

# *Vote Prime Minister and Cabinet*

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APPROPRIATION MINISTER(S): Minister of Civil Defence (M11), Prime Minister (M52), Minister supporting Greater Christchurch Regeneration (M85), Minister for Communications (M88), Deputy Prime Minister (M89)

APPROPRIATION ADMINISTRATOR: Department of the Prime Minister and Cabinet

RESPONSIBLE MINISTER FOR DEPARTMENT OF THE PRIME MINISTER AND CABINET: Prime Minister

## Overview of the Vote

The Prime Minister is responsible for appropriations in Vote Prime Minister and Cabinet for the 2016/17 financial year which cover the following:

- a total of over \$4 million for free and frank advice on policy issues, services to facilitate inter-departmental coordination of policy development and leadership of a more collective approach to performance across the state sector
- a total of nearly \$6 million for secretariat services to Cabinet, Cabinet committees and the Executive Council, administration of the New Zealand Royal Honours system and coordination of the Government's legislation programme
- a total of over \$4 million for support services to the Governor-General and maintenance of the official residences
- a total of just nearly \$10 million for leadership, advice, coordination around national security matters, leading collaboration within the New Zealand intelligence community, managing the National Cyber Policy Office and providing assessments to support national security
- a total of nearly \$800,000 for the operation of the Science Advisory Committee and an ex gratia payment for the services of the Prime Minister's Chief Science Advisor
- a total of over \$1 million on Government House capital investment
- a total of nearly \$2 million under permanent legislative authority (Governor-General Act 2010) for payments for the salary, allowances, programme and travel expenses outside New Zealand of the Governor-General
- a total of over \$2 million on departmental capital expenditure
- a total of \$74,000 under permanent legislative authority (New Zealand Security Intelligence Service (NZSIS) Amendment (No. 2) Act 1999) for payments to the Commissioner of Security Warrants, and
- a total of nearly \$3 million for costs of ownership on Crown assets (Government Houses and their contents).

The Minister supporting Greater Christchurch Regeneration is responsible for appropriations in Vote Prime Minister and Cabinet for the 2016/17 year which cover the following:

- a total of nearly \$25 million for the provision of services supporting the regeneration of greater Christchurch.

The Minister of Civil Defence is responsible for appropriations in Vote Prime Minister and Cabinet for the 2016/17 financial year which cover the following:

- a total of nearly \$12 million for ensuring the effective delivery and responsiveness of New Zealand's civil defence emergency management services
- a total of \$2 million for emergency expense payments in line with the criteria as detailed in the National Civil Defence and Emergency Management (CDEM) Plan, and
- a total of \$889,000 in subsidies to Local Government for emergency management preparation.

The Minister for Communications is responsible for appropriations in Vote Prime Minister and Cabinet for the 2016/17 financial year which cover the following:

- a total of over \$5 million for carrying out the functions and services of a national CERT (a New Zealand computer emergency response organisation).

Details of these appropriations are set out in Parts 2-4.

# Details of Appropriations and Capital Injections

## Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Canterbury Earthquake Recovery (M85)</b> This appropriation is limited to provision of services supporting the regeneration of greater Christchurch.	8,922	8,922	20,741
<b>Cyber Security Services (M88)</b> This appropriation is limited to carrying out the functions and services of a national CERT (a New Zealand computer emergency response organisation).	-	-	5,128
<b>Supporting Flag Consideration Process (M89)</b> This appropriation is limited to advice and services to support public engagement and decision-making in the process to consider New Zealand's Flag.	6,266	4,766	-
<b>Total Departmental Output Expenses</b>	15,188	13,688	25,869
<b>Departmental Capital Expenditure</b>			
<b>Department of the Prime Minister and Cabinet - Capital Expenditure PLA (M52)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Department of the Prime Minister and Cabinet, as authorised by section 24(1) of the Public Finance Act 1989.	975	975	2,450
<b>Total Departmental Capital Expenditure</b>	975	975	2,450
<b>Non-Departmental Output Expenses</b>			
<b>Regenerate Christchurch (M85)</b> This appropriation is limited to establishment costs and the development of strategies and planning activities, with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch.	2,000	2,000	-
<b>Total Non-Departmental Output Expenses</b>	2,000	2,000	-
<b>Non-Departmental Other Expenses</b>			
<b>Emergency Expenses (M11)</b> This appropriation is limited to payments to local authorities as provided for under the National CDEM Plan.	3,000	3,000	2,000
<b>Emergency Management Preparedness Grants (M11)</b> This appropriation is limited to projects endorsed by CDEM Groups and managed or supported by the Ministry of Civil Defence & Emergency Management.	1,189	1,189	889
<b>Ex Gratia Payment to the University of Auckland (M52)</b> This appropriation is limited to ex gratia payments to the University of Auckland to enable continued support of Professor Sir Peter Gluckman's own specialised research programme during his membership of the Science Advisory Committee.	120	120	120
<b>Fees for the Commissioner of Security Warrants PLA (M52)</b> The appropriation under permanent legislative authority (the NZSIS Amendment (No. 2) Act 1999) will provide for payments to the Commissioner as an independent judicial officer for the authorisation of domestic security warrants.	74	74	74
<b>Governor-General's Programme PLA (M52)</b> This appropriation is limited to expenses incurred on the Governor-General's Programme, as authorised by section 13 of the Governor-General Act 2010.	1,119	1,119	989

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Governor-General's Salary and Allowance PLA (M52)</b> This appropriation is limited to expenses incurred on the salary, allowance and other payments to the Governor-General, as authorised by section 12 of the Governor-General Act 2010.	476	476	576
<b>Governor-General's Travel Outside New Zealand PLA (M52)</b> This appropriation is limited to expenses incurred on the Governor-General's travel outside New Zealand, as authorised by section 14 of the Governor-General Act 2010.	357	357	307
<b>Total Non-Departmental Other Expenses</b>	6,335	6,335	4,955
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Emergency Management MCA (M11)</b> The overarching purpose of this MCA is to support communities to be resilient by enhancing their capacity and capability to manage civil defence emergencies.	12,414	12,254	11,660
<i>Departmental Output Expenses</i>			
<i>Community Awareness and Readiness</i> This category is limited to the development and delivery of long-term national programmes to raise individual and community awareness and preparedness.	2,131	2,131	1,938
<i>Emergency Sector and Support and Development</i> This category is limited to developing and implementing operational policies and projects, advice, assistance and information to the civil defence and emergency management sector.	5,988	5,828	5,574
<i>Management of Emergencies</i> This category is limited to management of national emergency readiness, response and recovery, including support to local civil defence emergency management organisations, maintaining the National Crisis Management Centre in a state of readiness, national training and exercises, coordination and management of central government's response and recovery activities and administration of related expenses.	3,938	3,938	3,705
<i>Policy Advice - Emergency Management</i> This category 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 relating to civil defence emergency matters.	357	357	443
<b>Government House Buildings and Assets MCA (M52)</b> The overarching purpose of this appropriation is maintaining the Government House buildings and related assets in Wellington and Auckland to the standards necessary to fulfil their constitutional, ceremonial and community roles.	3,785	3,185	3,782
<i>Non-Departmental Other Expenses</i>			
<i>Depreciation of Crown Assets</i> This category is limited to depreciation expenses on the Government House buildings and related assets.	1,792	1,792	1,962
<i>Government House - Maintenance</i> This category is limited to the ongoing maintenance of the Government House buildings and related assets, and the grounds on which they are located.	1,014	914	600
<i>Loss on Disposal of Crown Assets</i> This category is limited to loss on disposal of Government House precinct buildings and related assets.	-	-	170
<i>Non-Departmental Capital Expenditure</i>			
<i>Government House - Capital Investment</i> This category is limited to investment necessary to preserve the functionality and value of the Government House buildings and related assets.	979	479	1,050

Titles and Scopes of Appropriations by Appropriation Type	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Multi-Category Expenses and Capital Expenditure - cont'd</b>			
<b>Policy Advice and Support Services MCA (M52)</b>	27,973	27,273	24,726
The overarching purpose of this appropriation is to provide policy advice to support decision-making by the Prime Minister and the Cabinet and provide support services to the Prime Minister, Cabinet and its committees, the Executive Council, and the Governor General.			
<i>Departmental Output Expenses</i>			
<i>National Security Priorities and Intelligence Coordination</i>	8,834	8,834	9,991
This category is limited to leadership and coordination around national security matters, leading collaboration within the New Zealand intelligence community and providing intelligence assessments to support national security priorities.			
<i>Policy Advice - Prime Minister and Cabinet</i>	6,811	6,111	4,131
This category 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 the Prime Minister and the Cabinet.			
<i>Science Advisory Committee</i>	725	725	675
This category is limited to the purchase of high-quality scientific advice to the Prime Minister.			
<i>Support Services to the Governor-General and Maintenance of the Official Residences</i>	4,008	4,008	4,139
This category is limited to financial, administrative, communications and advisory services for the Governor-General; and services to maintain the Governor-General's residences.			
<i>Support, Secretariat and Coordination Services</i>	7,595	7,595	5,790
This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities including support for the coordination of the Government's legislation programme; secretariat services to the Executive Council, Cabinet and its committees; and administration of the New Zealand Honours system.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	44,172	42,712	40,168
<b>Total Annual and Permanent Appropriations</b>	68,670	65,710	73,442

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Output Expenses</b>		
<b>Regenerate Christchurch (M85)</b>	Original Appropriation	20,000
This appropriation is limited to establishment costs and the development of strategies and planning activities, with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch.	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
Commences: 01 July 2016	Adjusted Appropriation	20,000
	Actual to 2014/15 Year End	-
Expires: 30 June 2021	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	4,000
	Estimated Appropriation Remaining	16,000

## Total Annual, Permanent and Multi-Year Appropriations

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual and Permanent Appropriations	68,670	65,710	73,442
Total MYA Non-Departmental Output Expenses Forecasts	-	-	4,000
<b>Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts</b>	<b>68,670</b>	<b>65,710</b>	<b>77,442</b>

## Capital Injection Authorisations

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Department of the Prime Minister and Cabinet - Capital Injection (M52)	1,160	1,160	2,350

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Regenerate Christchurch Transfer of funding	Regenerate Christchurch Non-Departmental Output Expenses	2,000	-	-	-	-
Regenerate Christchurch Transfer of funding	Regenerate Christchurch Multi- Year Appropriation Non-Departmental Output Expenses	-	4,000	4,000	4,000	4,000
Funding to establish and operate a New Zealand computer emergency response organisation	Cyber Security Services Departmental Output Expenses	-	5,128	4,977	4,934	4,934
Funding to establish and operate a New Zealand computer emergency response organisation	Departmental Capital Injection	-	2,187	-	-	-
Funding to increase capacity and capability to manage emergencies	Emergency Management MCA Emergency Sector Support and Development Departmental Output Expenses	-	730	1,800	1,800	1,800
Funding to increase capacity and capability to manage emergencies	Departmental Capital Injection	-	63	-	-	-
Funding for the direction, coordination and provision of intelligence assessments to support national intelligence priorities	Policy Advice and Support Services MCA National Security Priorities and Intelligence Co-ordination Departmental Output Expenses	-	1,200	1,700	2,500	3,300
Funding for the direction, coordination and provision of intelligence assessments to support national intelligence priorities	Departmental Capital Injection	-	100	200	300	-
Funding for operating costs Christchurch Justice and Emergency Services Precinct	Emergency Management MCA Emergency Sector Support and Development Departmental Output Expenses	-	40	40	-	-
Canterbury Earthquake Recovery Transfer of function	Canterbury Earthquake Recovery Departmental Output Expenses	8,922	21,241	12,056	10,810	10,662
Canterbury Earthquake Recovery Transfer of net assets	Departmental Capital Injection	1,160	-	-	-	-
Emergency Expenses	Emergency Expenses Non-Departmental Other Expenses	1,000	-	-	-	-



Policy Initiative	Appropriation	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Science Advisory Committee Revised funding due to new Memorandum of Understanding	Policy Advice and Support Services MCA Science Advisory Committee Departmental Output Expenses	120	120	120	120	120
Better Public Services (BPS) Seed Funding for development of a Computer Emergency Response Team (CERT) business case	Policy Advice and Support Services MCA National Security Priorities and Intelligence Coordination Departmental Output Expenses	350	-	-	-	-
Share of costs for Budget 2015 whole-of-government initiatives	Policy Advice and Support Services MCA National Security Priorities and Intelligence Coordination Departmental Output Expenses	(89)	(79)	(57)	(43)	(43)
<b>Total Initiatives</b>		<b>13,463</b>	<b>34,730</b>	<b>24,836</b>	<b>24,421</b>	<b>24,773</b>

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2011/12	2012/13	2013/14	2014/15	2015/16		2016/17			2017/18	2018/19	2019/20
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final 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	-	-	-	3,333	17,188	15,688	25,869	4,000	29,869	21,033	19,744	23,596
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	87,344	13,422	4,554	3,431	6,335	6,335	-	4,955	4,955	4,755	4,755	4,755
Capital Expenditure	1,165	781	362	4,443	975	975	2,450	-	2,450	300	400	100
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	29,296	31,135	24,733	34,389	40,387	39,527	36,386	-	36,386	38,128	38,902	39,702
<i>Other Expenses</i>	-	-	-	612	2,806	2,706	-	2,732	2,732	2,562	2,562	2,562
<i>Capital Expenditure</i>	-	-	-	54	979	479	N/A	1,050	1,050	800	800	550
<b>Total Appropriations</b>	117,805	45,338	29,649	46,262	68,670	65,710	64,705	12,737	77,442	67,578	67,163	71,265
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	150	150	150	150	150
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	-	-	-	-	-	N/A	150	150	150	150	150

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Appropriations in the Details of Appropriations and Capital Injections.

## Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

It was not practicable to restate information in the Summary of Financial Activity table to reflect restructuring of appropriations undertaken because the allocation of the Canterbury Earthquake appropriations is spread across a number of government agencies, and it is not possible to ascertain the portion of historical data that would apply to each agency.

### 1.3 - Analysis of Significant Trends

#### *Total Vote - All Appropriations*

The movements in departmental and non-departmental appropriations in Vote Prime Minister and Cabinet, which are detailed in the Summary of Financial Activity table above, are largely driven by movements in output expenses and non-departmental capital expenditure.

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

#### *Output Expenses*

The increase in 2012/13 was largely due to additional funding for a project to provide an electronic platform to support Cabinet processes (CabNet), for establishing a new visitor centre at Government House Wellington, for implementing the National Cyber Policy Office, and for increasing capability in the corporate support functions.

The decrease in 2013/14 was mainly due to changes in the restatement of the Vote to reflect the transfer from Vote Internal Affairs in the 2011/12 and 2012/13 years for the transition of emergency functions. This decrease was off-set by increases due to expense transfers from 2012/13 for the Central Agencies Shared Services development programme, a one-off provision of funding to redevelop the future options for CabNet, and a one-off fiscally neutral transfer from Canterbury Earthquake Recovery Authority (CERA) to accelerate the resolution of insurance claims and repair of houses.

The increase in 2014/15 is mainly due to a full year of costs to administer emergency management functions transferred from Vote Internal Affairs, plus the expected costs of the Flag Consideration Project, offset by a reduction due to the baseline returning to status quo after one-off increases due to expense transfers in 2013/14.

The increase in 2015/16 is mainly due to the expected costs of the CabNet project implementation and the Flag Consideration Project, and expected costs relating to supporting the regeneration of greater Christchurch.

The increase in 2016/17 is mainly due to the transfer of a full year of funding from the Canterbury Earthquake Recovery Authority from 1 March 2016 to support ongoing Canterbury earthquake recovery work, funding to establish a New Zealand computer emergency response organisation, and funding to support increased capability and capacity in Emergency Management.

#### *Other Expenses*

The decreases in 2012/13 were mainly due to the restatement of the Vote to reflect the transfer from Vote Internal Affairs in the 2011/12 and 2012/13 years, offset by payments made as a result of the September 2010 and February 2011 Canterbury Earthquakes for civil defence and emergency management. In 2012/13 payments were also made to Environment Bay of Plenty for hazard mitigation work following civil defence emergency events in 2004 and 2005, and to the West Coast Regional Council as a result of the December 2010 flood event.

The decrease in 2013/14 is mainly due to a transfer of depreciation funding to 2014/15 arising from a revision of the useful life of the Government House main building.

The decrease in 2014/15 is mainly due to the transfer of depreciation funding to the new multi-category appropriation, as well as a reduction in actual costs for emergency expenses.

The increase for 2015/16 is mainly due to a transfer of funding from 2014/15 to the new Government House Building and Assets Multi-Category appropriation to now be used on capital and maintenance expenditure, expected increases in the costs of Emergency Management due to the flooding events of June 2015, and funding received for the transition of functions related to the Canterbury earthquake recovery.

The decrease for 2016/17 is mainly due to the return to baseline funding for Emergency Expenses, as well as the baseline returning to status quo after one-off increases due to expense transfers from 2014/15 for Emergency Management Preparedness Grants.

### *Capital Expenditure*

The decrease in 2012/13 is mainly due to a return to baseline levels of expenditure after the increases in the previous year.

The decrease in 2013/14 is mainly due to reduced capital spend on Government House capital projects reflecting the uncertainty of ongoing baseline funding.

The increase in 2014/15 is mainly due to funding received for the CabNet project to provide an electronic platform to support Cabinet processes.

The decrease in 2015/16 is mainly due to the completion of the CabNet project, offset by transfers of assets from Canterbury Earthquake Recovery Authority.

The increase in 2016/17 is mainly due to transfers from 2015/16 for expected delays in securing vendor contracts for ongoing capital maintenance for Government House, expected expenditure to support increased capability and capacity in Emergency Management, and expected expenditure to establish a New Zealand computer emergency response organisation.

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Canterbury Earthquake Recovery (M85)

##### *Scope of Appropriation*

This appropriation is limited to provision of services supporting the regeneration of greater Christchurch.

##### *Expenses and Revenue*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,922	8,922	20,741
Revenue from the Crown	8,922	8,922	20,741
Revenue from Others	-	-	-

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve support for the regeneration of greater Christchurch including the ongoing provision of corporate capability.

##### *Comparators for Restructured Appropriation*

Vote, Type and Title of Appropriation	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Canterbury Earthquake Recovery, Departmental Output Expense, Policy Advice	2,953	2,953	-
Vote Canterbury Earthquake Recovery, Departmental Output Expense, Managing the Recovery (Part Only - Refer Note 1)	68,702	68,702	-
Vote Prime Minister and Cabinet, Departmental Output Expense, Canterbury Earthquake Recovery	8,922	8,922	20,741
Total	80,577	80,577	20,741

Note 1 - Expenditure against this appropriation also corresponds to other appropriations in Vote Health, Vote Building and Housing, Vote Business, Science and Innovation and Vote Lands.

*How Performance will be Assessed and End of Year Reporting Requirements*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Horizontal Infrastructure</b>			
Monitor and report on progress, timeliness and budget to Minister(s) and the Treasury, at least	4 Monthly	4 Monthly	4 Monthly
The wider Horizontal Infrastructure programme completion, close-out and transition is finalised within the agreed timeframe	Completed on Time	Completed on Time	Completed on time
<b>Policy and Legislation</b>			
The satisfaction of the Minister with the policy and legal advice service, as per the common satisfaction survey (see Note 1)	Minister's expectations are met or exceeded	Minister's expectations are met or exceeded	Minister's expectations are met or exceeded
Technical quality of policy and legal advice papers assessed by a survey with a robust methodology (see Note 2)	90%	90%	90%
<b>Land and Land Use Planning</b>			
All Crown submissions are completed within the statutory timeframes	100%	100%	100%
<b>Leadership/Brokering/Coordination</b>			
The satisfaction of the Minister with the policy advice service, as per the common satisfaction survey (at least)	-	-	80%
Technical quality of policy advice and legal advice papers assessed by a robust methodology (see Note 2)	80%	80%	80%
The Learn, Prepare, Act Symposium and Report are completed by June 2017	Completed	Completed	Completed
<b>Monitoring and Reporting</b>			
Report to the Minister(s) at least six monthly on recovery progress and the performance of the Regenerate Christchurch Board	Achieved	Achieved	Achieved
Provide advice to the Minister on Crown appointments to the Regenerate Christchurch Board, as required (see Note 3)	Achieved	Achieved	Achieved
The total cost per hour of producing outputs	\$100	\$100	\$90-\$120

Note 1 - Reporting on this measure will be covered in the Stakeholder Survey to the Minister supporting Greater Christchurch Regeneration.

Note 2 - The quality characteristics of policy advice to be surveyed with the Minister supporting Greater Christchurch Regeneration in 2016/17 are:

- completeness/alignment (advice meets the Minister's needs)
- timeliness (advice provided in time to meet Cabinet Office and ministerial requirements, or as otherwise agreed)
- robustness (advice received is of high technical quality, considering clarity, accuracy, analytical rigour, fitness for purpose and relevance to the wider context), and
- likelihood to recommend (level to which the Minister will tell other Ministers they have received good policy advice from policy advice units).

Note 3 - Reporting on this measure will be covered through Stakeholder Survey to the Minister supporting Greater Christchurch Regeneration. Achieved means that all the advice provided on appointments meet the Minister's expectations on completeness, quality and timeliness.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2016/17 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Canterbury Earthquake Recovery	2015/16	8,922	21,241	12,056	10,810	10,662

### *Reasons for Change in Appropriation*

This is a new appropriation established as part of the transition from Canterbury Earthquake Recovery Authority (CERA) to other central government agencies. The new appropriation reflects the increased functions and accountabilities transferred to the Department of the Prime Minister and Cabinet.

## **Cyber Security Services (M88)**

### *Scope of Appropriation*

This appropriation is limited to carrying out the functions and services of a national CERT (a New Zealand computer emergency response organisation).

### *Expenses and Revenue*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	5,128
Revenue from the Crown	-	-	5,128
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the establishment and operation of a New Zealand computer emergency response organisation to enhance New Zealand's cyber security and resilience and help prevent cybercrime.

*How Performance will be Assessed and End of Year Reporting Requirements*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
New Zealand businesses have increasing awareness of cyber security risks and available mitigations	New Measure		increase 5 percentage points per annum
New Zealand businesses demonstrate understanding of reporting cyber incidents to the CERT	New Measure		increase 5 percentage points per annum
Establish a baseline from which to evaluate the outcomes of the CERT based on the three objectives for the CERT as set out in the business case and associated performance measures	New Measure		Baseline established

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2016/17 Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Funding to establish and operate a New Zealand computer emergency response organisation - operating expenditure	2016/17	-	5,128	4,977	4,934	4,934

*Reasons for Change in Appropriation*

This is a new appropriation to fund the establishment and operation of a New Zealand computer emergency response organisation.

**2.3 - Departmental Capital Expenditure and Capital Injections****Department of the Prime Minister and Cabinet - Capital Expenditure PLA (M52)***Scope of Appropriation*

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

*Capital Expenditure*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	525	525	2,400



	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Intangibles	400	400	-
Other	50	50	50
<b>Total Appropriation</b>	<b>975</b>	<b>975</b>	<b>2,450</b>

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the renewal, upgrade or redesign of assets in support of the delivery of the department's services.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Expenditure is in accordance with the department's capital asset management plan.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2016/17 Annual Report.

### *Reasons for Change in Appropriation*

The increase in this appropriation is due to the increased funding for the establishment and operation of a New Zealand computer emergency response organisation, and increased funding to support increased capability and capacity in Emergency Management.

### *Capital Injections and Movements in Departmental Net Assets*

#### **Department of the Prime Minister and Cabinet**

Details of Net Asset Schedule	2015/16 Estimated Actual \$000	2016/17 Projected \$000	Explanation of Projected Movements in 2016/17
Opening Balance	8,059	8,534	
Capital Injections	1,160	2,350	Capital injections for the establishment and operation of a computer emergency response organisation, to increase capacity and capability of Emergency Management, and for the direction, coordination and provision of intelligence assessments to support national intelligence priorities
Capital Withdrawals	(685)	(700)	Transfer of accumulated depreciation reserves for information technology assets, as replacements are managed by the Treasury Central Agency Shared Services (CASS)
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>8,534</b>	<b>10,184</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Regenerate Christchurch (M85)

##### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Regenerate Christchurch (M85)</b>	Original Appropriation	20,000
This appropriation is limited to establishment costs and the development of strategies and planning activities, with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch.	Adjustments to 2014/15	-
	Adjustments for 2015/16	-
Commences: 01 July 2016	Adjusted Appropriation	20,000
Expires: 30 June 2021	Actual to 2014/15 Year End	-
	Estimated Actual for 2015/16	-
	Estimated Actual for 2016/17	4,000
	Estimated Appropriation Remaining	16,000

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve strategies and planning activities for the regeneration of areas in Christchurch.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Regenerate Christchurch will operate and deliver its work programme in accordance with the Responsible Minister's and Christchurch City Mayor's Letter of Expectations.	New Measure	-	Achieved

##### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister supporting Greater Christchurch Regeneration in a report appended to the Department of the Prime Minister and Cabinet's 2016/17 Annual Report.

##### *Reasons for Change in Appropriation*

This is a new multi-year appropriation to support the strategies and planning activities for the regeneration of areas in Christchurch.

### 3.4 - Non-Departmental Other Expenses

#### Emergency Expenses (M11)

##### *Scope of Appropriation*

This appropriation is limited to payments to local authorities as provided for under the National CDEM Plan.

##### *Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,000	3,000	2,000

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve provision of financial assistance to local authorities facing emergency management related expenses, through reimbursing them, where eligible, for costs incurred in caring for displaced people; while other eligible response and recovery will be partially reimbursed under the criteria provided for in the National CDEM Plan.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(iii) of the Public Finance Act 1989 on the basis that the amount (or annual average equivalent) of the appropriation is less than \$5 million for expenses.

##### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2016/17 is due to a return to baseline levels after a funding increase in 2015/16 of \$1 million to cover the reimbursements of response and recovery costs to local authorities after flooding events in June 2015.

#### Emergency Management Preparedness Grants (M11)

##### *Scope of Appropriation*

This appropriation is limited to projects endorsed by CDEM Groups and managed or supported by the Ministry of Civil Defence & Emergency Management.

##### *Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,189	1,189	889

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve enhanced preparedness and response capabilities in the local community through provision of contestable funding for relevant projects managed by local authorities. Where practicable, the local authority is encouraged to contribute to the cost of the project.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(iii) of the Public Finance Act 1989 on the basis that the amount (or annual average equivalent) of the appropriation is less than \$5 million for expenses.

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2016/17 is due to the return to base level funding after a one-off transfer into 2015/16 from 2014/15 to reflect delays from local authorities in completing complex projects claims.

**Ex Gratia Payment to the University of Auckland (M52)***Scope of Appropriation*

This appropriation is limited to ex gratia payments to the University of Auckland to enable continued support of Professor Sir Peter Gluckman's own specialised research programme during his membership of the Science Advisory Committee.

*Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	120	120	120

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the provision of high-quality scientific advice to the Prime Minister.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(iii) of the Public Finance Act 1989 on the basis that the amount (or annual average equivalent) of the appropriation is less than \$5 million for expenses.

**Fees for the Commissioner of Security Warrants PLA (M52)***Scope of Appropriation*

The appropriation under permanent legislative authority (the NZSIS Amendment (No. 2) Act 1999) will provide for payments to the Commissioner as an independent judicial officer for the authorisation of domestic security warrants.

*Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	74	74	74

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve remuneration of the Commissioner of Security Warrants.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(ii) of the Public Finance Act 1989 on the basis that end-of-year performance information for the appropriation or category is not likely to be informative, because this appropriation is solely for payments to the Commissioner of Security Warrants for authorisation of domestic security warrants.

**Governor-General's Programme PLA (M52)***Scope of Appropriation*

This appropriation is limited to expenses incurred on the Governor-General's Programme, as authorised by section 13 of the Governor-General Act 2010.

*Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,119	1,119	989

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve strengthening of the office of the Governor-General as a symbol of national unity and leadership and enhancement of New Zealand's sense of nationhood.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(iii) of the Public Finance Act 1989 on the basis that the amount (or annual average equivalent) of the appropriation is less than \$5 million for expenses.

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2016/17 is due to the variable expenditure pattern associated with the Governor-General's official programme.

## Governor-General's Salary and Allowance PLA (M52)

### *Scope of Appropriation*

This appropriation is limited to expenses incurred on the salary, allowance and other payments to the Governor-General, as authorised by section 12 of the Governor-General Act 2010.

### *Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	476	476	576

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve remuneration of the Governor-General.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(ii) of the Public Finance Act 1989 on the basis that end-of-year performance information for the appropriation or category is not likely to be informative, because this appropriation is solely for salary and allowance payments to the Governor-General.

### *Reasons for Change in Appropriation*

This increase in this appropriation for 2016/17 is due to the expected increase in salary costs associated with the transition to the incoming Governor-General.

## Governor-General's Travel Outside New Zealand PLA (M52)

### *Scope of Appropriation*

This appropriation is limited to expenses incurred on the Governor-General's travel outside New Zealand, as authorised by section 14 of the Governor-General Act 2010.

### *Expenses*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	357	357	307

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the enablement of the Governor-General, in the head of state role, to represent New Zealand overseas, in support of the government's foreign policy objectives, to enhance relations between New Zealand and other countries, and to attend events that are important to New Zealand and New Zealanders.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under section 15D(2)(b)(iii) of the Public Finance Act 1989 on the basis that the amount (or annual average equivalent) of the appropriation is less than \$5 million for expenses.

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2016/17 is due to expected lower levels of expenditure in the approved international travel plan.

## Part 4 - Details of Multi-Category Expenses and Capital Expenditure

### Multi-Category Expenses and Capital Expenditure

#### Emergency Management (M11)

##### *Overarching Purpose Statement*

The overarching purpose of this MCA is to support communities to be resilient by enhancing their capacity and capability to manage civil defence emergencies.

##### *Scope of Appropriation*

###### **Departmental Output Expenses**

###### *Community Awareness and Readiness*

This category is limited to the development and delivery of long-term national programmes to raise individual and community awareness and preparedness.

###### *Emergency Sector and Support and Development*

This category is limited to developing and implementing operational policies and projects, advice, assistance and information to the civil defence and emergency management sector.

###### *Management of Emergencies*

This category is limited to management of national emergency readiness, response and recovery, including support to local civil defence emergency management organisations, maintaining the National Crisis Management Centre in a state of readiness, national training and exercises, coordination and management of central government's response and recovery activities and administration of related expenses.

###### *Policy Advice - Emergency Management*

This category 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 relating to civil defence emergency matters.

##### *Expenses, Revenue and Capital Expenditure*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	12,414	12,254	11,660
<b>Departmental Output Expenses</b>			
Community Awareness and Readiness	2,131	2,131	1,938
Emergency Sector and Support and Development	5,988	5,828	5,574
Management of Emergencies	3,938	3,938	3,705
Policy Advice - Emergency Management	357	357	443



	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	11,748	11,588	11,430
Community Awareness and Readiness	2,108	2,108	1,915
Emergency Sector and Support and Development	5,453	5,293	5,453
Management of Emergencies	3,830	3,830	3,619
Policy Advice - Emergency Management	357	357	443
<b>Revenue from Others</b>	666	666	230
Community Awareness and Readiness	23	23	23
Emergency Sector and Support and Development	535	535	121
Management of Emergencies	108	108	86

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the enablement and facilitation of leadership in promoting resilience to hazard risks and development of capability and capacity in civil defence emergency management.

### *How Performance will be Assessed for this Appropriation*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
New Zealand communities are aware of their hazards and risks, are prepared, and are able to respond and recover from an emergency.	85%	85%	To be discontinued

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Community Awareness and Readiness</b>			
This category is intended to ensure that programmes are in place to enable the community to prepare and react to emergency events			
Availability of the civil defence website 24 hours a day, 7 days a week, at least:	99.9%	99.9%	99.9%
Each year increase the percentage of New Zealanders who describe themselves as "fully prepared", which means: have an emergency survival plan that includes what to do when not at home, have emergency items and water, and regularly update emergency survival items.	15.5%	15.5%	Discontinued in 2016/17

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The proportion of New Zealanders who describe themselves as "fully prepared", which means: have an emergency survival plan that includes what to do when not at home, have emergency items and water, and regularly update emergency survival items, will increase on the previous year by between:	New measure	New measure	1 to 2%
Each year increase the percentage of New Zealanders who describe themselves as "prepared at home", which means: have an emergency survival plan that includes what to do when at home, have emergency items and water, and regularly update emergency survival items.	30.5%	30.5%	Discontinued in 2016/17
The proportion of New Zealanders who describe themselves as "prepared at home", which means: have an emergency survival plan that includes what to do when at home, have emergency items and water, and regularly update emergency survival items, will increase on the previous year by between:	New measure	New measure	1 to 2%
<b>Emergency Sector and Support and Development</b>			
This category is intended to develop and implement operational policies and projects, advice, assistance and information to the civil defence and emergency management sector.			
Director Guidelines, Technical Standards, Codes and other civil defence and emergency management sector information publications maintained.	4	5	Discontinued in 2016/17
The number of Director Guidelines, Technical Standards, Codes and other civil defence emergency management information publications that are either reviewed or published will be, at least:	New measure	New measure	2 per year
Satisfaction assessed as 'Good' or 'Very Good', in relation to: (see Note 1)			
<ul style="list-style-type: none"> <li>Civil Defence and Emergency Management Group - coverage of the Guidelines, Technical Standards, Codes and other publications.</li> </ul>	80%	80%	Discontinued in 2016/17
<ul style="list-style-type: none"> <li>Coverage of the new Guidelines, Technical Standards, Codes and other publications.</li> </ul>	New measure	New measure	80%
<ul style="list-style-type: none"> <li>Quality of the new Guidelines, Technical Standards, Codes and other publications.</li> </ul>	80%	80%	80%
<ul style="list-style-type: none"> <li>The quality of the newsletters / updates - 16-20 issues.</li> </ul>	80%	80%	80%
Facilitate civil defence emergency management courses or workshops annually, at least:	3	5	3
The number of CDEM initiatives developed or implemented in partnership with public sector, private sector and/or the not-for-profit sector, will be, between:	New measure	New measure	5 - 6

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Management of Emergencies</b>			
This category is intended to enable management of national emergency readiness, response and recovery operations.			
National Warning System tests conducted, at least:	4	4	4
National warning issued within 30 minutes after the notification of a pending event that exceeds the thresholds.	100%	100%	Discontinued in 2016/17
National warning issued within 15 minutes after a decision	New measure	New measure	100%
National warning distribution list - accuracy of contact details (at each warning or test), at least:	95%	95%	95%
Stakeholder satisfaction with the timing and content of national warning messages.	Assessed Satisfied or better (at least 85%)	85%	Discontinued in 2015/16
National Crisis Management Centre managed, during activations, with:			
<ul style="list-style-type: none"> <li>Staffing in place according to the activation mode within two hours.</li> </ul>	100%	100%	100%
<ul style="list-style-type: none"> <li>Essential information technology systems available and operating at agreed performance levels.</li> </ul>	95%	All	95%
<ul style="list-style-type: none"> <li>Back-up information technology stems and equipment fully functional, at least.</li> </ul>	99.8%	99.8%	99.8%
<ul style="list-style-type: none"> <li>Co-ordination and management consistent with the Response Concept of Operations for extended activations.</li> </ul>	100%	100%	100%
National Crisis Management Centre activations reviewed:			
<ul style="list-style-type: none"> <li>Mode 2 or higher activations - within three months.</li> </ul>	100%	100%	100%
<ul style="list-style-type: none"> <li>Approved recommendations (lessons identified) actioned - within set timeframes.</li> </ul>	100%	100%	100%
<b>Policy Advice - Emergency Management</b>			
This category is intended to ensure that decisions by Ministers on matters relating to civil defence emergency management are supported with world-class advice, assessments and processes.			
Technical quality of policy advice papers and legal advice assessed by a robust methodology.	95%	95%	95%
Minister's satisfaction with the quality of policy advice (quarterly) (see Note 2), assessed as "satisfied" or better.	100%	100%	95%
Total cost per hour of producing outputs.	\$90-\$120	\$135	\$90-\$120

Note 1 - Satisfaction performance measure involves a five point scale, either numerical 1-5 (with '5' the highest rating) or qualitative: Very Good, Good, Satisfied, Poor and Very Poor.

Note 2 - Satisfaction performance measure involves a 10 point scale (with '10' the highest rating).

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2016/17 Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Funding to address diseconomies of scale resulting from transfer of emergency management functions from Vote Internal Affairs.	2013/14	570	570	570	570	570
Funding to increase capacity and capability to manage emergencies.	2016/17	-	730	1,800	1,800	1,800
Funding for operating costs for the Christchurch Justice and Emergency Services Precinct	2016/17	-	40	40	-	-

*Reasons for Change in Appropriation*

In 2016/17 new funding will increase capacity and capability to manage emergencies, and new funding for operating costs for the Christchurch Justice and Emergency Services Precinct.

Funding for 2015/16 was higher due to:

- \$913,000 transfer from categories in Policy Advice and Support Services multi-category appropriation to reflect a recalibration of corporate costs across the Department
- \$436,000 for overseas aid for civil defence and emergency management funded by recoveries from the Ministry of Foreign Affairs and Trade, and recoverable communications activities, and
- \$175,000 expense transfers from 2014/15.

**Government House Buildings and Assets (M52)***Overarching Purpose Statement*

The overarching purpose of this appropriation is maintaining the Government House buildings and related assets in Wellington and Auckland to the standards necessary to fulfil their constitutional, ceremonial and community roles.

*Scope of Appropriation***Non-Departmental Other Expenses***Depreciation of Crown Assets*

This category is limited to depreciation expenses on the Government House buildings and related assets.

*Government House - Maintenance*

This category is limited to the ongoing maintenance of the Government House buildings and related assets, and the grounds on which they are located.

*Loss on Disposal of Crown Assets*

This category is limited to loss on disposal of Government House precinct buildings and related assets.

**Non-Departmental Capital Expenditure***Government House - Capital Investment*

This category is limited to investment necessary to preserve the functionality and value of the Government House buildings and related assets.

*Expenses, Revenue and Capital Expenditure*

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	3,785	3,185	3,782
<b>Non-Departmental Other Expenses</b>			
Depreciation of Crown Assets	1,792	1,792	1,962
Government House - Maintenance	1,014	914	600
Loss on Disposal of Crown Assets	-	-	170
<b>Non-Departmental Capital Expenditure</b>			
Government House - Capital Investment	979	479	1,050

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve an ongoing programme of planned capital and maintenance for Government Houses.

*How Performance will be Assessed for this Appropriation*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The Governor-General's official residences are well maintained with maintenance, heritage and gardening plans adhered to.	Plans are adhered to	Plans are adhered to	Plans are adhered to

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Non-Departmental Other Expenses</b>			
<b>Depreciation of Crown Assets</b>			
This category is intended to achieve the funding of depreciation expenses for Government House buildings and related assets.			
An exemption was granted under section 15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for depreciation expenses on Government Houses in Wellington and Auckland and their contents.	Exempt	Exempt	Exempt
<b>Government House - Maintenance</b>			
This category is intended to achieve the maintenance of all Government House properties to the standard required.			
An exemption was granted under section 15D(2)(b)(iii) of the PFA, as the amount of the annual appropriation is less than \$5 million for expenses.	Exempt	Exempt	Exempt

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Loss on Disposal of Crown Assets</b>			
This category is intended to achieve the provision of funding for any loss on disposal of Government House property.			
An exemption was granted under section 15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for loss on disposal of Crown Assets.	Exempt	Exempt	Exempt
<b>Non-Departmental Capital Expenditure</b>			
<b>Government House - Capital Investment</b>			
This category is intended to achieve preservation of the functionality and value of Government House buildings and assets			
An exemption was granted under section 15D(2)(b)(iii) of the PFA, as the amount of the appropriation is less than \$15 million for capital expenditure	Exempt	Exempt	Exempt

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in a report appended to its 2016/17 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Government House - Maintenance Non-Departmental Other Expenses	2016/17	-	600	600	600	600
Government House - Capital Investment Non-Departmental Capital expenses	2016/17	-	400	400	400	400

## **Policy Advice and Support Services (M52)**

### *Overarching Purpose Statement*

The overarching purpose of this appropriation is to provide policy advice to support decision-making by the Prime Minister and the Cabinet and provide support services to the Prime Minister, Cabinet and its committees, the Executive Council, and the Governor General.

## Scope of Appropriation

### Departmental Output Expenses

#### *National Security Priorities and Intelligence Coordination*

This category is limited to leadership and coordination around national security matters, leading collaboration within the New Zealand intelligence community and providing intelligence assessments to support national security priorities.

#### *Policy Advice - Prime Minister and Cabinet*

This category 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 the Prime Minister and the Cabinet.

#### *Science Advisory Committee*

This category is limited to the purchase of high-quality scientific advice to the Prime Minister.

#### *Support Services to the Governor-General and Maintenance of the Official Residences*

This category is limited to financial, administrative, communications and advisory services for the Governor-General; and services to maintain the Governor-General's residences.

#### *Support, Secretariat and Coordination Services*

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities including support for the coordination of the Government's legislation programme; secretariat services to the Executive Council, Cabinet and its committees; and administration of the New Zealand Honours system.

## Expenses, Revenue and Capital Expenditure

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	27,973	27,273	24,726
<b>Departmental Output Expenses</b>			
National Security Priorities and Intelligence Coordination	8,834	8,834	9,991
Policy Advice - Prime Minister and Cabinet	6,811	6,111	4,131
Science Advisory Committee	725	725	675
Support Services to the Governor-General and Maintenance of the Official Residences	4,008	4,008	4,139
Support, Secretariat and Coordination Services	7,595	7,595	5,790
<b>Funding for Departmental Output Expenses</b>			

	2015/16		2016/17
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Revenue from the Crown</b>	27,023	26,323	24,696
National Security Priorities and Intelligence Coordination	8,484	8,484	9,991
Policy Advice - Prime Minister and Cabinet	6,351	5,651	4,131
Science Advisory Committee	675	675	675
Support Services to the Governor-General and Maintenance of the Official Residences	3,978	3,978	4,109
Support, Secretariat and Coordination Services	7,535	7,535	5,790
<b>Revenue from Others</b>	950	950	30
National Security Priorities and Intelligence Coordination	350	350	-
Policy Advice - Prime Minister and Cabinet	460	460	-
Science Advisory Committee	50	50	-
Support Services to the Governor-General and Maintenance of the Official Residences	30	30	30
Support, Secretariat and Coordination Services	60	60	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the enablement and facilitation of decision making by executive government through the delivery of policy advice and support services to the Prime Minister, Cabinet and its committees, the Executive Council and the Governor-General.

### *How Performance will be Assessed for this Appropriation*

	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Increasing proportion of Better Public Services result areas on track to achieve their targets.	8	6	6
Overall service quality of Public Services improves over time.	Service quality score for Kiwis Count improved	0.74	0.745



*What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>National Security Priorities and Intelligence Coordination</b>			
This category is intended to ensure that New Zealand has world-class processes in place to deal with national security events and emergencies, and an intelligence community that is trusted, integrated, customer-oriented and crucial to building national resilience (refer Note 1)			
Advice and guidance on policies and preparation for strengthening national security is fully integrated, timely and of high quality.	Meets expectations	Meets expectations	Meets expectations
Assessments provided to inform Ministers and senior officials of risks and opportunities relating to New Zealand interests are accurate and succinct.	95%	98%	95%
Ministers and senior officials have confidence that assessments provided are of high quality and of policy relevance to New Zealand, assessed as the proportion of stakeholders whose expectations are met or exceeded.	90%	90%	90%
All-of-government responses to national crises and events are effectively coordinated and managed, assessed as the proportion of stakeholders whose expectations are met or exceeded (see Note 2).	90%	90%	90%
<b>Policy Advice - Prime Minister and Cabinet</b>			
This category is intended to ensure that decisions by the Prime Minister and Cabinet are supported with world-class advice, assessments and processes.			
The satisfaction of the Prime Minister and Cabinet with the policy advice service, as per the common satisfaction survey (see Note 3).	Exceeds expectations	Exceeds expectations	Exceeds expectations
The total cost per hour of producing outputs.	\$105	\$77	\$90-\$120
<b>Science Advisory Committee</b>			
This category is intended to achieve the provision of high-quality scientific advice to the Prime Minister.			
Advice produced is relevant to policymaking, is high quality, and meets the Prime Minister's expectations.	Prime Minister's expectations are met or exceeded	Prime Minister's expectations are met	Prime Minister's expectations are met or exceeded

Assessment of Performance	2015/16		2016/17
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Support Services to the Governor-General and Maintenance of the Official Residences</b>			
This category is intended to ensure the Governor-General is appropriately advised and supported in carrying out his or her constitutional, ceremonial, community and international roles. This is intended to be achieved through effective advisory, operational, financial, administrative and communications support being provided to the Governor-General. It is also intended to ensure that the official residences are appropriately maintained.			
Support to the Governor-General is efficient and effective.	Governor-General's expectations met or exceeded	Meets expectations and feedback is positive	Governor-General's expectations met or exceeded
Events at the Government House are well organised.	Governor-General's expectations met or exceeded	Meets expectations and feedback is positive	Governor-General's expectations met or exceeded
The Governor-General's official residences are well maintained, with maintenance, heritage and gardening plans adhered to.	Plans are adhered to	Plans are adhered to	Plans are adhered to
Management of the Governor-General's domestic and international programme is appropriate and well-balanced.	Governor-General's expectations met or exceeded	Meets expectations and feedback is positive	Governor-General's expectations met or exceeded
<b>Support, Secretariat and Coordination Services</b>			
This category is intended to achieve the provision of effective support to the Prime Minister and Ministers to enable them to discharge their portfolio responsibilities, and to support the coordination of the Government's legislation programme, provide secretarial services to the Executive Council, Cabinet, and its committees, and to administer the New Zealand Honours system.			
Cabinet and Cabinet committee minutes requiring subsequent amendment (excluding amendments made as the result of Cabinet decisions).	0.5%	0.5%	0.5%
Papers for Cabinet and Cabinet committee meetings will be published on CabNet by the close of business, two business days before the meeting (subject to on-time lodgement in CabNet).	90%	90%	90%
Cabinet minutes will be published on CabNet within three business days of the Cabinet meeting.	95%	95%	95%
Formal feedback from the Governor-General and the Prime Minister on services provided.	Overall expectations are met or exceeded	Meets expectations	Overall expectations are met or exceeded

Note 1 - The National Security Priorities and Intelligence Coordination category encompasses three primary functions: gathering information, assessment of information and intelligence coordination.

Note 2 - Reporting on this measure will cover the satisfaction of stakeholders with the support DPMC provides to ODESC governance boards, as well as satisfaction with the national exercise programme and responses to national security events.

Note 3 - The quality characteristics of policy and scientific advice to be surveyed with the Prime Minister in 2016/17 are:

- completeness/alignment (advice meets the Prime Minister's needs)
- timeliness (advice provided in time to meet Cabinet Office and ministerial requirements, or as otherwise agreed)
- robustness (advice received is of high technical quality, considering clarity, accuracy, analytical rigour, fitness for purpose and relevance to the wider context), and
- likelihood to recommend (level to which the Prime Minister will tell other Ministers they have received good policy advice from policy advice units).

Note 4 - The higher the robustness score, the stronger the quality of the completed assessment.

Note - Alongside the other central agencies, the department plays a system-level coordination and leadership role within the State Sector and therefore has an important role in enhancing the wider State Sector's performance.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2016/17 Annual Report.

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2016/17 is due to completed projects for which there was a transfer from 2014/15 to 2015/16; including CabNet, information technology expenditure and secondment costs, which are recovered from other agencies; partially offset by an increase in funding for the direction, coordination and provision of intelligence assessments to support national intelligence priorities.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Funding for the direction, coordination and provision of intelligence assessments to support national intelligence priorities	2016/17	-	1,200	1,700	2,500	3,300
New Better Public Services (BPS) Seed Funding for development of a Computer Emergency Response Team (CERT) business case.	2015/16	350	-	-	-	-
Revised funding to the Science Advisory Committee due to a new Memorandum of Understanding	2015/16	120	120	120	120	120
Share of costs for Budget 2015 whole-of-government initiatives	2015/16	(89)	(79)	(57)	(43)	(43)
Rephasing of baseline to address future cost pressures	2014/15	110	110	110	110	-
Additional funding to support CabNet	2014/15	1,312	1,312	1,462	1,462	1,462
Strengthening capability on security and risk management	2013/14	330	330	330	330	330
Address on-going fiscal cost pressures	2013/14	2,170	2,170	2,170	2,170	2,170
Reappointment of Chief Science Advisor	2013/14	457	457	457	457	457

Policy Initiative	Year of First Impact	2015/16 Final Budgeted \$000	2016/17 Budget \$000	2017/18 Estimated \$000	2018/19 Estimated \$000	2019/20 Estimated \$000
Increase the capability of intelligence co-ordination and strategic communications	2013/14	600	600	600	600	600
To implement a secure, shared platform to improve the Cabinet support system (CabNet project)	2012/13	1,639	1,639	1,639	1,639	1,639
Establishment of the National Cyber Policy Office	2012/13	1,000	1,000	1,000	1,000	1,000
To establish a visitor centre at Government House, Wellington	2012/13	180	180	180	180	180
Government efficiency dividend	2012/13	(488)	(488)	(488)	(488)	(488)
Increase capability funding for Prime Minister and Cabinet's Intelligence Group	2011/12	390	390	390	390	390