

# *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)

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 2017/18 financial year which cover the following:

- a total of nearly \$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 nearly \$11 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 \$795,000 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 \$730,000 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 \$300,000 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 of Crown assets (Government Houses and their contents).

The Prime Minister is also responsible for a capital injection of \$200,000 to the Department of the Prime Minister and Cabinet.

The Minister supporting Greater Christchurch Regeneration is responsible for appropriations in Vote Prime Minister and Cabinet for the 2017/18 year which cover the following:

- a total of over \$16 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 2017/18 financial year which cover the following:

- a total of over \$16 million for ensuring the effective delivery and responsiveness of New Zealand's civil defence emergency management services
- a total of \$5 million under permanent legislative authority (Civil Defence Emergency Management Act 2002) for reimbursing a local authority for, or meeting, expenses incurred by a local authority in

connection with an emergency as authorised by section 115A of the Civil Defence Emergency Management Act 2002

- a total of \$720,000 to support the rehabilitation of Kaikōura Harbour
- a total of nearly \$2 million for a contribution to Kaikōura District Council to support additional resilience, capacity, improved materials, or other alternatives to the original infrastructure as part of restoration of essential infrastructure systems
- 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 and support to Local Government for emergency management preparation.

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	2016/17		2017/18
	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.	19,546	18,346	12,030
<b>Total Departmental Output Expenses</b>	19,546	18,346	12,030
<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.	513	513	300
<b>Total Departmental Capital Expenditure</b>	513	513	300
<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.	2,450	2,450	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.	889	639	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.	1,289	1,289	1,139
<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.	650	650	400
<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.	307	307	307
<b>Local Authority Emergency Expenses PLA (M11)</b> This appropriation is limited to reimbursing a local authority for, or meeting, expenses incurred by a local authority in connection with an emergency as authorised by section 115A of the Civil Defence Emergency Management Act 2002.	65,000	65,000	5,000
<b>Rehabilitation of Kaikōura Harbour (M11)</b> This appropriation is limited to a contribution to the Kaikōura District Council acting on behalf of Environment Canterbury for work necessary to restore the functionality of Kaikōura Harbour.	5,000	5,000	720

Titles and Scopes of Appropriations by Appropriation Type	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Restoration of Kaikōura District Three Waters Network (M11)</b> This appropriation is limited to a contribution to Kaikōura District Council to support additional resilience, capacity, improved materials, or other alternatives to the original infrastructure as part of restoration of essential infrastructure systems.	600	600	1,800
<b>Total Non-Departmental Other Expenses</b>	76,379	76,129	12,449
<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.	25,556	25,229	16,238
<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.	3,753	3,553	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.	6,127	6,000	5,644
<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.	15,106	15,106	7,713
<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.	570	570	943
<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.	4,062	3,812	3,292
<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.	1,962	1,962	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.	1,050	1,050	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	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.	880	630	730

Titles and Scopes of Appropriations by Appropriation Type	2016/17		2017/18
	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> 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.	27,050	26,700	25,333
<i>Departmental Output Expenses</i>			
<i>National Security Priorities and Intelligence Coordination</i> 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.	10,013	9,913	10,513
<i>Policy Advice - Prime Minister and Cabinet</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 the Prime Minister and the Cabinet.	6,708	6,458	3,996
<i>Science Advisory Committee</i> This category is limited to the purchase of high-quality scientific advice to the Prime Minister.	725	725	675
<i>Support Services to the Governor-General and Maintenance of the Official Residences</i> This category is limited to financial, administrative, communications and advisory services for the Governor-General; and services to maintain the Governor-General's residences.	3,888	3,888	4,209
<i>Support, Secretariat and Coordination Services</i> 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.	5,716	5,716	5,940
<b>Total Multi-Category Expenses and Capital Expenditure</b>	56,668	55,741	44,863
<b>Total Annual and Permanent Appropriations</b>	153,106	150,729	69,642

## 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> 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.  Commences: 01 July 2016  Expires: 30 June 2021	Original Appropriation Adjustments to 2015/16 Adjustments for 2016/17 Adjusted Appropriation  Actual to 2015/16 Year End Estimated Actual for 2016/17 Estimated Actual for 2017/18 Estimated Appropriation Remaining	20,000 - 1,073 21,073  - 5,073 4,000 12,000

## Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual and Permanent Appropriations	153,106	150,729	69,642
Total MYA Non-Departmental Output Expenses Forecasts	5,073	5,073	4,000
<b>Total Annual and Permanent Appropriations and Multi-Year Appropriation Forecasts</b>	<b>158,179</b>	<b>155,802</b>	<b>73,642</b>

## Capital Injection Authorisations

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Department of the Prime Minister and Cabinet - Capital Injection (M52)	163	163	200

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Funding for a contribution to Kaikōura District Council to restore the three waters network	Restoration of Kaikōura District Three Waters Network	600	1,800	-	-	-
Funding for the Rehabilitation of Kaikōura Harbour	Rehabilitation of Kaikōura Harbour	5,000	720	-	-	-
New appropriation for the purposes of reimbursing, or meeting, expenses incurred by local authorities in connection with an emergency	Local Authority Emergency Expenses PLA	65,000	5,000	5,000	5,000	5,000
Total Initiatives		70,600	7,520	5,000	5,000	5,000



## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2012/13	2013/14	2014/15	2015/16	2016/17		2017/18			2018/19	2019/20	2020/21
	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	14,305	24,619	23,419	12,030	4,000	16,030	14,784	14,636	6,974
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	13,422	4,554	3,431	5,576	76,379	76,129	-	12,449	12,449	9,929	9,929	9,929
Capital Expenditure	781	362	4,443	492	513	513	300	-	300	400	100	100
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	31,135	24,733	34,389	37,784	52,606	51,929	41,571	-	41,571	41,563	42,358	43,158
<i>Other Expenses</i>	-	-	612	1,560	3,182	3,182	-	2,562	2,562	2,562	2,562	2,562
<i>Capital Expenditure</i>	-	-	54	250	880	630	N/A	730	730	800	800	550
<b>Total Appropriations</b>	45,338	29,649	46,262	59,967	158,179	155,802	53,901	19,741	73,642	70,038	70,385	63,273
<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

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

### 1.3 - Analysis of Significant Trends

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

#### *Output Expenses*

An appropriation was established in 2014/15 for the Flag Consideration Project.

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

The increase in 2016/17 was 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.

The decrease in 2017/18 is mainly due to the completion of some activities that transitioned from the Canterbury Earthquake Recovery Authority (CERA) to the Department of the Prime Minister and Cabinet following the disestablishment of CERA in April 2016. This appropriation will continue to decrease in the outyears as the Canterbury earthquake recovery activities come to an end and/or are transferred to local agencies, leaving a residual function in the Department of the Prime Minister and Cabinet.

#### *Other Expenses*

The decrease in 2013/14 was 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 was mainly due to the transfer of depreciation funding to the new multi-category appropriation, as well as a reduction in actual costs for Emergency Management.

The increase in 2015/16 was mainly due to an increase in the costs of Emergency Management as a result of floods in June 2015.

The increase in 2016/17 was mainly due to \$60 million provided for reimbursement to local authorities for the expenses incurred by them in connection with the November 2016 Kaikōura earthquake and tsunami, the implementation of a Cell Broadcast Alerting capability and \$5 million for the rehabilitation of Kaikōura Harbour.

The decrease in 2017/18 is due to a return to a base level of expenditure for the reimbursement of emergency expenses to local authorities. This is subject to change in the event of a significant Civil Defence emergency.

*Capital Expenditure*

The decrease in 2013/14 was mainly due to reduced capital expenditure on Government House projects.

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

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

The increase in 2016/17 and subsequent decrease in 2017/18 is mainly due to the cyclical nature of the routine replacement of the Department's fixed assets.

*Multi-Category Output Expenses*

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 partially offset by increases due to expense transfers from 2012/13 for the Central Agencies Shared Services development programme 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 was mainly due to a full year of costs to administer emergency management functions transferred from Vote Internal Affairs.

The increase in 2016/17 was mainly due to increased funding support to capability and capacity in Emergency Management and the implementation of Cell Broadcast Alerting capacity.

The decrease in 2017/18 is mainly due to a reduction in the departmental costs of supporting the response to, and the recovery from, the November 2016 Kaikōura earthquake and tsunami, a reduction in overseas aid for civil defence emergency management and a reduction in revenue from other Departments for the Policy Project.

*Multi-Category Other Expenses*

This category was established in 2014/15 for the depreciation and maintenance of Government House.

Changes since 2015/16 have mainly been the result of the cyclical nature of Government House maintenance costs. Expenditure is expected to be consistent in the outyears.

*Multi-Category Capital Expenditure*

This category was established in 2014/15 to preserve the functionality and value of Government House.

Changes since 2015/16 have mainly been the result of delays in securing vendor contracts for ongoing capital maintenance and the cyclical nature of the routine replacement of fixed assets. Expenditure is expected to be consistent in the outyears.

## 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	19,546	18,346	12,030
Revenue from the Crown	19,546	18,346	12,030
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.

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

	2016/17		2017/18
	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 of the Horizontal Infrastructure programme to Minister(s) and the Treasury, at least twice per year (See Note 1)	Achieved	Achieved	Achieved
The Christchurch Horizontal Infrastructure programme completion, close-out and transition is finalised by 30 June 2017 (see Note 2)	Achieved	Achieved	Discontinued in 2017/18
The Waimakariri Horizontal Infrastructure programme physical works completed by 30 June 2018	New measure	New measure	Achieved
<b>Policy and Legislation</b>			
The satisfaction of the responsible Minister with policy advice service, as measured using the Common Satisfaction Survey (see Note 3), is at least	6	6	6
A sample of policy advice fits within the target ranges for quality (see Note 4)	Achieved	Achieved	Achieved
<b>Land and Land Use Planning</b>			
All Crown feedback, reviews and appeals are completed within the statutory and hearings panel timeframes	100%	100%	100%

Assessment of Performance	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Leadership/Brokering/Coordination</b>			
The satisfaction of the responsible Minister with the leadership/brokering/coordination role as measured using the Common Satisfaction Survey is at least (see Note 3)	6	6	6
The Whole of Government Lessons Learnt Report is completed by June 2017 (see Note 5)	Completed	Completed	Discontinued in 2017/18
<b>Monitoring and Reporting</b>			
Report to the Minister(s) at least twice per year on recovery/regeneration progress and the performance of the Regenerate Christchurch Board (see Note 6)	Achieved	Achieved	Achieved
The satisfaction of the responsible Minister with the monitoring and reporting activity, as measured using the Common Satisfaction Survey, is at least (see Note 3)	6	6	6
The total cost per hour of producing outputs	\$90-120	\$105	\$90-\$120

Note 1 - This measure has been revised to improve consistency and focus on the number of reports instead of the timing of reporting.

Note 2 - This measure has been revised to clarify that it is related to the Christchurch Horizontal Infrastructure programme. The measure also required a target date for completion.

Note 3 - The Common Satisfaction Survey measures Ministers' satisfaction with the quality, timeliness and value for money of policy advice on a scale from 1 to 10, where 1 means fell well short of expectations and 10 means far exceeded expectations.

Note 4 - A sample of the Department's policy advice will be assessed by a panel using the Policy Project quality framework. The target ranges for the quality of our policy advice are: that 70% of our assessed papers will score 7 or more, and that 30% will score 8 or more out of 10, with 10 being the highest quality.

Note 5 - Discontinued in 2017/18 because the report will be completed by June 2017.

Note 6 - This measure has been revised to reflect the current stage of the rebuild/regeneration rather than recovery. A focus has also been placed on the number of reports produced rather than frequency of reporting.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2017/18 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Canterbury Earthquake Recovery	2015/16	21,241	12,056	10,810	10,662	3,000

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is due to a \$7.516 million reduction as a result of the completion of some activities that transitioned from the Canterbury Earthquake Recovery Authority (CERA) to the Department of the Prime Minister and Cabinet following the disestablishment of CERA in April 2016.

**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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	463	463	250
Intangibles	-	-	-
Other	50	50	50
<b>Total Appropriation</b>	<b>513</b>	<b>513</b>	<b>300</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 2017/18 Annual Report.

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is due to a \$213,000 reduction in the costs of replacement of the Department's fixed assets, which is of a cyclical nature.

*Capital Injections and Movements in Departmental Net Assets***Department of the Prime Minister and Cabinet**

Details of Net Asset Schedule	2016/17 Estimated Actual \$000	2017/18 Projected \$000	Explanation of Projected Movements in 2017/18
Opening Balance	8,534	7,997	
Capital Injections	163	200	Capital injections for the direction, coordination and provision of intelligence assessments to support national intelligence priorities.
Capital Withdrawals	(700)	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>7,997</b>	<b>8,197</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 2015/16	-
	Adjustments for 2016/17	1,073
Commences: 01 July 2016	Adjusted Appropriation	21,073
Expires: 30 June 2021	Actual to 2015/16 Year End	-
	Estimated Actual for 2016/17	5,073
	Estimated Actual for 2017/18	4,000
	Estimated Appropriation Remaining	12,000

##### *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	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Regenerate Christchurch will lead and contribute to the regeneration of Christchurch in accordance with its purpose, objective and functions set out in the Greater Christchurch Regeneration Act 2016, and with the responsible Minister's and Christchurch City Mayor's Letter of Expectations (see Note 1)	Achieved	Achieved	Achieved

Note 1 - In the absence of Regenerate Christchurch's final work programme, the measure and standard have been updated to ensure Regenerate Christchurch meets its statutory requirements.

##### *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 2017/18 Annual Report.



### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Funding for the development of strategies and planning activities with communities, stakeholders and decision-makers, for the regeneration of areas in Christchurch	2015/16	4,000	4,000	4,000	4,000	4,000

## 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,450	2,450	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 costs will be partially reimbursed under the criteria provided for in the National CDEM Plan.

The scope and purpose of this appropriation will be reviewed during 2017/18 as a new non-departmental other expenses appropriation, Local Authority Emergency Expenses PLA, was established in December 2016. That new appropriation is also intended to achieve provision of financial assistance to local authorities facing emergency related expenses and was established with permanent legislative authority.

#### *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 2017/18 is \$450,000 due to an expected reduction in emergency payments to local authorities from this appropriation.

## 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	889	639	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.

## 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*

	2016/17		2017/18
	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*

	2016/17		2017/18
	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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,289	1,289	1,139

### *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 2017/18 is \$150,000 due to the variable expenditure pattern of 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	650	650	400

*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 decrease in this appropriation for 2017/18 is \$250,000 due to the inclusion of the costs of transition to the new Governor-General in 2016/17.

**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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	307	307	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.

**Local Authority Emergency Expenses PLA (M11)***Scope of Appropriation*

This appropriation is limited to reimbursing a local authority for, or meeting, expenses incurred by a local authority in connection with an emergency as authorised by section 115A of the Civil Defence Emergency Management Act 2002.

*Expenses*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	65,000	65,000	5,000

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve reimbursement of local authorities for the purposes of reimbursing, or meeting, expenses incurred by them in connection with an emergency as authorised by section 115A of the Civil Defence Emergency Management Act 2002.

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

	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Claims received against the appropriation will be assessed in conjunction with approved criteria as set out in clause 33 of the Guide to the National Civil Defence Emergency Management Plan	100%	100%	100%

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Civil Defence in a report appended to the Department of the Prime Minister and Cabinet's 2017/18 Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
New appropriation for the purposes of reimbursing, or meeting, expenses incurred by local authorities in connection with an emergency	2016/17	65,000	5,000	5,000	5,000	5,000

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is due to recognising \$60 million in the previous year's budget for reimbursement to Local Authorities for expenses incurred by them in connection with the November 2016 Kaikōura earthquake and tsunami.

**Rehabilitation of Kaikōura Harbour (M11)***Scope of Appropriation*

This appropriation is limited to a contribution to the Kaikōura District Council acting on behalf of Environment Canterbury for work necessary to restore the functionality of Kaikōura Harbour.

*Expenses*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,000	5,000	720

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the restoration of the functionality of Kaikōura Harbour.

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

Assessment of Performance	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Work to restore the functionality of Kaikōura Harbour is completed in accordance with the project plan by 30 June 2018	New Measure	New Measure	Achieved

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Civil Defence in a report appended to the Department of the Prime Minister and Cabinet's 2017/18 Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Rehabilitation of Kaikōura Harbour	2016/17	5,000	720	-	-	-

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is due to:

- \$5 million decrease due to the substantial programme of work to dredge the harbour being completed in 2016/17, and
- \$720,000 further contribution to Kaikōura Harbour rehabilitation in 2017/18.

*Conditions on Use of Appropriation*

Reference	Conditions
Kaikōura Earthquake: Support for Rehabilitating Kaikōura Harbour	Agreed that the Kaikōura District Council be able to drawdown the funding in phases by approval from the Minister of Civil Defence, based on recommendations from the joint governance group.

**Restoration of Kaikōura District Three Waters Network (M11)***Scope of Appropriation*

This appropriation is limited to a contribution to Kaikōura District Council to support additional resilience, capacity, improved materials, or other alternatives to the original infrastructure as part of restoration of essential infrastructure systems.

*Expenses*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	600	600	1,800

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve some additional resilience, capacity or other improvements where appropriate to the Kaikōura District three waters network.

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

Assessment of Performance	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Additional resilience or other improvements to support the restoration of infrastructure systems are carried out as recommended by the Infrastructure and Facilities Rebuild Steering Group	Achieved	Achieved	Achieved

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Civil Defence in a report appended to the Department of the Prime Minister and Cabinet's 2017/18 Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Grant to support the restoration of Kaikōura District three waters network	2016/17	600	1,800	0	0	0

*Reasons for Change in Appropriation*

This is a new appropriation to support restoration of the Kaikōura District Council's essential infrastructure assets, particularly the three waters network, with some additional resilience, capacity or other improvements where appropriate.



## 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>25,556</b>	<b>25,229</b>	<b>16,238</b>
<b>Departmental Output Expenses</b>			
Community Awareness and Readiness	3,753	3,553	1,938
Emergency Sector and Support and Development	6,127	6,000	5,644
Management of Emergencies	15,106	15,106	7,713
Policy Advice - Emergency Management	570	570	943

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>23,990</b>	<b>23,663</b>	<b>16,008</b>
Community Awareness and Readiness	3,730	3,530	1,915
Emergency Sector and Support and Development	4,856	4,729	5,523
Management of Emergencies	14,834	14,834	7,627
Policy Advice - Emergency Management	570	570	943
<b>Revenue from Others</b>	<b>1,566</b>	<b>1,566</b>	<b>230</b>
Community Awareness and Readiness	23	23	23
Emergency Sector and Support and Development	1,271	1,271	121
Management of Emergencies	272	272	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*

	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
New Zealand communities are aware of their hazards and risks, are prepared and resilient, and are able to respond and recover from an emergency.	85%	85%	85%

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

	2016/17		2017/18
	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%
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:	1 to 2%	1 to 2%	Discontinued in 2017/18

Assessment of Performance	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
The proportion of New Zealanders who have taken action to prepare for an emergency in the last 12 months will increase on the previous year by (see Note 1):	New measure	New measure	2%
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:	1 to 2%	1 to 2%	Discontinued in 2017/18
The proportion of New Zealanders who know the correct action to take during an earthquake will increase on the previous year by:	Baseline to be established	Baseline to be established	2%
The proportion of New Zealanders who know the correct action to take if they feel a long or strong earthquake near the coast will increase on the previous year by:	Baseline to be established	Baseline to be established	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			
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:	2 per year	2	2 per year
Satisfaction assessed as 'Good' or 'Very Good', in relation to: (see Note 2)			
<ul style="list-style-type: none"> <li>Coverage of the new Guidelines, Technical Standards, Codes and other publications</li> </ul>	80%	80%	Discontinued in 2017/18
<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	3	Discontinued in 2017/18
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:	5-6	5-6	5-6
<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
An initial National Warning issued within 15 minutes of the Duty Manager's decision to issue a National Warning	100%	100%	100%
National warning distribution list - accuracy of contact details (at each warning or test), at least:	95%	95%	95%
National Crisis Management Centre managed, during activations, with:			
<ul style="list-style-type: none"> <li>National Crisis Management Centre has adequate staffing, as deemed by the Duty Manager or National Controller, in place within 2 hours</li> </ul>	100%	100%	100%

	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<ul style="list-style-type: none"> <li>Essential information technology systems available and operating at agreed performance levels</li> </ul>	95%	95%	95%
<ul style="list-style-type: none"> <li>Back-up information technology systems and equipment fully functional, at least</li> </ul>	99.8%	99.8%	99.8%
<ul style="list-style-type: none"> <li>Coordination 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%
Project management regarding Cell Broadcast Alerting is in accordance with the project plan and milestones signed off by project governance (see Note 3)	Achieved	Achieved	Achieved
<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			
A sample of policy advice fits within the target ranges for quality (see Note 4)	Achieved	Achieved	Achieved
The satisfaction of the responsible Minister with policy advice service, as measured using the Common Satisfaction Survey (see Note 5), is at least:	6	6	6
Total cost per hour of producing outputs	\$90-\$120	\$105	\$90-\$120

Note 1 - The baseline for 2015-16 was 47%.

Note 2 - 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 3 - The project milestones regarding Cell Broadcast Alerting are met as per project plan.

Note 4 - A sample of the Department's policy advice will be assessed by a panel using the Policy Project quality framework. The target ranges for the quality of our policy advice are: that 70% of our assessed papers will score 7 or more, and that 30% will score 8 or more out of 10, with 10 being the highest quality.

Note 5 - The Common Satisfaction Survey measures Ministers' satisfaction with the quality, timeliness and value for money of policy advice on a scale from 1 to 10, where 1 means fell well short of expectations and 10 means far exceeded expectations.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2017/18 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Funding to increase capacity and capability to manage emergencies	2016/17	730	1,800	1,800	1,800	1,800
Funding for operating costs for the Christchurch Justice and Emergency Services Precinct	2016/17	40	40	-	-	-
Funding to address diseconomies of scale resulting from transfer of emergency management functions from Vote Internal Affairs	2013/14	570	570	570	570	570

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is mainly due to:

- \$2.910 million decrease for cost of supporting the November 2016 Kaikōura earthquake and tsunami response and recovery
- \$1.150 million decrease for the costs of overseas aid for civil defence emergency management and communications activities, and
- a decrease in the costs of Cell Broadcast Alerting

### **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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>4,062</b>	<b>3,812</b>	<b>3,292</b>
<b>Non-Departmental Other Expenses</b>			
Depreciation of Crown Assets	1,962	1,962	1,962
Government House - Maintenance	1,050	1,050	600
Loss on Disposal of Crown Assets	170	170	-
<b>Non-Departmental Capital Expenditure</b>			
Government House - Capital Investment	880	630	730

*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*

	2016/17		2017/18
	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*

	2016/17		2017/18
	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 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	2016/17		2017/18
	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 its 2017/18 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 Estimated \$000
Government House - Maintenance Non-Departmental Other Expenses	2016/17	600	600	600	600	600
Government House - Capital Investment Non-Departmental Capital Expenses	2016/17	400	400	400	400	400

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2017/18 is due to:

- \$500,000 reduction in capital investment, which reflects the cyclical nature of the routine replacement of Government House's fixed assets
- \$100,000 reduction in annual maintenance costs, and
- \$170,000 loss on the disposal of assets in 2016/17.

## 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*

	2016/17		2017/18
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>27,050</b>	<b>26,700</b>	<b>25,333</b>
<b>Departmental Output Expenses</b>			
National Security Priorities and Intelligence Coordination	10,013	9,913	10,513
Policy Advice - Prime Minister and Cabinet	6,708	6,458	3,996
Science Advisory Committee	725	725	675
Support Services to the Governor-General and Maintenance of the Official Residences	3,888	3,888	4,209
Support, Secretariat and Coordination Services	5,716	5,716	5,940
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>25,278</b>	<b>24,928</b>	<b>25,303</b>
National Security Priorities and Intelligence Coordination	9,473	9,373	10,513
Policy Advice - Prime Minister and Cabinet	5,572	5,322	3,996
Science Advisory Committee	675	675	675
Support Services to the Governor-General and Maintenance of the Official Residences	3,858	3,858	4,179
Support, Secretariat and Coordination Services	5,700	5,700	5,940
<b>Revenue from Others</b>	<b>1,772</b>	<b>1,772</b>	<b>30</b>
National Security Priorities and Intelligence Coordination	540	540	-
Policy Advice - Prime Minister and Cabinet	1,136	1,136	-
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	16	16	-

*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*

	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Increasing proportion of Better Public Services result areas on track to achieve their targets	6	7	7
Overall service quality of Public Services improves over time	0.745	0.74	0.75

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

Assessment of Performance	2016/17		2017/18
	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 (see 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 appropriate advice			
The satisfaction of the Prime Minister with the policy advice service, as measured using the Common Satisfaction Survey, is at least (see Note 3)	6	6	6
The total cost per hour of producing outputs	\$90-120	\$105	\$90-\$120
<b>Science Advisory Committee</b>			
This category is intended to achieve the provision of high-quality scientific advice to the Prime Minister			
The satisfaction of the Prime Minister with the scientific advice provided, as measured using the Common Satisfaction Survey, is at least (see Note 4)	6	6	6
<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	Governor-General's expectations met or exceeded	Governor-General's expectations met or exceeded

Assessment of Performance	2016/17		2017/18
	Final Budgeted Standard	Estimated Actual	Budget Standard
Events at the Government House are well organised	Governor-General's expectations met or exceeded	Governor-General's expectations met or exceeded	Governor-General's expectations met or exceeded
Management of the Governor-General's domestic and international programme is appropriate and well balanced	Governor-General's expectations met or exceeded	Governor-General's expectations met or exceeded	Governor-General's expectations met or exceeded
The satisfaction of the Building and Grounds Committee with support and advice in relation to the maintenance of the official residences is at least (see Note 5)	6	6	6
<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 Royal 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 days before the meeting (subject to on-time lodgement in CabNet) (see Note 6)	90%	90%	90%
Cabinet minutes will be published on CabNet by the close of business, three days after the Cabinet meeting (see Note 6)	95%	95%	95%
Formal feedback from the Governor-General and the Prime Minister on services provided	Overall expectations are met or exceeded	Overall expectations are met or exceeded	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 Common Satisfaction Survey measures the Prime Minister's satisfaction with the quality, timeliness and value for money of policy advice on a scale from 1 to 10, where 1 means fell well short of expectations and 10 means far exceeded expectations. DPMC does not survey Cabinet for this category, so this reference has been withdrawn.

Note 4 - The Common Satisfaction Survey measures the Prime Minister's satisfaction with the quality, timeliness and value for money of policy advice on a scale from 1 to 10, where 1 means extremely dissatisfied and 10 means extremely satisfied.

Note 5 - The Building and Grounds Committee's role is to ensure the Capital and Long-Term Maintenance Plan developed by Government House and formally approved by the Chief Executive is properly devised and then implemented. The committee receives support and advice from DPMC officials following the development of the Plan regarding its implementation. The committee's satisfaction will be assessed through an annual feedback form.

Note 6 - Measure amended to improve accuracy: The previous reference to 'business' day in respect of Cabinet material was unnecessary.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Department of the Prime Minister and Cabinet in the 2017/18 Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2016/17 Final Budgeted \$000	2017/18 Budget \$000	2018/19 Estimated \$000	2019/20 Estimated \$000	2020/21 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	3,300
Revised funding to the Science Advisory Committee due to a new Memorandum of Understanding	2015/16	120	120	120	120	120
Share of costs of Budget 2015 whole-of-government initiatives	2015/16	(79)	(57)	(43)	(43)	(43)
Rephasing of baseline to address future cost pressures	2014/15	110	110	110	-	-
Additional funding to support CabNet	2014/15	1,312	1,462	1,462	1,462	1,462
Strengthening capability on security and risk management	2013/14	330	330	330	330	330
Address ongoing 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
Increase the capability of intelligence coordination 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)

### *Reasons for Change in Appropriation*

The net decrease in this appropriation for 2017/18 is \$1.717 million mainly due to a reduction in the costs of the Policy Project and staff secondments to other entities.