	(400)	-	-
Transfer for Science Entrepreneurial Scheme - MBU 2011	2011/12	(1,707)	(1,707)	(1,707)	(1,707)	(1,707)
Science Priorities for Research, Science and Technology	2010/11	11,758	11,758	11,758	11,758	11,758

## National eScience Infrastructure (M84)

### Scope of Appropriation

This appropriation is limited to a grant to contribute to the operation of the National eScience Infrastructure, including high-performance computational infrastructure and associated eScience services, that will support New Zealand research.

### Expenses

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	9,601	9,601	7,182

### Reasons for Change in Appropriation

The reason for the change is due to an expense transfer from 2010/11 to 2011/12 to match funding commitments.

### Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant made to National eScience Infrastructure in accordance with Crown Funding Agreement.	New measure	Achieved	Achieved
MSI will monitor and assess reporting from the National eScience Infrastructure facility to assess its effectiveness and efficiency in providing associated eScience services.	New measure	Achieved	Achieved
Contracts will be managed so that 95% of outcomes will be on track to achieve their objectives and critical steps.	95% of outcomes	95% of outcomes	No longer measured
MSI will monitor and evaluate the National eScience Infrastructure facility through six monthly reports to assess outcomes.	100% of six monthly reports assessed	100% of six monthly reports assessed	No longer measured
Outputs are delivered within time lines as specified by the Funding Agreement.	100%	100%	No longer measured

### Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	An agreement that will bind the Universities of Auckland, Canterbury and Otago, and the Crown NIWA, AgResearch and Landcare Research will be in place before initial funding is provided.
	Regular (four-yearly) reviews of performance and value for money will be carried out by the Ministry.



*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
<b>Current Government</b>						
Expense transfer from 2010/11 OBU 2011	2011/12	2,419				
Approval of NeSI Cabinet decision MBU 2011	2010/11	7,182	7,182	7,182	7,182	7,182

**Royal Society of New Zealand (M84)***Scope of Appropriation*

This appropriation is limited to an annual grant to the Royal Society of New Zealand to contribute towards the Society's aims and functions under the Royal Society of New Zealand Act 1997 to promote and advance science and technology.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	500	500	500

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant made to the Royal Society of New Zealand to promote and advance science and technology.	New measure	Achieved	Achieved
MSI will monitor and assess the Royal Society of New Zealand's six monthly reports to assess outcomes.	New measure	Achieved	Achieved
Funding Agreement will be managed so that 95% of outcomes will be on track to achieve their objectives.	95% of outcomes	95% of outcomes	No longer measured
MSI will monitor and evaluate the Royal Society of New Zealand's six monthly reports.	100% of six monthly reports assessed	100% of six monthly reports assessed	No longer measured
Outputs are delivered within time lines as specified by the Funding Agreement.	100%	100%	No longer measured

*Conditions on Use of Appropriation*

Reference	Conditions
Cabinet decision	This funding is limited to an annual grant to the Royal Society of New Zealand to contribute towards the Society's aims and function under the Royal Society of New Zealand Act 1997 to promote and advance science and technology.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Previous Government						
OBU 2008/09 Provision of annual grant	2008/09	500	500	500	500	500

**Science Collections and Infrastructure (M84)**

*Scope of Appropriation*

This appropriation is limited to grants to contribute to the maintenance and retention of databases, collections and significant infrastructure dedicated to research purposes.

*Expenses*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,760	4,760	4,760

*Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Grant made to maintain and retain databases, collections and significant infrastructure dedicated to research purposes	New measure	Achieved	Achieved
MSI will monitor and assess the reports against contracts to assess outcomes.	New measure	Achieved	Achieved
The number of new and active contracts and dollars disbursed during the financial year are reviewed quarterly.	Four reports received	Four reports received	No longer measured
Contracts meet the criteria set out in the funding agreement and any Ministerial Directions.	100%	100%	No longer measured

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Current Government						
CRI Core Purpose (New NDOC)	2011/12	(17,619)	(17,619)	(17,619)	(17,619)	(17,619)
Science Priorities for Research, Science and Technology	2010/11	22,379	22,379	22,379	22,379	22,379

## Reporting Mechanisms

Appropriation	Reporting Mechanism
Advanced Network Capability Building	Reported in the Annual Report of REANZ Limited
Convention du Metre	Reported in the Annual Report of MSI
Genomics Research Infrastructure	Reported in the Annual Report of New Zealand Genomics Limited, and respective Annual Reports of its respective shareholder members (Technical Educational Institutes and Crown Research Institutes)
International Relationships	Section 32A
National e-Science Infrastructure	Section 32A
Royal Society of New Zealand	Reported in the Annual Report of MSI
Science Collections and Infrastructure	Reported in the Annual Report of MSI
Australian Synchrotron	Section 32A

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.

## Part 6 - Details and Expected Results for Capital Expenditure

### Part 6.1 - Departmental Capital Expenditure

#### Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Underpinning Outcome: Building a high performing science and innovation systems - New Zealand's science and innovation system deliver high quality, relevant knowledge and technology that are applied widely in society. Impact: Management and maintenance of MSI's infrastructure.	Ministry of Science and Innovation (PLA)

#### Ministry of Science and Innovation - Capital Expenditure PLA (M84)

##### Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Science and Innovation, as authorised by section 24(1) of the Public Finance Act 1989.

##### Capital Expenditure

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	952	952	764
Intangibles	1,494	1,494	1,004
Other	-	-	-
<b>Total Appropriation</b>	<b>2,446</b>	<b>2,446</b>	<b>1,768</b>

##### Reasons for Change in Appropriation

Capital expenditure in MSI is primarily investment in information systems that support business processes and information retention within the Ministry. The ongoing investment cycle in those systems does fluctuate across years and movements in 2011/12 reflect the programme change in the cycle. \$500,000 was assigned to MSI by the way of an increase to Net Assets through a Capital contribution from Strategic Leadership of the Science and Innovation Sector. This funding was to support the capital expenditure costs associated with the merger of The Ministry of Research, Science and Technology and the Foundation for Research Science and Technology to MSI.

##### Expected Results

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Capital expenditure on Ministry infrastructure achieves expected expenditure levels.	Actual expenditure matches budgeted levels	Actual expenditure matches budgeted levels	Actual expenditure matches budgeted levels

## Part 6.2 - Non-Departmental Capital Expenditure

### Advanced Technology Institute (M84)

#### *Scope of Appropriation*

This appropriation is limited to capital expenditure to support the establishment and development of an advanced technology institute.

#### *Capital Expenditure*

	2011/12		2012/13
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	11,900

#### *Expected Results*

	2011/12		2012/13
	Budgeted Standard	Estimated Actual Standard	Budget Standard
An advanced technology institute is established in 2012/13.	New measure		Achieved

#### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2011/12 Budgeted \$000	2012/13 Budget \$000	2013/14 Estimated \$000	2014/15 Estimated \$000	2015/16 Estimated \$000
Establishment of an advanced technology institute	2012/13	-	11,900	20,000	20,600	23,600