

Information Supporting the Supplementary Estimates

Vote Food Safety

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Food Safety (M33)

ADMINISTERING DEPARTMENT: Ministry for Primary Industries

MINISTER RESPONSIBLE FOR MINISTRY FOR PRIMARY INDUSTRIES: Minister for Primary Industries

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2011/12				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	93,159	(2,665)	-	(2,665)	90,494
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	2,100	-	-	-	2,100
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	95,259	(2,665)	-	(2,665)	92,594
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Assurance (M33)

Scope of Appropriation

This appropriation is limited to justifying and delivering assurances to consumers, the public, overseas authorities and other stakeholders that food, food-related products and inputs into the production of food (whether undertaken or produced in New Zealand or imported) are managed, audited, approved, registered and/or monitored in accordance with New Zealand legislation and, for exports, relevant importing countries' market access requirements.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	58,017	(1,985)	56,032
Revenue from Crown	3,853	(54)	3,799
Revenue from Other	56,816	(2,525)	54,291

Reasons for Change in Appropriation

This appropriation will decrease by \$1.985 million to \$56.032 million in 2011/12. This is due to: decrease in third party funded activity (\$2.151 million); carry forward of underspends to 2012/13 (\$765,000); expense transfer to 2012/13 to meet cost of amalgamation of Ministry of Fisheries (\$317,000); and overhead savings through amalgamation of New Zealand Food Safety Authority (\$36,000). These changes are offset by a reallocation of revenue Crown funded resources between output expenses (\$1.064 million) and reduced services to other public sector agencies (\$220,000).

Output Performance Measures and Standards

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
MAF certifiers operating at the top performance levels	95%	Measure withdrawn	
IANZ Corrective Action Requests per audit	Maximum one	Measure withdrawn	
Corrective Action Requests initiated by overseas authorities per audit	One or less	Measure withdrawn	
Corrective Action Requests, initiated by overseas reviewers, closed out within a year of issue	All	Measure withdrawn	
Pass rate for USDA audits in 2010 and 2012 with nil premises being delisted due to MAF shortcomings	100%	Measure withdrawn	

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Pass rate for EU FVO audits with nil premises being delisted due to MAF shortcomings	100%	Measure withdrawn	
New Zealand access to overseas markets maintained after overseas audits	New measure	100%	100%
Percentage of non-electronic permits processed within 48 hours	New measure	99%	99%
Percentage of electronic permits processed within 24 hours	New measure	99%	99%
Percentage of all high priority external audits completed within the prescribed schedule time-frames	100%	Measure withdrawn	
Percentage of all medium priority external audits completed within the prescribed schedule time-frames	80%	Measure withdrawn	
Percentage of applications for registrations and approvals that are processed accurately as measured by the internal monthly self-assessment procedures	100%	Measure withdrawn	
Availability of publicly available registers and lists as measured by monthly monitoring and reporting	97%	Measure withdrawn	
Percentage of adverse events associated with ACVMs, reported to MAF, that are recorded in a register and investigated, with follow-up action taken being appropriate to the scale of the event. This is measured by internal self assessment and Good Manufacturing Practice audits for New Zealand manufacturers	100%	Measure withdrawn	

Memorandum Account

Verification of the Food Regulatory Programme	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Opening Balance at 1 July	(5,971)	509	(5,462)
Revenue	39,000	(2,845)	36,155
Expenses	(36,500)	1,275	(35,225)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	(3,471)	(1,061)	(4,532)

Information (M33)

Scope of Appropriation

This appropriation is limited to engagement of and information for stakeholders about food safety and suitability, to encourage participation in, and compliance with, the food regulatory programme, and to enable consumers to make appropriate food choices.

Expenses and Revenue

2011/12

	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,087	434	4,521
Revenue from Crown	3,382	1,007	4,389
Revenue from Other	705	(573)	132

Reasons for Change in Appropriation

This appropriation will increase by \$434,000 to \$4.521 million in 2011/12. This is due to a reallocation of revenue Crown funded resources between output expenses (\$885,000) and expense transfer from 2010/11 to meet cost of amalgamation of Ministry of Fisheries (\$186,000). These changes are offset by: a decrease in third party funded activity (\$555,000); carry forward of underspends to 2012/13 (\$33,000); overhead savings through amalgamation of New Zealand Food Safety Authority (\$31,000); and reduced services to other public sector agencies (\$18,000).

Output Performance Measures and Standards

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of media enquiries that have been logged in media enquiries database where response to the enquiry has subsequently been recorded	New measure	99%	99%
Number of phone calls that we have the capacity to respond to annually	3,500-5,000	Measure withdrawn	
Number of emails that we have the capacity to respond to annually	3,500-4,500	Measure withdrawn	
Phone calls responded to within one working day	94%	Measure withdrawn	
Emails responded to within five working days	97%	Measure withdrawn	
Media queries responded to with accurate information	100%	Measure withdrawn	
Media enquiries responded to within 24 hours	100%	Measure withdrawn	
Percentage of target audience that surveys indicate information is relevant and useful to	75%	Measure withdrawn	

Policy Advice (M33)

Scope of Appropriation

This appropriation is limited to analysis, policy, strategic and legal advice and decision making support relating to domestic and international arrangements concerning food safety, food suitability, enforcement, inputs related to food production and ministerial services.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,646	(1,800)	4,846
Revenue from Crown	6,602	(1,832)	4,770
Revenue from Other	44	32	76

Reasons for Change in Appropriation

This appropriation will decrease by \$1.800 million to \$4.846 million in 2011/12. This is due to: reallocation of revenue Crown funded resources between output expenses (\$2.112 million); overhead savings through amalgamation of New Zealand Food Safety Authority (\$61,000); and carry forward of underspends to 2012/13 (\$42,000). These changes are offset by: expense transfer from 2010/11 to meet cost of amalgamation of Ministry of Fisheries (\$383,000); increased services to other public sector agencies (\$24,000); and increase in third party funded activity (\$8,000).

Output Performance Measures and Standards

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of Cabinet papers submitted to Cabinet Committee by due date	96%	Measure withdrawn	
Number of reviews that indicate good quality policy when compared with best practice, as indicated by feedback from Treasury Regulatory Impact Analysis Group, feedback from Officials' Committees on quality of Cabinet papers, and internal peer reviews	All	Measure withdrawn	
Percentage of regulations which the Review Committee considers follows good practice and that are not brought to the attention of the House in accordance with Standing Orders	100%	Measure withdrawn	
The Minister rates the quality of policy advice provided as 4 or better on a scale of 1 to 5 via discussion with MAF officials every 6 months	New measure	4	4
Number of OIA requests provided	65-75	Measure withdrawn	
Percentage of Parliamentary Questions completed within specified timeframes	New measure	95%	95%
Percentage of correspondence completed within 20 working days	New measure	100%	100%
Percentage of ministerial correspondence accepted without amendments	New measure	95%	95%
The Minister rates the quality of ministerial services as 4 or better on a scale of 1 to 5 via discussion with MAF officials every 6 months	New measure	4	4

Response (M33)

Scope of Appropriation

This appropriation is limited to the investigation of, preparedness for, and response to, food related events, incidents, emergencies, complaints and suspected breaches of legislation and taking appropriate sanctions and enforcement action.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,331	2,771	5,102
Revenue from Crown	2,302	2,745	5,047
Revenue from Other	29	26	55

Reasons for Change in Appropriation

This appropriation will increase by \$2.771 million to \$5.102 million in 2011/12. This is due to: reallocation of revenue Crown funded resources between output expenses (\$2.730 million); expense transfer from 2010/11 to meet cost of amalgamation of Ministry of Fisheries (\$81,000); increased services to other public sector agencies (\$19,000); and increase in third party funded activity (\$7,000). These changes are offset by a carry forward of underspends to 2012/13 (\$45,000) and overhead savings through amalgamation of New Zealand Food Safety Authority (\$21,000).

Output Performance Measures and Standards

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of incidents responded to in accordance with agreed procedures and legal powers, recorded on Information Leader and prioritised	99%	Measure withdrawn	
Percentage of complaints that correctly go through the priority system	99%	Measure withdrawn	
Percentage of investigations conducted in accordance with internal standards (best practice) for investigation	100%	Measure withdrawn	
Percentage of sanctions and enforcement actions which are placed according to timeframes set down in relevant policies, and that have been conducted within the powers and delegations allowed for under the Acts MAF administer	100%	Measure withdrawn	
System compared and reviewed annually	Completed	Measure withdrawn	
Percentage of responses that are initiated within 6 hours of notification	100%	Measure withdrawn	
At least 75% of lower threshold criminal behaviour investigations are completed according to the requisite investigation process within 6 months and either closed or forwarded for prosecution	New measure	75%	75%

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
At least 75% of higher threshold criminal behaviour investigations are completed according to the requisite investigation process within 18 months and either closed or forwarded for prosecution	New measure	75%	75%
Less than 5% of cases lodged with the Courts incur adverse judicial comment	New measure	Less than 5%	Less than 5%
Percentage of prosecutions dismissed for not disclosing a prima facie case	New measure	0%	0%

Standards (M33)

Scope of Appropriation

This appropriation is limited to the scientific inputs and development and implementation of food related standards (including as appropriate international and joint Australia/New Zealand standards) and standards related to inputs into food production, imports, exports, new and emerging issues and the domestic market.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	22,078	(2,085)	19,993
Revenue from Crown	16,218	(4,051)	12,167
Revenue from Other	6,733	(574)	6,159

Reasons for Change in Appropriation

This appropriation will decrease by \$2.085 million to \$19.993 million in 2011/12. This is due to: reallocation of revenue Crown funded resources between output expenses (\$3.748 million); carry forward of underspends to 2012/13 (\$311,000); expense transfer to 2012/13 for implementation of Food Bill (\$300,000); expense transfer to 2012/13 for negotiation of free trade or closer economic partnership agreements (FTA/CEP negotiations) (\$200,000); and overhead savings through amalgamation of New Zealand Food Safety Authority (\$150,000). These changes are offset by: increase in third party funded activity (\$1.933 million); expense transfer from 2010/11 to meet cost of amalgamation of Ministry of Fisheries (\$431,000); expense transfer from 2010/11 for food safety assurance for Rugby World Cup (\$200,000); funding from Vote Foreign Affairs for FTA/CEP negotiations (\$36,000 with revenue Crown funding of \$27,000); and increased services to other public sector agencies (\$24,000).

Output Performance Measures and Standards

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard

Performance Measures	2011/12		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
High-risk foods categorised and work programmes initiated for high-risk foods for system and programme recognition	4	Measure withdrawn	
Existing imported food requirements, to be revoked that are not supported by high regulatory interest categorisation, removing routine clearance intervention requirements	within 2 months of completion of a valid import risk assessment	Measure withdrawn	
Number of businesses voluntarily implementing the proposed regulatory regime	750	Measure withdrawn	
Percentage of registered VIP businesses that have a satisfactory audit within 6 months	95%	Measure withdrawn	
Percentage of national programme development time-frames met	97%	Measure withdrawn	
Percentage of reports prepared on-time with nil numerical errors post release/per report	99%	Measure withdrawn	
Number of FTAs where MAF coordinates the negotiation of the sanitary and phytosanitary chapter	5	Measure withdrawn	
Percentage of the milestones met of the Meat Inspection Reform Programme as agreed with the Meat Industry Strategic Directions Group	New measure	80%	80%
Percentage of the milestones met of the Sanitary and Phytosanitary Standards Market Access Programme as agreed with key meat, dairy, seafood and horticulture sector stakeholders	New measure	75%	75%
A regulatory framework and scientific substantiation system is developed for health claims to be made for value added foods and food products	New measure	Achieved	Achieved
Percentage of export certificates meeting importing country technical requirements as specified by the overseas competent authority	New measure	95%	95%
Percentage of OIE, IPPC and Codex Standards that are accepted by New Zealand	New measure	90%	90%
Implementation plans developed for all agreed joint Trans-Tasman food standards	New measure	Achieved	Achieved

Memorandum Account

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Approvals, Accreditations and Registrations			
Opening Balance at 1 July	872	(144)	728
Revenue	3,100	268	3,368
Expenses	(3,400)	230	(3,170)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	572	354	926
Standards Setting for the Food Industry			

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Opening Balance at 1 July	2,250	(549)	1,701
Revenue	15,300	(1,450)	13,850
Expenses	(16,530)	1,968	(14,562)
Transfers and Adjustments	-	-	-
Closing Balance at 30 June	1,020	(31)	989