

INTERNAL AFFAIRS 

Te Tari Taiwhenua

Statement of Intent

tauāki whakamaunga atu

2011-14





Statement of Intent Cover

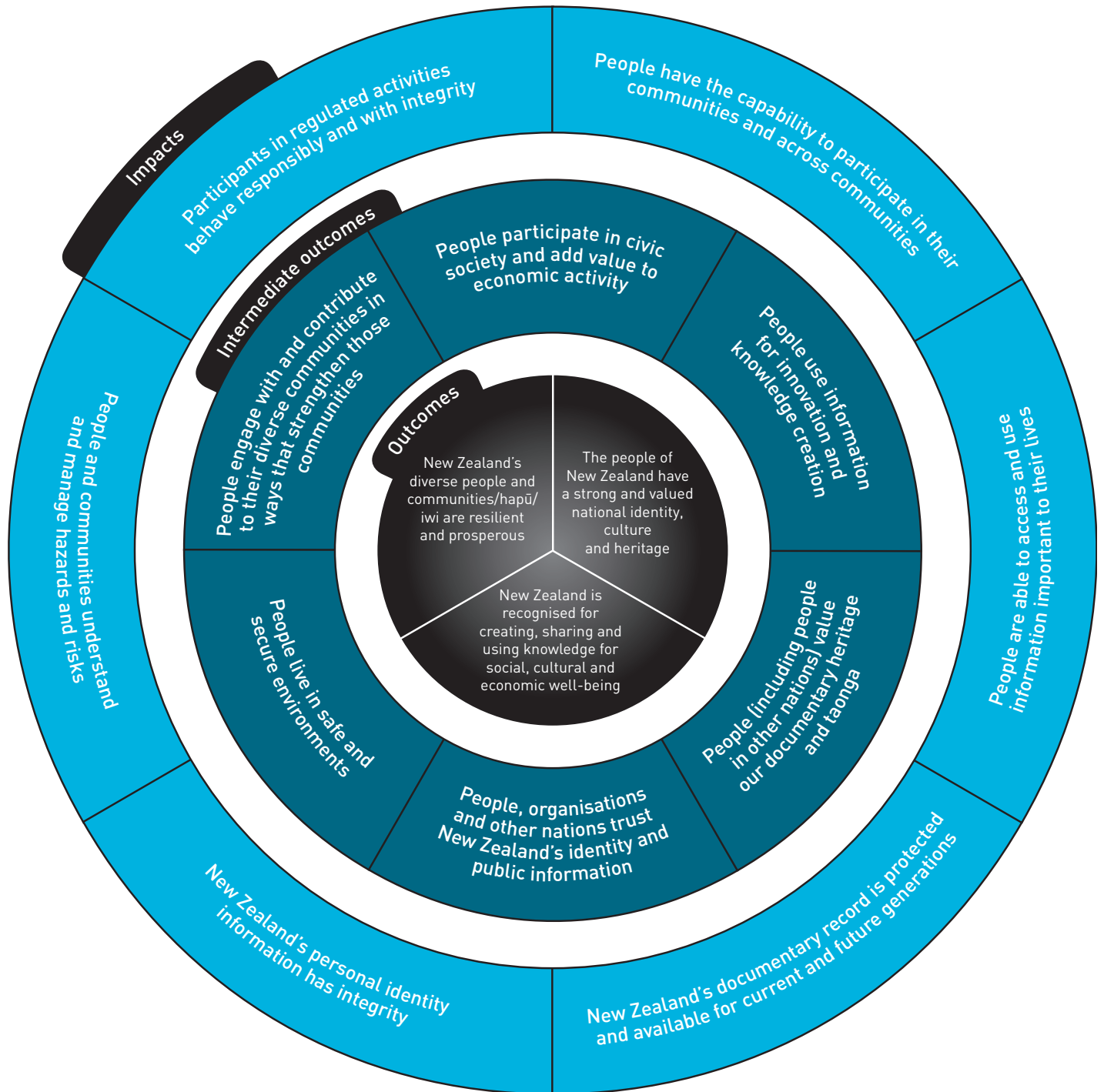
The Department of Internal Affairs touches the lives of all New Zealanders. The images on the cover of this Statement of Intent are of our people and of the people, communities and sectors with whom we work. The diagram of the Department's performance framework (in the fold-out) and the cover montage illustrate the interconnections between the Department's wide range of activities and its purpose to:

serve and connect people, communities and government to build a safe, prosperous and respected nation.

The cover represents the diversity of the Department's operations and the strengths and benefits of working collectively – as a department and as a country.

PERFORMANCE FRAMEWORK: OUTCOMES

The Department of Internal Affairs provides services to people and communities that contribute to the following outcomes:



The Department uses **outcomes** where it provides services directly to people or communities.

- Outcomes are a state or condition of society, the economy, or the environment and describe the long-term state or condition the government seeks to achieve, largely through the operations of its agencies.
- Intermediate outcomes are more specific statements of outcomes. Intermediate outcomes provide a bridge between outcomes and impacts.
- Impacts are the Department's contribution to an outcome by a specified set of services or actions, or both.

COMES AND OBJECTIVES

The Department of Internal Affairs provides services to Government and public sector organisations that contribute to the following objectives:



The Department uses **objectives** where the services it provides are too distant to identify direct relationships with outcomes, or where the contribution is indirect (i.e. services to Government and public sector organisations).

- Lead objectives describe a long-term state or condition that results from providing 'enabling' services.
- Supporting objectives describe the Department's contribution to a lead objective by a specified set of services or actions, or both.

Note:

For the purposes of this framework, 'public sector organisations' are: the entities included in public service departments; non-public service departments; Offices of Parliament; Crown agents; autonomous Crown entities; independent Crown entities; statutory bodies; and territorial and local authorities. For these purposes, 'public sector organisations' includes those in other jurisdictions, in particular Pacific Island countries.

TE TARI TAIWHENUA
Department of Internal Affairs

statement of intent

tauāki whakamaunga atu

2011-14

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INTRODUCTION



FOREWORD: MINISTER OF INTERNAL AFFAIRS

This Statement of Intent introduces a new chapter in the life of the Department of Internal Affairs. With the integration of the Department of Internal Affairs, Archives New Zealand and the National Library, three of my Ministerial portfolios are included in this document for the first time.

The Department is responding to the challenges of the Government's priorities to build the foundations for a stronger economy and better results from the public services New Zealanders rely on. These challenges are affecting all aspects of the public service, and I am pleased with the progress the Department has made in its response to meeting the Government's priorities.

Last year I supported the Department becoming the preferred home for selected government functions that require high quality service delivery to people. The first major step has been the integration with the National Library and Archives New Zealand, and the addition of the Office for the Community and Voluntary Sector and the Office of the Government Chief Information Officer.

The principle behind the integration is simple. It will allow expertise and resources to be combined while at the same time sharing back office costs, leading to better services for the public and better value for the taxpayer.

The integration has preserved the strengths of each agency, while recognising the natural synergies they share. In particular, the new department will have an important leadership role to play in information management and the use of information and communications technology. This has the potential to make a major contribution to better public services and improved performance of the public sector.

The integration has proceeded smoothly, and I am very pleased with the professionalism and hard work of all the staff involved. There is a real determination to maximise the opportunities for the future.

The National Library, the Alexander Turnbull Library and Archives New Zealand are iconic institutions with an exciting future. The statutory roles and independence of the National Librarian and Chief Archivist have also been preserved, and I look forward to continuing to work with them both.

I am confident the new Department is a strong organisation that will continue to make an important contribution to the Government's priorities.

A handwritten signature in blue ink, appearing to read 'Nathan Guy'. The signature is stylized and fluid.

Hon Nathan Guy

Responsible Minister for the Department of Internal Affairs
April 2011



OVERVIEW FROM THE CHIEF EXECUTIVE

The Department of Internal Affairs has been through substantial changes in the past year. These changes were foreshadowed in our last Statement of Intent, and the concerted efforts of many people have made these changes manifest. However, they are only the start of a process to transform the Department to give effect to the Government's priorities.

This Statement of Intent is the result of focused effort by staff from the National Library, Archives New Zealand and the Department over the past year. The integration on 1 February 2011 was a success because of the combined efforts of the three agencies as part of a deliberate process to create a Department for the future. With the inclusion of the Office for the Community and Voluntary Sector and the Office of the Government Chief Information Officer, the Department is positioned to be a transformational force in the public sector.

The public sector is going through a period of profound change. The Government's priorities require all State agencies to deliver better, smarter services to the public to enable access to services and information when and how it suits them. These influences are irresistible and the Department has chosen to position itself to be at the forefront of continuous change in the public service.

The Department has a mandate to be involved in further change and transformation of government information and communications technology, a role we welcome. We have a unique set of skills and talents in the Department that put us in a strong position to lead the public service to embrace and exhibit innovation and excellence. We will work with others to achieve this, but we have the ability and confidence to be leaders, and Ministers expect the Department to play that role. We are ready to lead and accept the responsibilities of any additional mandates we are given.

Ministers have entrusted us with creating an organisation that is stronger and more influential than the previous agencies and functions were able to be individually.

The Department has collectively identified a number of opportunities in line with the Government's objectives. Some opportunities are internal to the Department, some relate to services to the public, and others relate to the ability to help transform the wider public service.

A particular emphasis for the Department will be to realise the efficiency benefits that arise from the integration, and the increased ability to improve the productivity of the Department. The internal changes introduced during

the integration included a new governance structure and a number of new business tools to improve efficiency. These changes will enable us to focus on continuous improvement and achieving productivity gains.

We have also developed a new performance framework reflecting the new Department. This framework has been fundamental in focusing efforts on the activities and shared outcomes and outputs across the Department. This work started long before the first day of the new Department, and the shared understandings of what the Department does, which developed during that period, have made a significant contribution to the success of how well the Department has come together.

This Statement of Intent was being completed shortly after the Christchurch earthquake on 22 February 2011. The Department was heavily involved in the response to and recovery from this tragic event through the responsibilities of the Ministry of Civil Defence and Emergency Management and supporting our Christchurch staff and their families. We will also accord priority to supporting the independent Royal Commission on the Canterbury Earthquake that the Government has now announced. We anticipate that our role in the recovery could also expand considerably, as the extent of the earthquake's impact is determined, and our priorities may change from those in this Statement of Intent.

The previous Statement of Intent described what we thought the future would hold, particularly the fundamental change we were to effect. The reality shows the Department is in a very strong position to take a lead role and be an active participant in the transformation of the public service.

Brendan Boyle
Chief Executive
April 2011

STATEMENTS OF RESPONSIBILITY

I am satisfied that the information on future operating intentions provided by my Department in this Statement of Intent and the Information Supporting the Estimates is in accordance with sections 38, 40 and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.



Hon Nathan Guy

Responsible Minister for the Department of Internal Affairs
April 2011

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Department of Internal Affairs. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations [2011/12 Estimates] Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Brendan Boyle

Chief Executive
April 2011



Shirley Smith

Chief Financial Officer
Counter-signed
April 2011

NATURE AND SCOPE OF FUNCTIONS

INTRODUCTION

The Department of Internal Affairs has a singular place in New Zealand society and government. As the oldest government department, it is the original home of many of the functions of government. It has an enduring relevance and an expanding breadth and diversity in its functions. All New Zealanders are touched in some way by the Department's activities. The Department also supports the public sector and government to increase their productivity, and helps to maintain trust and confidence in government and its agencies. This unique combination of roles means the Department can lead the public sector to embrace and exhibit innovation and excellence.

Last year's Statement of Intent foreshadowed significant changes for the 2010/11 year, including the integration of the National Library of New Zealand and Archives New Zealand with Internal Affairs. These 'machinery of government' changes, which the Department effected on 1 February 2011, were among the first implementations of key Government policy to improve the efficiency and effectiveness of the public service, and make smaller organisations more resilient by placing them in larger and more sustainable structures. The integration of the three agencies and the functions of the Office of the Government Chief Information Officer and the Office for the Community and Voluntary Sector into a new Department on 1 February provided an opportunity to improve the collective ability to respond to challenges and for the Department to be confident of its ability to respond to New Zealanders' changing needs and Ministers' expectations.

The Government's announcement of the changes initiated a programme of work that resulted in fundamental changes in all three agencies. Some of these reforms were introduced in practice before 1 February 2011, supported by the formation of integration working groups that included people from all the agencies.

The Department's key responses were: structural change to increase its flexibility; governance arrangements to strengthen the Department's strategic oversight; an improved intranet, which is a powerful staff tool to improve efficiency; and a modern Internet presence that makes it easier for the public to get the information and services they need.

At the time of writing, the Christchurch earthquake was a very recent event. The effect it would have on the country and government was unknown and was yet to be incorporated into the Department's responsibilities and work programme. The Department anticipates that it would have a significantly increased role in the recovery of Christchurch city, beyond its usual civil defence role.

PURPOSE, ROLE AND FUNCTIONS

The Department of Internal Affairs serves and connects people, communities and government to build a safe, prosperous and respected nation.

The Department's purpose expresses its diverse role, and the effects it has on many parts of society.

Internal Affairs has a historically wide brief of responsibilities spanning many different roles, from advice to regulation, and functions from administering community funding to providing passports. The full list of websites and legislation that the Department administers are on its website (www.dia.govt.nz).

The Department:

- » **provides direct services and support to people, communities and government**, in areas ranging from personal identity information to civil defence; community advice; national archives; national library; information and communications technology
- » **provides policy advice to government**. It is a key advisor in a range of areas including local government, ethnic affairs, the community and voluntary sector, civil defence emergency management, fire, identity, technology, information management, gambling and racing
- » **regulates people's activity, encourages compliance and enforces the law** for gambling, censorship, government recordkeeping, unsolicited email and anti-money laundering
- » **monitors performance** of three Crown entities (the New Zealand Fire Service Commission, Charities Commission, and Office of Film and Literature Classification) and manages the appointment process for members of trusts, committees and boards under its oversight
- » **contributes to the effectiveness of the public sector and provides leadership in government** by supporting public sector organisations to provide better, smarter services; optimising the services that support Executive Government; contributing significantly to the Compliance Common Capability Programme; providing leadership in all-of-government ICT leadership and the Identity Common Capability Programme; and building stronger community-government relations

The integration on 1 February 2011 expanded the breadth and scope of the Department's work and increased the number of votes the Department administers. The Department is now responsible for administering eight votes across nine Ministerial portfolios.

The Minister of Internal Affairs, as the Responsible Minister, oversees the Government's ownership interests in the Department, which encompass its strategy, capability, integrity and financial performance.

Portfolio	Vote	Minister
Internal Affairs ¹	Internal Affairs	Hon Nathan Guy
Ministerial Services	Ministerial Services	Rt Hon John Key
Ethnic Affairs	Internal Affairs	Hon Hekia Parata
National Archives	National Archives	Hon Nathan Guy
National Library	National Library	Hon Nathan Guy
Civil Defence	Emergency Management	Hon John Carter
Racing	Racing	Hon John Carter
Community and Voluntary Sector	Community and Voluntary Sector	Hon Tariana Turia
Local Government	Local Government	Hon Rodney Hide

¹ The Department provides administrative support to the Royal Commission of Inquiry into the Pike River Coal Mine Tragedy and the Royal Commission of Inquiry into Building Failure Caused by the Canterbury Earthquakes. The Attorney-General, Hon Christopher Finlayson, has administrative responsibility for these Royal Commissions of Inquiry.

ORGANISATIONAL STRUCTURE AND GOVERNANCE

The Department instituted a new structure on 1 February 2011 as part of the machinery of government changes initiated by Government.

The new structure is a direct response to a key priority from Ministers last year to implement the Government's policy to improve performance of the public sector. The previous structure had served the Department well but it was not suited to the changing expectations the public and Government have for the public service, and needed changing. It was also not capable of incorporating or supporting new functions without substantial reorganisation.

In 2010, the Minister of Internal Affairs asked the Department to build its capability to allow it to be the preferred home for selected government functions that require high-quality service delivery to people, communities and government. The Department's structure now allows it to respond confidently and effectively to the challenges facing the public sector and to ensure its ability to effectively deliver a diverse range of functions.

The organisational structure brings together complementary skills and resources to create areas of expertise. It groups similar functions and skill sets that promote sharing and building of knowledge and expertise to improve performance around the function or area of practice, build critical mass of knowledge and resources that can be leveraged in different ways, and provide broader professional development opportunities. For example, all of the Department's policy functions are now in a single branch. The structure of the Department is now flexible enough to be able to respond to new opportunities and demands without needing further organisational redesign.

The structure promotes an integrated, single Department; branches are interdependent but also have the ability to develop internal cultures to allow the delivery of diverse services and functions.

The organisation's structure sets the foundation for relationships, flows of information and clear accountabilities for carrying out the Department's functions. The ideal behaviours and capabilities – collaboration, innovation and service-orientated culture – are supported by the operating models and governance.

The integration of the former Department, National Library and Archives New Zealand and the functions of the Office of the Government Chief Information Officer and the Office for the Community and Voluntary Sector created a structure that is able to drive the performance of the organisation. However, a structure based around areas of expertise presents its own challenges for the Department, which has to ensure it has the capability and breadth in its skill sets to meet the demands placed on it. This is a focus of the Department's strategic priority for building its capability.

Internal Affairs employs more than 2,000 staff. Its staff are based from Kaitia to Invercargill to enable effective delivery of its services directly to the community. The Department also has offices in Sydney and London.

The Department is made up of five branches and the Ministry of Civil Defence and Emergency Management (MCDEM), each of which has a clearly defined external or internal focus. Three branches – Policy, Regulatory and Ethnic Affairs; Service Delivery and Operations; and Knowledge, Information and Research Technology – and MCDEM provide specialist services to the public or government. Strategy and Governance provides leadership support to the Chief Executive and leadership team, and Shared Services provides core internal support services to the other branches.

This structure allows each component to concentrate on its core functions, and develop its expertise in that area.



Policy, Regulatory and Ethnic Affairs

Policy, Regulatory and Ethnic Affairs brings together into a single branch the policy, regulatory and ethnic affairs functions from across Internal Affairs, including those from the National Library, Archives New Zealand, the Office of Ethnic Affairs, and the Office for the Community and Voluntary Sector. The branch also provides advice to Ministers on monitoring and appointments to committees, boards and trusts for which the Department is responsible.

Service Delivery and Operations

The Service Delivery and Operations branch provides a range of public-facing services and operations that are the Department's responsibility. It combines operational functions, such as passports, citizenship, and births, deaths and marriage records; identity services such as *igovt* service to the public and public sector agencies and overseas agencies; and the Department's community-based network of community development and funding advisors.

Knowledge, Information, Research and Technology

The Knowledge, Information, Research and Technology branch promotes efficient and innovative access to, and management, storage, preservation and conservation of, knowledge, information and heritage collections and taonga, for the benefit of government and New Zealanders. The branch combines the National Library, Archives New Zealand, Government Technology Services, the Government ICT Supply Management Office and the Government Information Services, along with the Office of the Government Chief Information Officer. It provides both internal and external support.

Shared Services

The Shared Services branch provides corporate support functions to other business groups in the Department, in communications, finance, human resources, property, procurement and administration. It also provides support services to Ministers and secretarial support services to advisory boards for which the Department is responsible and commissions of inquiry.

Strategy and Governance

The Strategy and Governance branch provides strategic management and governance support to the Chief Executive and the Executive Leadership Team. It is responsible for strategy, planning and performance, research and evaluation, risk, assurance and audit, legal services, and effectiveness for Māori.

Ministry of Civil Defence & Emergency Management

The Ministry of Civil Defence & Emergency Management is the lead government agency for civil defence emergency management in New Zealand. The Ministry provides national leadership in the civil defence emergency management sector to ensure the most efficient and effective path towards enhanced resilience.

Governance arrangements

The Department's governance arrangements include a six-member Executive Leadership Team (ELT), comprised of the Chief Executive and five Deputy Chief Executives, four Governance Committees, and a Management Board. The Executive Leadership Team is a decision-making body chaired by the Chief Executive. It has collective responsibility for the effective governance of the organisation as a whole, with accountability ultimately vested in the Chief Executive.

The four standing Governance Committees – Finance and Investment, Information and Technology, Organisational Development, and Risk and Assurance – are recommendation-making bodies, each chaired by an ELT member. The Governance Committees drive the agenda of the ELT by making recommendations to the ELT on their particular areas of responsibility.

The Management Board is also chaired by an ELT member and brings a broad and more diverse range of experience to bear through discussion and significant input on strategy development and the expectations for leadership and management within the Department. It provides advice and can make recommendations to the ELT and undertake specific work as requested.

STRATEGIC DIRECTION

INTRODUCTION

The Department spans a wide range of responsibilities and functions required to support a safe, prosperous and respected nation. All New Zealanders are touched in some way by the Department's activities, which span communities, the whole country and government, and international relationships.

As signalled in last year's Statement of Intent, the Department has reviewed the services it provides and the ways in which it provides them to leverage the collective potential of its functions. As part of the integration of three agencies and two functions into the Department, staff from the 'old' Department, the National Library and Archives New Zealand worked for several months to develop a high-level strategic direction and new performance framework, which the Department will start using on 1 July 2011.

This document reflects the results of that service review, including the new performance framework, which was driven by the Government's desire to lift the performance of State agencies.

The Government expects the Department to adapt to the changing and increasing user expectations about the nature of government services and how they are delivered. The combination of high public expectations and prolonged fiscal constraint has focused the Government on its highest priorities and how to deliver services in different, more innovative and cost-effective ways.

The Government's expectations are driven by a desire to transform the way government services are provided to New Zealanders, in line with the Government's vision of New Zealanders seamlessly linked to the most appropriate service provider that meets their needs. The role of technology in providing services is increasing.

A key priority for this year is to fully develop the Department's new strategic direction.

New opportunities arising from integration

The Department has built up a unique collection of strengths throughout its history that allows it to successfully manage the diverse functions within it. The integration of the former Department of Internal Affairs, the National Library, Archives New Zealand, the Office for the Voluntary and Community Sector and the Office of the Government Chief Information Officer created a new combination of capabilities, networks and resources.

This integration has created a number of new opportunities for the Department. At the core of these opportunities is a strong mandate for the Department to become the lead government agency responsible for the use of digital technology across government, to implement a digital strategy to build and protect New Zealand's documentary heritage, and make it more convenient for people to access and use government services. Some natural synergies exist within the Department, and the critical mass of capability and resources makes possible the following opportunities.

Provide smarter, customer-focused services

As the home of government information and communications technology (ICT), the Department can exploit its expertise in web services design, digitisation and digital content management to improve its services, or to create new ones. There are opportunities to join up related existing services.

These improved customer services will allow the Department to reach more customers using its expanded channels, and customers will have access to a wider range of integrated services from a single point of contact with the Department.

The Department can have a more co-ordinated approach to engaging with stakeholders, such as Māori and education and public sectors. It can reach broader groups in a more efficient way and build stronger community relationships.

Strengthen contribution to the public sector

Internal Affairs is able to use its expanded resources and capacity to be a strong contributor to all of the public sector in community-government relationships, information services and management, ICT, and customer-focused service delivery.

The Department has strengthened its policy and strategy expertise. It will leverage this diverse expertise in

areas such as community engagement and regulatory compliance to support the public sector. In particular, the Department uses its digital content information management expertise to provide leadership and improve its operational advice and leadership for digital content management practices, online service delivery and consultation management using a wider combination of networks and tools. This combined expertise has also enhanced the services the New Zealand Digital Archive can provide to the public sector.

Improve efficiency and effectiveness

The economies of scale created by the integration allow the Department to lower the long-term cost of providing services and carrying out its functions, while maintaining or increasing the productivity and quality. Internally, the Department will operate more efficiently as a result of the integration by providing its shared services across a broader range of services. The 'Systems Thinking'² interventions, which have already generated significant efficiencies, are progressing through the Department and will eventually become a standard way of operating for all branches.

A large part of Internal Affairs' work is the management of digital information, and there is potential to bring together different approaches to this, including the New Zealand Digital Archive. Archives New Zealand and the National Library are undertaking significant digitising programmes and could share their expertise and specialist equipment with each other and with other agencies, and develop standards and digital access policies for all of government.

The shortage of document preservation and conservation skills in New Zealand means that a consolidated service from the National Library and Archives New Zealand would offer benefits to the Department and its customers.

Use technology to transform how government works

Technology is driving many of the changes in government services and will transform how the Department operates. Greater use of digital technologies requires the Department to work in new and different ways. Internal Affairs can deliver services in new and more accessible

ways, and use new tools that let it respond quickly to changing customer needs.

Specialist digital services developed by the Department can be made available as shared or common services, which can be used by the whole government, such as digital preservation and large-scale secure storage of digital information. It will also continue to promote and improve e-consultation and e-participation across government.

The Department also has significant opportunities to provide strong support for the Directions and Priorities for Government ICT by bringing together existing skills and focus around content services, information management and technology, to transform the delivery of knowledge related services. The increased scale, broad information skill base, and inclusion of the strategic leadership of the Office of the Government Chief Information Officer creates a strong platform for the Department to continue its leadership role in realising the future state and benefits set out within the Directions and Priorities.

Contributing to government goals

The Government's goals are to build a stronger economy and improve public services. The Government has identified a number of policy drivers that will support it to achieve these goals. The following table highlights how the Department will contribute to these drivers, and especially improved regulation and public services, through its priorities for the next three years.

2 Further information on Systems Thinking is provided on page 54.

Portfolio	Ministerial priority	Government policy driver
Internal Affairs	<ul style="list-style-type: none"> » Building the capability of the Department of Internal Affairs to allow it to be the preferred home for selected government functions that require high quality service delivery to people, communities and the government <ul style="list-style-type: none"> – Realising the expected benefits of the integration of the three departments and transfer of other new functions – Ensuring the integrity of identity information » Implementing directions and priorities for Government ICT (providing leadership in the ICT area and developing common ICT capability for Government) » Improving compliance with gambling laws and the integrity of funding practices » Improving the efficiency and effectiveness of the fire sector 	<ul style="list-style-type: none"> » Better public services » Better regulation
Ministerial Services	<ul style="list-style-type: none"> » Improving information and communications technology services to Members of the Executive » Ensuring the success of the guest-of-government and State functions programme related to the Rugby World Cup 2011 » Planning for the management of any change in the Executive resulting from the 2011 general election 	<ul style="list-style-type: none"> » Economic growth » Better public services
Ethnic Affairs	<ul style="list-style-type: none"> » Maximising ethnic people's transnational networks and cultural skills for domestic economic gains » Empowering ethnic communities through increased government responsiveness » Maintaining New Zealand's reputation as a successful model of social harmony through celebrating our multi-ethnic and multi-faith society 	<ul style="list-style-type: none"> » Better public services » Economic growth
National Archives	<ul style="list-style-type: none"> » Making progress on the management of the government's digital information » Making progress on digital service delivery 	<ul style="list-style-type: none"> » Better public services
National Library	<ul style="list-style-type: none"> » Implementing the New Generation Strategy to modernise services » Improving access to, and preservation of, heritage collections » Collaborating and partnering for greater efficiency 	<ul style="list-style-type: none"> » Better public services
Civil Defence	<ul style="list-style-type: none"> » Strengthening the statutory framework for recovery after a major civil defence event » Leading the national management of civil defence emergencies » Developing community resilience » Supporting the development of capability across the CDEM sector 	<ul style="list-style-type: none"> » Better public services » Investment in infrastructure
Racing	<ul style="list-style-type: none"> » Supporting the New Zealand Racing Board and key industry organisations as they develop an efficient and cost-effective racing industry » Supporting the New Zealand Racing Board and the racing code bodies as they establish a Racing Integrity Unit » Encouraging the racing industry to support racing clubs' on-course infrastructure 	<ul style="list-style-type: none"> » Economic growth
Community and Voluntary Sector	<ul style="list-style-type: none"> » Structuring the Vote and institutions for effectiveness » Setting and delivering quality through finalising and working with communities to implement and embed the Kia Tutahi <i>Standing Together</i> Relationship Accord » Improving regulation by leading a review of all legislation affecting the charitable sector, including the Charities Act 2005, and identifying policy and regulatory barriers faced by current and potential social lenders and borrowers » Promoting and supporting generosity and community participation 	<ul style="list-style-type: none"> » Economic growth » Better regulation » Better public services
Local Government	<ul style="list-style-type: none"> » First principles review of the local government system (outside of Auckland) » Auckland Governance Reforms – Auckland spatial plan 	<ul style="list-style-type: none"> » Economic growth » Better public services » Better regulation

Outcomes and objectives

The Department's new performance framework, shown on the cover inset, reflects its diverse services, impacts and wide-ranging and far-reaching contributions to the people and communities of New Zealand. The Department does this by:

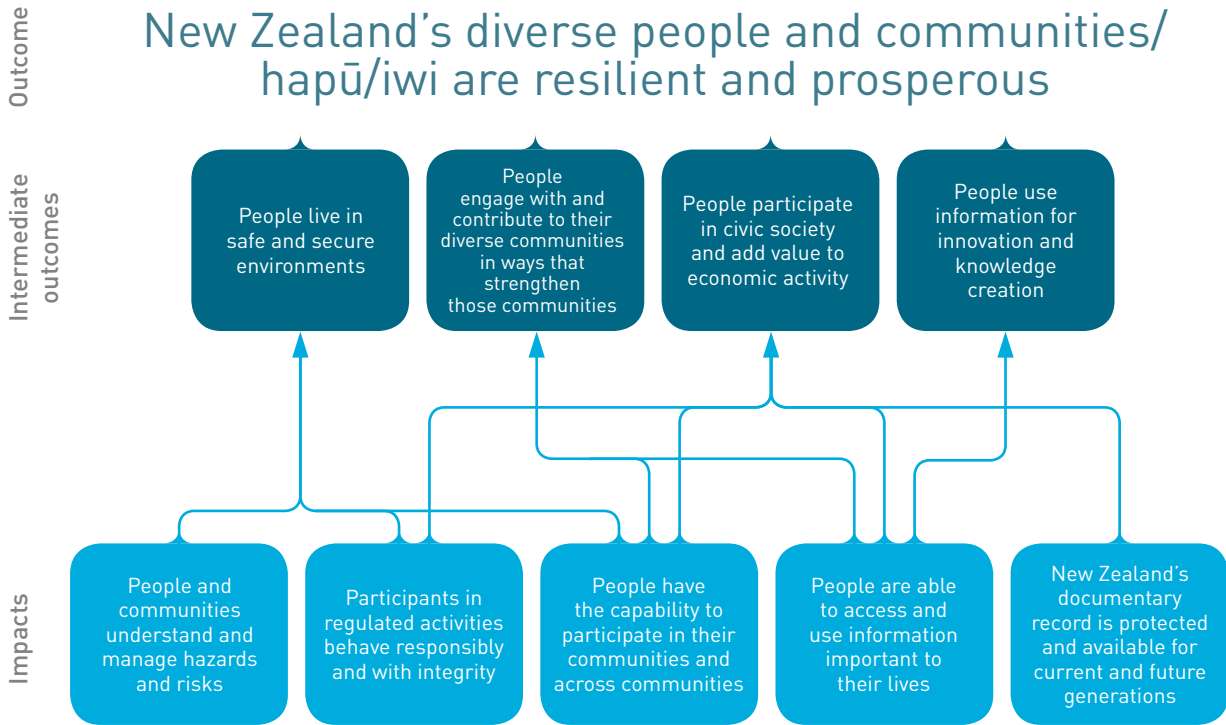
- » providing services and support directly to people and communities
- » providing services and support to Government and public sector organisations to help them achieve their outcomes.

This dual focus enables the Department to contribute broadly to New Zealand society. It supports people to create safe places where they can prosper and contribute to the success of their communities. The Department helps to make available information that is useful so people can create and apply new knowledge in beneficial and innovative ways, contributing to New Zealand's social and cultural development and economic well-being. The Department contributes to the development of a strong national identity based on a shared understanding of whakapapa, culture and heritage.

Outcomes describe the desired state of affairs for New Zealand's economy, environment and wider society. A range of individuals and organisations contribute to the achievement of these long-term goals. The Department's outcomes outline the areas in which it provides immediate services to the wider public and consequently affects their quality of life. The impacts highlight the Department's contribution to these outcomes through its varied outputs.

In addition to providing services directly to people and communities, the Department also works with public sector organisations to support them in achieving their outcomes and working better with communities. The Department's work with other agencies is more removed in its effect on society, the economy or the environment. However, this work is integral to maintaining and improving the delivery of public services. The objectives describe how the Department seeks to support public sector organisations to deliver better, smarter services to and with the people of New Zealand, and how it supports the efficient and effective operation of the system of government.

These outcomes and objectives outline the Department's overall strategic direction and contribution to New Zealand's people, communities and government. The performance framework highlights how these varied functions combine to enable the Department to serve and connect people, communities and government to build a safe, prosperous and respected nation. Internal Affairs contributes to these outcomes by delivering the range of goods and services outlined in Appendix 1.



New Zealand's increasing cultural and social diversity has reinforced the importance of fostering communities that are resilient and prosperous. People and communities that are resilient and prosperous have the skills, knowledge and resources to work together to achieve common goals.

The Department seeks to support **people to live in safe and secure environments**. Internal Affairs supports regulated sectors to behave responsibly and with integrity to minimise the harm from gambling, spam, trading of objectionable material, financial crime and other criminal activities. The Department also helps communities to prepare for and respond to emergencies. In doing so, the Department enables people and communities to understand and manage the hazards and risks they face.

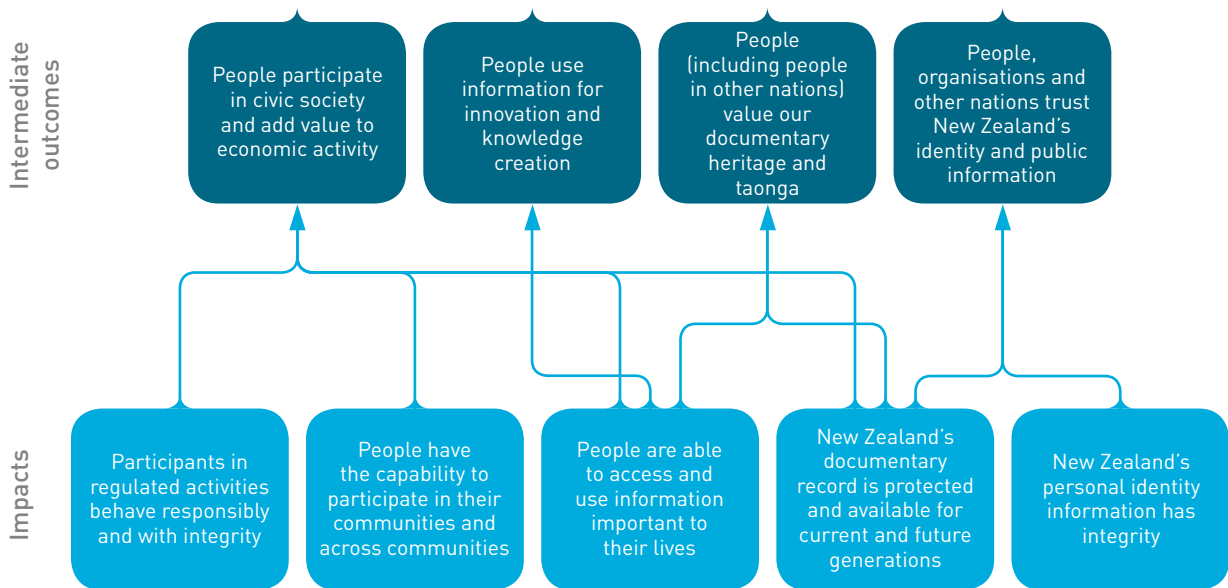
Participation is a key feature of a well-functioning and civic society. The Department provides funding and other support to help **people engage with and contribute to their diverse communities in ways that strengthen those communities**. Internal Affairs supports people by providing services and information, including public records and identity information, that enable access to democratic rights and entitlements, such as local elections. It also provides training, advice and other services so that **people participate in civic society and add value to economic activity** and **people use information for innovation and knowledge creation**.

The Department's provision of services means that:

- » people and communities understand and manage hazards and risks
- » participants in regulated activities behave responsibly and with integrity
- » people have the capability to participate in their communities and across communities
- » people are able to access and use information important to their lives
- » New Zealand's documentary record is protected and available for current and future generations.

The Department will use the indicators on page 63 to assess progress towards this outcome.

Outcome New Zealand is recognised for creating, sharing and using knowledge for social, cultural and economic well-being



New Zealand is increasingly becoming a 'knowledge society', in which trusted information and materials are essential for developing knowledge, fostering learning, and encouraging people to **participate in civic society and add value to economic activity**. An effective knowledge society is founded on individuals', groups' and businesses' ability to **use information for innovation and knowledge creation**. This ability is enhanced by an appreciation for the value of the nation's cultural heritage, and the ability to learn from the past and present to inform the future.

The Department provides and facilitates access to information, advice and expertise to assist research, learning and education, and enables people to create new knowledge and innovations that can generate new economic activity. It collects, stores, preserves and ensures access to important information and records both locally and globally through the National Library and Archives New Zealand. The use of these records demonstrates that **people (including people in other nations) value our documentary heritage and taonga**.

Through its work with schools and community-based digital literacy providers, Internal Affairs supports learning and the development of twenty first century literacy skills to strengthen the foundation upon which a knowledge society is built. The Department's management of information enables people to participate freely in society and in ways that facilitate new ideas and innovation. The

security and integrity of the Department's systems also help support **people, organisations and other nations to trust New Zealand's identity and public information**. In combination, these activities promote lifelong learning and support New Zealand in being recognised as a nation that creates, shares and uses knowledge for its collective social, cultural and economic well-being.

The Department's provisions of services means that:

- » participants in regulated activities behave responsibly and with integrity
- » people have the capability to participate in their communities and across communities
- » people are able to access and use information important to their lives
- » New Zealand's documentary record is protected and available for current and future generations
- » New Zealand's personal identity information has integrity.

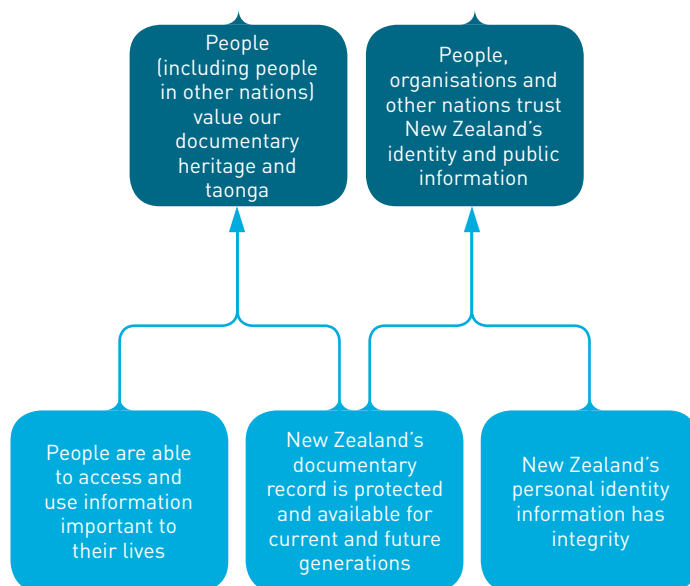
The Department will use the indicators on page 63 to assess progress towards this outcome.

Outcome

The people of New Zealand have a strong and valued national identity, culture and heritage

Intermediate outcomes

Impacts



The development of national identity arises from a wide range of factors and reflects local character and global reputation. The Department has a unique role in nurturing the development of this identity and culture so that **people (including people in other nations) value our documentary heritage and taonga**. As New Zealand's oldest government department, Internal Affairs also has a continuous link back to the original Colonial Secretary's office and the signing of the Treaty of Waitangi. The Alexander Turnbull Library preserves in perpetuity a comprehensive collection of documents relating to New Zealand and the people of New Zealand. Internal Affairs helps maintain the collective memory of the nation and connects it to the present and the future.

The Department is the home for New Zealand's documentary heritage, public record, and personal identity information. Internal Affairs is responsible for maintaining and preserving a continuous record of the nation's history and unique collections of documents relating to New Zealand and the people of New Zealand, such as the Treaty of Waitangi. Maintaining the security and integrity of these collections testifies to the stability of our system of government and supports our international reputation as a trusted nation.

The Department also maintains personal identity records that enable individuals to exercise their rights and function as members of society. These records provide

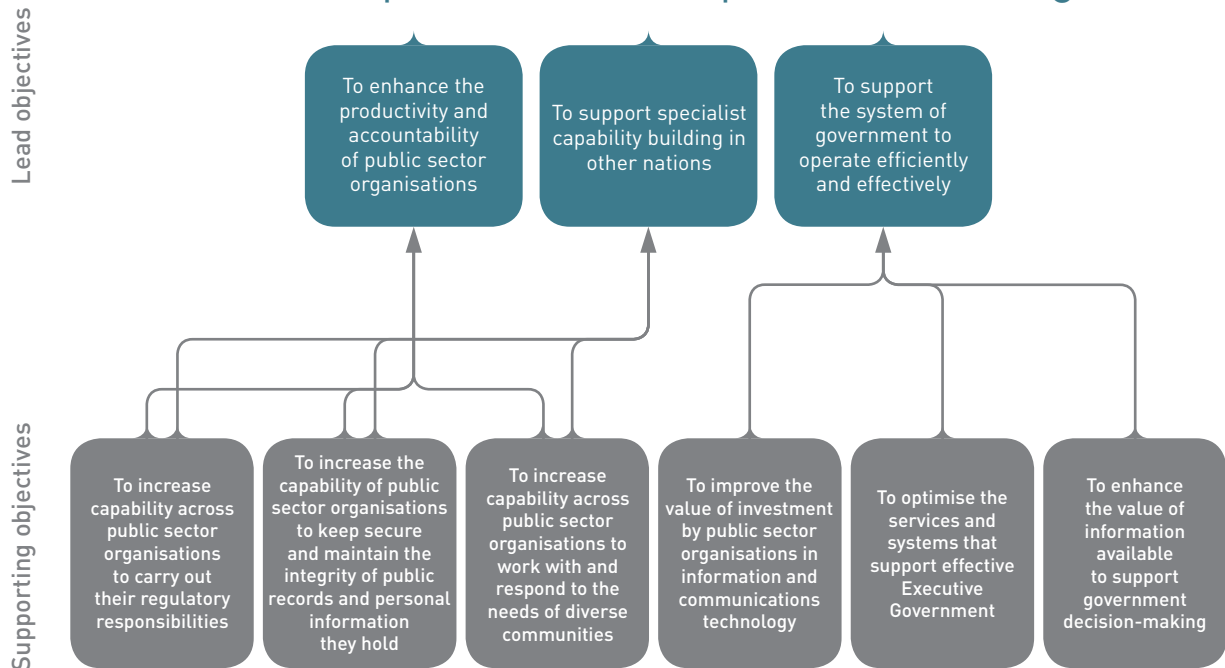
opportunities for people to access local services, as well as participate in the international community through the New Zealand passport. Confidence in identity documents also helps **people, organisations and other nations trust New Zealand's identity and public information**. By maintaining a single and continuous record of the nation's past and present, the Department contributes to fostering a strong and valued national identity, culture and heritage.

The Department's provision of services means that:

- » people are able to access and use information important to their lives
- » New Zealand's documentary record is protected and available for current and future generations
- » New Zealand's identity information has integrity.

The Department will use the indicators on page 63 to assess progress towards this outcome.

To enhance trust in New Zealand government and confidence in the performance of public sector organisations



Trust in government is integral to a stable and functioning civic society. Public sector organisations provide infrastructure, specialist advice and support that underpin democracy and enhance the integrity of the system of government. Such advice and services contribute to open, transparent and lawful processes that support government accountability.

The Department plays an important role in supporting the public sector and government to provide better, smarter services. Internal Affairs does this by **enhancing the productivity and accountability of public sector organisations**. The Department contributes to public sector organisations' collective productivity by leveraging its institutional expertise in effective regulation and supporting diverse communities, such as building civil defence and emergency management capability in public sector organisations. The Department sets the government's standards and advises on effective recordkeeping. This institutional knowledge and expertise are shared internationally **to support specialist capability-building in other nations**.

The Department's activities also **support the system of government to operate efficiently and effectively**. Internal Affairs provides support across government, including providing support for Executive Government and administering the framework for local government. It is also the lead advisor and standard setter for information management and technology use in the public sector. The Department also provides a range of information

and advice to support government decision-making. By working with public sector organisations and shaping the infrastructure that supports the operation of government (including local government), Internal Affairs seeks to improve the capability and capacity of government agencies, their overall performance, and their ability to achieve results for the New Zealand public.

The Department contributes to trust in New Zealand government and confidence in the performance of public sector organisations through its services to:

- » increase capability across public sector organisations to carry out their regulatory responsibilities
- » increase the capability of public sector organisations to keep secure and maintain the integrity of public records and personal information they hold
- » increase capability across public sector organisations to respond to the needs of communities
- » improve the value of investment by public sector organisations in information and communications technology
- » optimise the services and systems that support effective Executive Government
- » enhance the value of information available to support government decision-making.

The Department will use the indicators on page 66 to assess progress towards this objective.

KEY RELATIONSHIPS

The Department cannot achieve its outcomes and objectives alone. It is committed to working together with others, both nationally and internationally, in areas of mutual interest.

The following diagram identifies a range of these stakeholders and reflects some of the Department's key relationships with public sector organisations. Many of these interactions are informal, while other undertakings have been formalised through the identification of shared outcomes or relationship agreements. The following are two areas where the Department has identified and agreed a common responsibility and interest in working together.

Border interests

Through its identity management function, the Department plays a key role in supporting the protection of New Zealand's borders. In 2007/08, Cabinet created the Border Sector Governance Group comprising five agencies with responsibilities for managing New Zealand borders (the Department of Labour, Ministry of Agriculture and Forestry, Ministry of Transport, New Zealand Customs Service, and Internal Affairs).

The sector has developed a shared performance framework which has two end outcomes:

- » Protection: New Zealand is protected from people, goods and organisms that pose a risk to our interests
- » Facilitation: New Zealand's economic and social interests are enhanced by facilitating the flow of legitimate trade and travel.

The border sector's outcome framework supports the achievement of these outcomes through a border sector work programme. The Department also contributes to these outcomes through its work to ensure New Zealand's identity information has integrity and is secure. Internal Affairs' activities support people to access and use information important to their lives, and facilitate their ability to legitimately travel and trade.

Art, culture and documentary heritage

Internal Affairs has committed to working with the Museum of New Zealand, Te Papa Tongarewa, through the National Library of New Zealand and Archives New Zealand in areas of mutual interest. These

institutions have a common responsibility for collecting, preserving and providing access to the nation's art, culture and heritage collections. Over the next three years the Department will continue to work collaboratively with Te Papa to achieve a joint understanding of the needs of users, improve sharing of standards and interoperability, and support each other in developing shared capability.

In addition to working with agencies on specific sector interests, the Department also collaborates with a range of organisations to achieve better results for New Zealand. Examples of such initiatives are:

Rugby World Cup 2011

Internal Affairs works collectively with a range of agencies to ensure that the guest-of-government programme contributes to the Government's overall goals for the tournament. Each visit has specific objectives designed to leverage foreign affairs and trade objectives and the Department's role is to deliver the visit programme in conjunction with the Rugby World Cup Guest of Government Task Force. The Department is also providing administration and support to the NZ 2011 Festival Lottery Fund Committee, which has been established to support public events and activities associated with the Rugby World Cup 2011.

AnyQuestions.co.nz

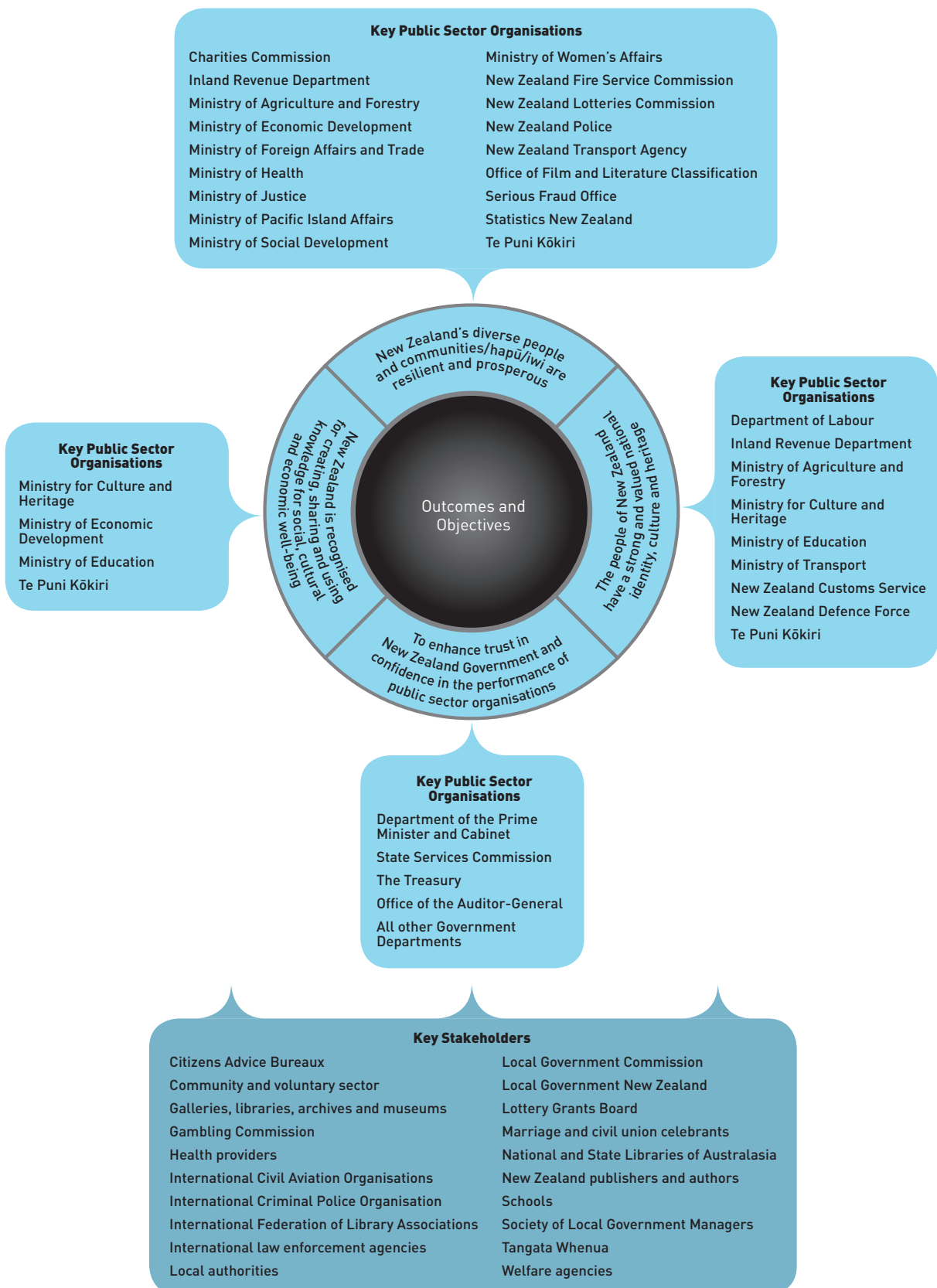
In conjunction with the Ministry of Education, the Department runs a free online reference service for New Zealand school students, known as AnyQuestions.co.nz. The site enables students to find high quality online resources and chat online with a librarian in real time.

Preserving military personnel files

The Department is working with the New Zealand Defence Force to make all pre-1921 military personnel files available online before the 2014 First World War commemoration activities. The Department also works with other agencies to deliver digital copies of archives online.

Computers in Homes

The Department works with the 2020 Community Trust. The Trust delivers the successful Computers in Homes Programme through low decile schools. The purpose is to raise the computer literacy level of low income families, providing them with skills to use the computer, access the internet and use email. This has improved their daily lives and their performance at school and work.



OPERATING INTENTIONS

CONTRIBUTING TO OUTCOMES – SERVICES TO PEOPLE AND COMMUNITIES

Achieving the long-term outcomes and objectives identified earlier relies on the collective actions of countless individuals and organisations. This section specifically outlines the Department's role and priorities in providing services to people, communities and government. The Department will adapt to changes in the operating environment and respond to new priorities as they emerge.

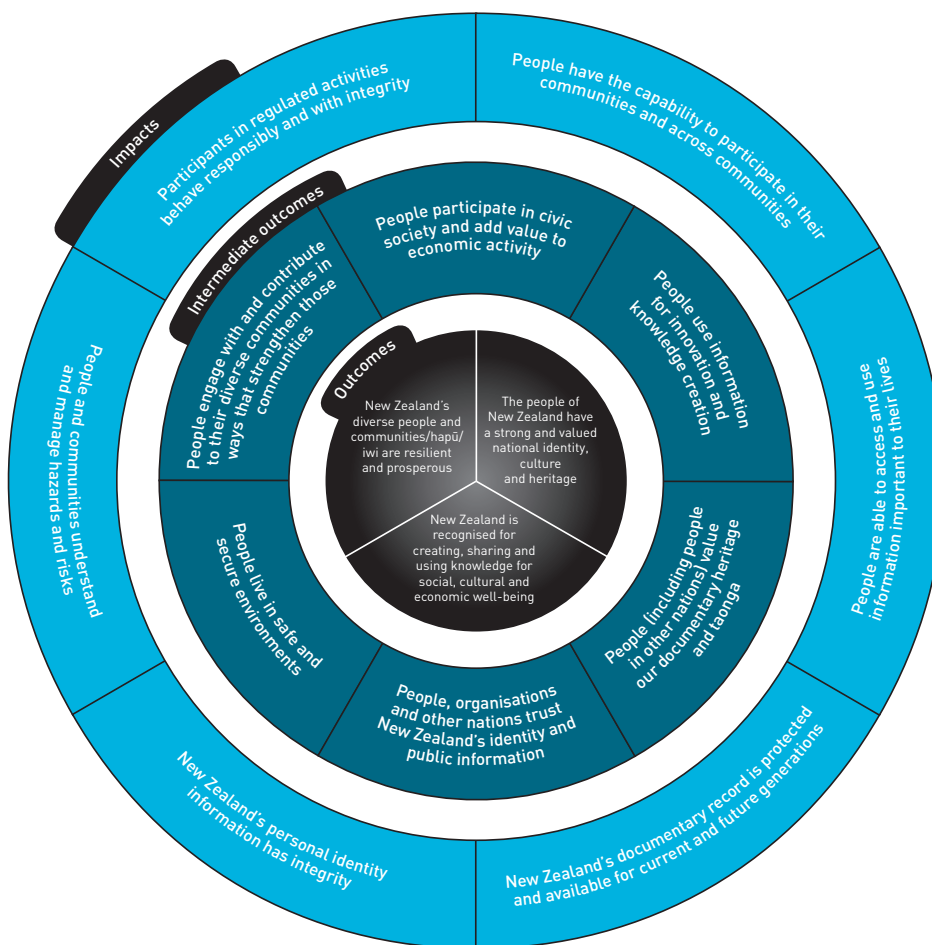
Internal Affairs provides a wide range of services directly to New Zealand's people and communities to help maintain and improve their overall quality of life. The Department's outcomes are:

- » New Zealand's diverse people and communities/hapū/iwi are resilient and prosperous
- » New Zealand is recognised for creating, sharing and using knowledge for social, cultural and economic well-being
- » The people of New Zealand have a strong and valued national identity, culture and heritage.

The Department has identified six impacts that delineate how it seeks to contribute to these outcomes.

- » People and communities understand and manage hazards and risks
- » Participants in regulated activities behave responsibly and with integrity
- » People have the capability to participate in their communities and across communities
- » People are able to access and use information important to their lives
- » New Zealand's documentary record is protected and available for current and future generations
- » New Zealand's personal identity information has integrity

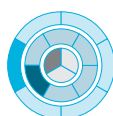
For each of these impacts, the following pages describe what the Department is seeking to achieve, how the Department will achieve this, and the key initiatives over the next three years. The indicators for the impacts are on pages 63–65.



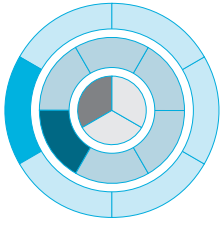
Each section also includes a reference diagram that portrays how the impact contributes to the intermediate outcomes and outcomes of the Department. The shaded sections of the diagram denote the impact being described, and the intermediate outcomes and outcomes that are affected through these services.

For example, the following diagram highlights the relationship between the Department's impact of **people and communities to understand and manage hazards and risks** and the outcome **New Zealand's diverse people and communities/hapu/iwi are resilient and prosperous**.

The box highlighted in the outer circle identifies the impact being described (*people and communities to understand and manage hazards and risks*). This impact contributes to one intermediate outcome in the middle circle, **people live in safe and secure environments** by providing people with the information and resources to create safer places. A safe and secure environment creates a platform for individuals and communities to participate and engage in their society. In doing so, this ultimately contributes to the outcome shaded in the centre circle, fostering the **resilience and prosperity of New Zealand's diverse people and communities/hapu/iwi (outcome)**.



People and communities understand and manage hazards and risks



People and communities understand and manage hazards and risks

What are we seeking to achieve?

The Department protects people and communities by helping them to prepare for emergencies and prevent social harm. It acts to ensure that individuals and families living in New Zealand know how to protect themselves from being exploited by gambling, unsolicited electronic messages, objectionable and restricted publications, financial crime and other criminal activities. The Department advises people on how to respond to these situations so that people and communities are aware of, and put in place measures to minimise, the harm from hazards and risks.

What will we do to achieve this?

Support communities to manage through emergencies

The Department is the lead government agency for civil defence emergency management in New Zealand. It uses a combination of approaches to help communities, households and individuals prepare for civil defence emergencies, and to increase their ability to respond in the aftermath of these events. The Department runs public education campaigns that aim to increase people's awareness of, and preparation for, hazards and risks. It also provides resources for use in schools and for local authorities to use in community campaigns.

During a national emergency, the Department plays a critical role in supporting recovery and response to events. Through the National Crisis Management Centre, the Department ensures a coordinated approach, at both national and community levels, to emergencies. It provides overall management and coordination of responses and actively supports local authorities, Civil Defence and Emergency Management (CDEM) groups and other stakeholders during events like the September 2010 and February 2011 earthquakes in Christchurch.

Prevent social harm

Internal Affairs also seeks to minimise the potential social harm through its role in enforcing unsolicited electronic messages, gambling, and censorship compliance. In addition to enforcing regulation, it works with community groups to help give them the ability to reduce the risk of social harm.

Unsolicited commercial electronic messages (spam)

The Department combats spam to promote a safer and more secure environment for the use of information and communications technology. It engages with the public, government agencies and business to reduce impediments to the uptake and effective use of information technology and to reduce the cost to business of the wider communications that arise from spam. This engagement supports industry groups, including telecommunications providers, to understand the importance of good marketing practice and the appropriate use of information and communications technology.

Censorship

In addition to regulating spam, Internal Affairs, through its role in censorship compliance, helps protect New Zealand society from the harm caused by the unrestricted availability of restricted and objectionable material. The Department also monitors the performance of the Office of Film and Literature Classification, which determines the classification of publications, disseminates information about the classification system to the public, receives complaints and inquiries, and provides research services.

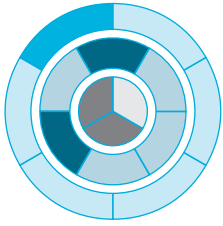
Gambling

Internal Affairs provides regulation and enforcement to support the minimisation of gambling-related harm. The Department collaborates with the Ministry of Health, gambling service providers and researchers to monitor and address issues related to preventing and minimising gambling-related harm. It also works directly with community interest groups, the general public and local authorities to ensure effective community understanding of the gambling environment.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Support the recovery from the February 2011 Christchurch earthquake
 - Internal Affairs will continue to support Christchurch city as it recovers and will contribute to the Government's response.
- » Strengthen the statutory framework for recovery after a major civil defence event
- » Implement the recommendations of a review of the response to the Canterbury earthquakes and the lessons learned
- » Lead the national management of civil defence emergencies
 - The Department is planning to establish an alternative National Crisis Management Centre in Auckland, which can act as a back-up to the national centre in Wellington.
 - The Department will assess the cost and feasibility of options for using telecommunications to provide a public alert system to send out notifications of alerts and warnings to the public.
- » Support the development of community resilience
 - The Department intends to update the advertising material used in the *Get Ready, Get Thru* mass media campaign.
 - Internal Affairs is planning a nationwide civil defence exercise for November 2012, *Exercise Shakeout*, which is expected to involve many members of the public, as well as local authorities.
- » Prevent and raise awareness of social harm
 - This year, the Department will further extend a programme that enables problem gamblers to exclude themselves from gambling venues within a defined area. The programme is currently operating in a number of locations throughout the country.
 - Together with non-governmental agencies with an interest in child welfare, the Department will be working to raise public awareness of online child exploitation.
 - The Department is working with the Film and Video Labelling Body to improve the information on the labelling and classification process available to ethnic communities so that they are informed, and to encourage voluntary compliance. This would be demonstrated with the ethnic outlets' greater use of applications to the Labelling Body and fewer complaints of non-compliance.



Participants in regulated activities behave responsibly and with integrity

What are we seeking to achieve?

The Department works with businesses and organisations operating in its sectors of formal regulatory control, such as the gambling sector, film and literature distribution, and retail companies and financial institutions. Internal Affairs seeks to ensure that these participants comply with regulations governing their activities. It uses a range of regulatory tools so that the behaviour of participants in activities that are controlled by regulations covering gambling, censorship, anti-spam, anti-money laundering and countering financing of terrorism exceeds the minimum requirements of the regulations, and protects people from harm.

What will we do to achieve this?

Provide education, advice and enforcement to ensure regulated sectors comply with their obligations

The Department is responsible for ensuring the appropriate regulation and compliance of activity in gambling; anti-money laundering and countering the financing of terrorism; censorship; and anti-spam. A key focus of the Department's activities is to encourage operators to comply voluntarily with the law.

The Department works with the gambling sector to help keep gambling in New Zealand fair and honest. It applies a wide array of regulatory tools designed to assist compliance and to compel compliance where necessary. These tools range from education and advice to resolve minor non-compliance, through to licence suspensions and prosecutions to address significant non-compliance. The Department continues to build its understanding of better compliance practice and its use of intelligence to ensure its regulatory responses are well informed.

Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, Internal Affairs' role is to supervise specific business sectors to ensure they comply with legislation. The Department will monitor businesses to ensure they fulfil their statutory requirements and undertake supervision, investigation and enforcement functions. It will also work closely with other key agencies and international bodies to ensure New Zealand's regime is effective and compliant with international standards.

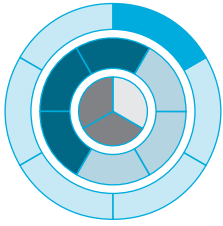
Another piece of recent legislation, the Private Security Personnel and Private Investigator Act 2010, included the establishment of a new role for the Department and will see it provide a complaints, investigation and prosecutions function for the licensing authority established to regulate private security personnel and private investigators.

The Department will continue to work with businesses and industry groups to improve compliance with censorship and anti-spam legislation. Internal Affairs will collaborate with the Police, Customs and overseas enforcement agencies to share information and resources, collaboratively investigate and prevent crime, and inform policy development relating to censorship matters. Using its specialist expertise, the Department will run a digital child exploitation filtering system to reduce the amount of harmful material that is available and continue to encourage Internet service providers to adopt this filter. The Department will also continue its work to reduce spam through a regulatory approach that includes education, formal warnings, enforceable undertakings, infringement notices and prosecutions.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Improve compliance with gambling laws and the integrity of funding practices
 - The Department will continue developing the integrated gambling platform, which is intended to be complete in 2012. The platform will improve the efficiency and effectiveness of gambling regulation and enhance information-gathering, analysis and reporting.
- » Support the New Zealand Racing Board and the racing code bodies as they establish a Racing Integrity Unit
 - The Department will work with the New Zealand Racing Board and the racing code bodies to establish a Racing Integrity Unit to police the rules of racing to remove any conflict of interest in the enforcement of the rules. The Department will encourage all codes to support the Unit, and delegate the necessary powers to it.
- » Develop tools that protect people from material that is injurious to the public good
 - Together with the Film and Video Labelling Body, Internal Affairs is developing a new approach to affixing and printing classification labels on DVD and computer game packaging. These will be available once legislation is passed by Government and will result in time and cost efficiencies for businesses.
 - The Department will be developing software to assist in detecting and prosecuting offences that take place on Internet networks.
- » Establish and implement new regulatory functions
 - With its new function under the Private Security Personnel and Private Investigator Act 2010, the Department will particularly focus on establishing and strengthening relationships with private security operators and organisations, the Private Security Personnel Licensing Authority, and other government agencies.
 - Internal Affairs will continue work to establish an anti-money laundering and countering financing of terrorism unit so that it is fully functional when the legislation takes effect in early 2013.



People have the capability to participate in their communities and across communities

What are we seeking to achieve?

The Department seeks to promote a culture of lifelong learning and engagement, where people are aware, knowledgeable, resourced and skilled to participate in their own communities and contribute more broadly to society. Internal Affairs does this by providing access to information and resources, providing advice and funding to support community development, and advising government agencies on how to involve community members in policy-making and service delivery.

What will we do to achieve this?

Provide advice and information that helps make communities stronger

The Department is committed to helping New Zealand build strong communities. It works with groups and individuals in advisory and supporting roles to give them the resources and skills to contribute in positive ways to their communities. Through its network of offices throughout the country, Internal Affairs works with communities and community groups to develop their capability, advises community groups on grant funding options, and helps to connect community groups with the wider local and central government system.

In addition to providing direct advice, the Department also provides online resources, such as CommunityNet Aotearoa, Keeping it Legal *E Ai Ki Te Ture*, online resources for communities, good practice tools for agencies to build productive relationships with communities, online resource for communities, online services and support to schools and school libraries, and the Aotearoa People's Network Kaharoa, which provides broadband connections to libraries (or community centres and marae if there is no library) to enable free public Internet services. The Department will also continue to provide the Community Archive as an online centre for New Zealand's organisations to showcase and store their archival collections. These resources are intended to lift the digital literacy in communities and strengthen the ability of individuals or groups to participate in and better understand their community.

The projected rise in ethnic communities presents New Zealand with many economic, cultural and social opportunities. Internal Affairs seeks to encourage and promote the benefits that ethnic diversity offers New Zealand. The Department is especially focusing on increasing access to economic development opportunities and employment for ethnic communities. It does this by offering expert advice on the benefits and challenges of ethnic diversity, building capacity across the ethnic and mainstream sector, and building and maintaining strong connections between ethnic communities and government, iwi and the private sector.

Enhance access to community funding

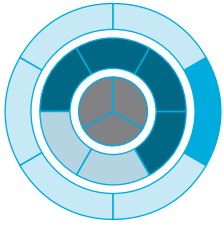
The Department seeks to support people and communities to have the resources, as well as the skills and information, to participate in and across their communities. Through its role in the gambling sector, Internal Affairs helps to ensure that the proceeds from gambling activity are applied appropriately and for the benefit of the community. The Department's role in monitoring the performance of the Charities Commission further supports New Zealand to have confidence in the charitable sector and the effective and efficient application of its resources to intended purposes.

Internal Affairs also provides administrative and operational support to grant decision-making boards and panels associated with the Crown and New Zealand Lottery grant funds, the Lottery Grants Board and six trusts. It supports these bodies to together distribute more than \$170 million of community funding each year.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Structure for effectiveness
 - The Department will implement a new online grants and client management system by June 2012. It will replace the existing 'Grants Online' website that applicants use to apply for grants. The new system will be more efficient for applicants and the Department's staff who administer grants.
 - The Department will develop and implement new approaches to its Crown-funded schemes. The focus will be on establishing and evaluating a community-led development model, and continuing to support community-based digital literacy and connection initiatives.
 - The Department will review the allocation of responsibilities between Vote Community and Voluntary Sector and other votes (e.g. Vote Internal Affairs) to ensure the best allocation of responsibilities between those votes and to ensure the best outcomes for each.
- » Improve regulation
 - Following on from a series of technical amendments to the Charities Act 2005, the Department will review the Act and regulations to ensure they reflect the needs of the charitable sector. The review is scheduled for completion by 2015.
- » Set and deliver quality
 - The Department will progress work on Kia Tutahi proposals for a community-government accord and associated actions to strengthen the relationships on critical cross-cutting issues.
- » Seize opportunity in the community and voluntary sector
 - In 2011, Internal Affairs will continue activities to celebrate the 10th anniversary of the International Year of the Volunteer. Activities will highlight the valuable contribution volunteers make to the community.
 - Strengthen the community-led and public sector knowledge of social lending through seminars and workshops.
- » Empower ethnic communities through increased government responsiveness
 - Develop baseline statistical indicators for ethnic people. These findings will raise awareness of the well-being of New Zealand's ethnic communities, improve the government services available, and provide a foundation for future reporting on the well-being of ethnic communities.
- » Maximise ethnic people's transnational networks and cultural skills for domestic economic gains
 - Provide regional forums that provide information on business services available, using the free trade agreements and the community's contribution, and building relationships between ethnic businesses, mainstream businesses, and economic development agencies.
- » Maintain New Zealand's reputation as a successful model of social harmony through celebrating our multi-ethnic and multi-faith society
 - Internal Affairs will support the United Nations' initiative, Alliance of Civilizations, by coordinating cross-government activities domestically and the National Plan of Action. This initiative builds understanding between cultures and traditions to counter polarisation and extremism.
- » Collaborate and partner for greater efficiency
 - The Department will implement a new subscription-based business model to make the Aotearoa People's Network Kaharoa, which enables free public Internet services, financially sustainable by 2012.



People are able to access and use information important to their lives

What are we seeking to achieve?

Internal Affairs facilitates access to collections of facts, opinions, ideas and artistic expressions through information stored by Archives New Zealand and the National Library. These services are intended to give people opportunities to add value to information by creating new knowledge and generating new economic activity.

The Department seeks to provide information, advice and expertise so that people, whether in New Zealand or overseas, might have the opportunities and means of using and retrieving information that meets their needs and supports their participation in society. A key part of this is its role in developing a centre of expertise in government's online presence.

Internal Affairs also maintains New Zealand's official record of personal identity information. It seeks to ensure that people have appropriate and secure access to their records, and provides this information in a manner that enables people to access services and entitlements.

What will we do to achieve this?

Provide access to collections of information

The Department supports the creation and application of knowledge in New Zealand's culture and economy through enhancing access to information.

The Department's collections contain a vast quantity of information, which it makes available through a variety of channels including online services, reading room facilities and interloans to other libraries. The Department also provides services to other libraries, such as collaborative national purchasing arrangements for bibliographic services and collection materials, helping make this information accessible to many people.

Internal Affairs enables people to access the information it holds either in person or through a range of technologies. The Aotearoa People's Network Kaharoa broadband service provides free access to information on the Internet through public libraries, marae or community centres. The Department's services to schools provide nationwide

access to specialist resources to support literacy and learning. The Department also provides services directly to students. For example, Internal Affairs, in collaboration with the Ministry of Education and public libraries, provides an online homework help service, AnyQuestions.co.nz, as a free online reference service for New Zealand school students.

The Department also gives researchers access to government records and heritage material, acquired by purchase or donation, dating back many decades, either directly, online or through third parties. The National Digital Heritage Archive enables the preservation of digital information, while Digital New Zealand makes millions of digital items accessible for discovery and re-use.

Make personal information available to use

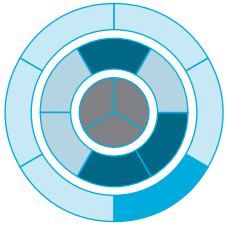
As kaitiaki (guardian) of New Zealand's core identity information, Internal Affairs maintains information that is valuable to individuals because of its quality, form and management. The Department provides day-to-day services and products that are essential to the public – from issuing New Zealand passports and travel documents to registering births and issuing birth certificates. Through rigorous systems and authentication technology, Internal Affairs ensures the New Zealand public has appropriate access to information through channels that protect the privacy of their identity information. The integrity of the Department's systems and validity of personal information ensure that people can rely on this information to access government entitlements and services. This will be further enabled by the *igovt* suite of services.

The Department also enables people to make use of valuable documents and information for personal or business benefit. It provides authentication or translation services that enable people to make use of documents and information. It is also leading the development of web and data strategies, architecture, standards and delivery which will support New Zealand people to access information important to their lives.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Implement the New Generation Strategy to modernise the National Library's services
 - The Department will redesign the National Library's frontline services to coincide with the National Library's return to its Wellington building in 2012. A comprehensive service redesign, including new visitor and online experiences for researchers and repositioned services to schools, will be in place for the reopening of the building.
- » Ensuring the integrity of identity information
 - Providing leadership in identity information management across government: through delivery of the all-of-government Identity Common Capability Programme
 - This includes the *igovt* Identity Verification Service, *igovt* Logon Service and the Data Validation Access Service components of the Identity Common Capability Programme
- » Progress digital service delivery
 - The Department will complete the World War One data project and exhibition. Archives New Zealand is working with the New Zealand Defence Force to make all pre-1921 military personnel files available online. This will be completed before commemoration activities for the First World War centenary beginning in 2014.



New Zealand's documentary record is protected and available for current and future generations

What are we seeking to achieve?

The Department maintains the collective memory of the nation and makes it available for use through its archival and library collections. As the holder of New Zealand's documentary heritage and public record, it seeks to ensure a continuous record is protected and available for people to access now and in the future.

What will we do to achieve this?

Build collections of national importance

The Department collects, stores, preserves and makes accessible documents that record the lives, actions, ideas and beliefs of New Zealanders, as well as national events. These are comprehensive government and societal collections that have built up over many years, and include printed documents, photographs, art works, sound, oral history, music, film, maps and electronic resources.

These national collections include significant heritage collections, such as Māori and Pacific records, which the Department holds on behalf of the people of New Zealand. Internal Affairs is continually adding documents and records to these collections as a result of the Public Record Act 2005 obligations on government agencies to maintain the public record. Administering the legal deposit system for publishers, receiving donations of unpublished material, and developing the collections through the purchasing of new and heritage items also contribute to the building of a comprehensive documentary record for New Zealand. The Department makes its significant collections available for general use at its reading room facilities, through libraries or online.

Protect and preserve collections for future generations

The Department also seeks to protect and preserve these national collections for the benefit and enjoyment of future generations. It maintains, preserves and protects its collections using specialist storage facilities and staff expertise in preserving old, damaged or delicate documents and other formats. It also works with Māori to help them access and preserve their cultural records.

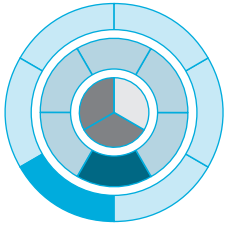
In addition to preserving older historic content, Internal Affairs is also acquiring and storing an increasing number of items in a digital format. As 'born digital' content becomes more prevalent, its digital repository will ensure the long-term preservation and availability of this content.

The Department works with a range of agencies to maintain and preserve records that may have long-term value. For example, the Chief Archivist issues disposal authorities to government agencies, allowing those agencies to transfer valuable records to Archives New Zealand.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Improve access and preservation of heritage collections
 - The redevelopment of the National Library's Wellington building will be completed in 2012. This initiative will see heritage collections in Wellington kept in appropriate environments and expand its capacity to provide sufficient storage until 2030.
 - The Department will add a further 350,000 digitised pages to Papers Past (a website containing more than one million pages of digitised New Zealand newspapers and periodicals covering the years 1839 to 1945) and the AtoJs Online web services (website contains digitised reports from selected volumes of the Appendix to the Journals of the House of Representatives) to increase access to New Zealand heritage information. This will contribute to an increase of a million digitised images accessible online over a two-year period to 2012.
- » Advance the management of the Government's digital information
 - The project to develop the Government Digital Archive will be completed in 2013. This initiative will include developing a secure system to accept, store, preserve and provide ongoing access to important government digital information. The new digital archive is being designed in close consultation with public sector agencies and builds on the Government's previous investment in the National Digital Heritage Archive.



New Zealand's personal identity information has integrity

What are we seeking to achieve?

The Department records, and maintains the official record of, personal information about individuals' life events that occur in New Zealand. This identity information is fundamental to an open and democratic society; it enables people to record and use their identity information to access other State sector services and entitlements, as well as participate in civic society and add value to economic activity. In this way, the Department seeks to maintain people's and organisations' confidence in using its identity products and information with the knowledge that this information is managed safely and securely.

What will we do to achieve this?

Provide secure and reliable identity information

In its capacity as *kaitiaki* (guardian), the Department maintains the security, reliability and quality of New Zealand's personal identity records. Internal Affairs collects, manages and stores these records in a way that ensures they cannot be altered, damaged, or accessed by unauthorised people, and prevents alteration or fraudulent use of its identity products. The Department's management approach not only enables people to use its information with confidence, but has also given New Zealand a strong international reputation for high standards of integrity. This reputation for secure and reliable identity information enables New Zealand passport holders to remain eligible for numerous visa waiver programmes.

Provide leadership in identity information management

Internal Affairs provides leadership in the public sector on all aspects of identity information management. Its Identity Common Capability Programme coordinates identity assurance activity across government to ensure a consistent and secure approach to managing identity information.

As part of this, the Department has developed, and is continuing to develop, a number of technology products or services that allow individuals to make direct use of the data it holds about them. The *igovt* Identity Verification Service (IVS) is part of the All-of-government Identity Common Capability Programme and will provide the public with the means to verify their identity online, and in real time, when seeking services from a government agency. It includes three initiatives:

- » *igovt* logon – a single logon that can be used with many government service providers
- » the Identity Verification Service – which allows people to prove their identity online
- » the Data Validation Service – which enables people and organisations to check that the details on an Internal Affairs-issued document (e.g. birth certificate) are consistent with what is recorded in the database or register.

These products are being developed to give organisations a high degree of confidence in the identity information they are given. The Department also provides risk assessments and advice on identity-related matters to government agencies.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Ensure the integrity of identity information
 - The Department will upgrade the core Births, Deaths and Marriages system to enable the expansion of online services, and to improve the effectiveness of the Department's processes. Replacement of the Citizenship Operating System is also planned for 2012.
 - Internal Affairs will introduce online passport applications. Online passport renewals will provide the basis for making it possible to make any passport application online. A fully online service is planned for 2013/14.
 - The Data Validation Service will be made available for parts of the private sector to enable them to fulfil their obligations under the Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT) Act. This will be available from late 2012.
 - The Identity Verification Service (IVS) will move from being a limited to full service. This is expected in late 2012. The initial implementation phase of the *igovt* IVS project included the deployment of a limited service to genealogists, a select group of customers. It is expected that the service will be available for the wider public in late 2012. Full implementation of the IVS is dependent on the passing of the Electronic Identity Verification Bill and agreement on future funding.
 - The Department will focus on improving and expanding access to *igovt* services for customers. It will continue negotiations with the New Zealand Post Group to develop an agreement that maintains the high level of public confidence and trust in the way people's information is managed by government.

CONTRIBUTION TO OBJECTIVES – SERVICES TO GOVERNMENT

The activities undertaken by the government, both central and local government, make up a large proportion of the New Zealand economy, and the services it delivers significantly affect the lives of people.

The transparency and accountability of government are fundamental to enhancing trust in government, fostering improved agency performance and supporting people to live in a well-functioning, civic society. Along with the government's central agencies (the Department of the Prime Minister and Cabinet, the Treasury, and the State Services Commission), the Department seeks to maximise its contribution to ensure public sector organisations have the capability and capacity to deliver services that "improve the lives and wellbeing of New Zealanders, help solve social problems and improve the prospects of the next generation".³

The Department indirectly contributes to all government outcomes by pursuing the following objective:

- » To enhance trust in New Zealand government and confidence in the performance of public sector organisations.

The Department provides a wide range of services to public sector organisations (public service departments; non-public service departments; Offices of Parliament; Crown agents; autonomous Crown entities; independent Crown entities; trust boards; statutory bodies; and territorial and local authorities). These activities enable other organisations to carry out their business and, ultimately, deliver better results to the New Zealand public. It does this by:

- » enhancing the productivity and accountability of public sector organisations
- » supporting specialist capability-building in other nations
- » supporting the system of government to operate efficiently and effectively.

The following pages describe the Department's contribution to each of these objectives and the key initiatives over the next three years. The indicators for the supporting objectives are on pages 66–67.

³ 8 February 2011, Rt Hon John Key, Statement to Parliament.

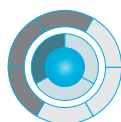


Each section also includes a reference diagram that portrays how the Department’s supporting objectives contribute to its objectives. The shaded sections of the diagram denote the relevant lead objective and supporting objectives. While the supporting objectives represent the primary areas of contribution, the Department recognises that all of its services contribute to varying degrees to its lead objectives.

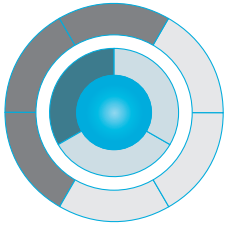
For example, the diagram below highlights how the following supporting objectives contribute to the Department’s work **to enhance the productivity and accountability of public sector organisations** (middle circle). (middle circle).

- » **capability across public sector organisations to work with and respond to communities,**
- » **capability across public sector organisations to carry out regulatory responsibilities,**
- » **capability of public sector organisations to keep secure and maintain the integrity of public records and personal information.**

The Department’s services in these three areas, shaded in the diagram, ultimately support the productivity and accountability of public sector organisations and **trust in New Zealand government and confidence in the performance of public sector organisations.**



To enhance the productivity and accountability of public sector organisations



To enhance the productivity and accountability of public sector organisations

The Department has a variety of mechanisms it can use to influence public sector organisations to make sure they have the staff, systems and infrastructure in place to contribute to their outcomes. It does this by working to:

- » increase capability across public sector organisations to respond to the needs of communities
- » increase capability across public sector organisations to carry out their regulatory responsibilities
- » increase the capability of public sector organisations to keep secure and maintain the integrity of public records and personal information they hold.

Capability across public sector organisations to work with and respond to communities

The Department plays a major role in enhancing the collective productivity of public sector organisations by helping them understand and respond to the needs of varied communities. Internal Affairs uses its expertise, resources, infrastructure and advice to help other agencies respond to the needs of diverse communities.

The Department strives to strengthen the relationship between government and the community sector, and to increase understanding of the size and scope of the community and voluntary sector, and its vital contribution to New Zealand. It does this through research and analysis, providing policy advice, and providing good-practice standards, guides, tools and seminars to improve the public service response on cross-cutting issues such as funding and engagement.

Internal Affairs also provides advice, information and tools to support departments in their work with ethnic communities. It has developed tools and resources for managers to use when managing diverse workforces, such as those with migrant workers. This was originally developed for government agencies, but has been extended to small and medium-sized enterprises.

Capability across public sector organisations to carry out regulatory responsibilities

The Department provides particular support to the civil defence emergency management (CDEM) sector at a local and national level through professional development, standards and guidelines, and regional advice and liaison. Its Emergency Management Information System (EMIS) is available for national and regional CDEM groups and will improve their responsiveness to needs in emergencies.

The Department has taken a lead role in the move towards developing common capabilities across agencies as part of the Compliance Common Capability Programme. This work includes developing a guide for organisational compliance, intended for use in both central and local government sectors, in collaboration with Standards New Zealand and a range of agencies. In partnership with Learning State, the Programme is also developing qualifications for public servants working in the compliance area, to introduce consistent standards and practices across the public and local government sectors.

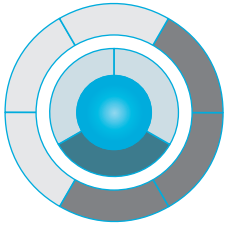
Capability of public sector organisations to keep secure and maintain the integrity of public records and personal information

In addition to improving productivity, the Department promotes public accountability by maintaining a continuous public record of the government's actions and decisions. It works with public agencies to provide recordkeeping advice and training, develops standards on recordkeeping and supports agencies' development of formal recordkeeping programmes. Much of this work is in the area of public records, and the Department advises other government agencies on how to securely store records to give them physical protection, and guard them against unauthorised access. Its activities focus on raising awareness and understanding of digital continuity across the public sector to help ensure information is well managed from its creation, and building infrastructure for the long-term management of the government's digital records.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Support the development of capability across the CDEM sector
 - The Department will support CDEM groups to implement the findings of the capability assessments carried out during 2010–11.
- » Set and deliver quality in engaging with the community and voluntary sector
 - The Department will develop induction material on community-government collaboration for public servants, based on the Ready Reference Engagement Guide.
 - The Department will develop a Public Sector Guide on Employee Volunteering. The Guide will include a video and serve as a useful tool that government agencies can use to encourage employee volunteering.
- » Collaborate and partner for greater efficiency
 - In collaboration with local authorities, implementing phase 1 of a shared service for public libraries to provide library management and discovery systems by June 2012.
 - In partnership with contributing agencies across government, library, research, education and local government sectors, the Department will continue to build Digital New Zealand's service offering in 2011 with a focus on digital assets that are licensed or freely available for re-use.
- » Develop regulatory compliance qualifications
 - The compliance qualifications will be progressively developed and rolled out over the next two to three years.
 - The Guide for Compliance Agencies in New Zealand will be completed and launched in 2011.



To support the system of government to operate efficiently and effectively

Internal Affairs supports the system of government, both local and central government, to operate efficiently and effectively through its work to:

- » optimise the services and systems that support effective Executive Government
- » improve the value of investment by public sector organisations in information and communications technology
- » enhance the value of information available to support government decision-making.

Optimise services and systems that support Executive Government

The Department ensures that the necessary systems and services are in place to support the efficient operation of Executive Government. This entails the servicing of ministerial offices and includes practical matters such as transportation, financial management, administrative and IT support, accommodation, and events management. The Department takes a lead role in ceremonies of national significance, such as Anzac Day celebrations, and visits by foreign dignitaries. It provides the administrative support for commissions of inquiry and advisory boards, such as the Local Government Commission and Film and Literature Board of Review.

Improve the value of government ICT investment

Whole-of-government strategic leadership and ICT strategic leadership are closely connected, as ICT is a critical enabler through which the government will seek to deliver sustained productivity gains in a tight fiscal environment. The Department has a crucial leadership role in ICT as the home of the Government Chief Information Officer (GCIO) and chief advisor on the Government's use of ICT to drive performance improvements across the system. The Department will maintain close working relationships at multiple levels with other central agencies, Ministry of Economic Development and related governance groups to ensure that objectives and work programmes are clearly communicated and aligned wherever necessary.

The Department oversees the implementation of the Directions and Priorities for Government ICT and provides advice on the strategic direction of government ICT use to Ministers, chief executives, senior stakeholders, central agencies and common ICT capability lead agencies. The Directions and Priorities for Government ICT have a strong focus on open and transparent government, integrated service delivery and driving common approaches to common needs.

As part of the Directions and Priorities for Government ICT, the Department will, in conjunction with agencies, lead a programme to create a Government Common ICT Capability Roadmap as a basis for agency ICT planning and implementation. The new common ICT capability service, 'Infrastructure as a Service', is one of the first initiatives being delivered from the Roadmap. This initiative will provide agencies with access to shared storage, computing and data centre facilities on a self-service, pay-as-you-use basis.

The Department also engages in all-of-government ICT procurement in order to reduce duplicate investment, and promotes the re-use of existing technology. The Department will model and promote shared services across all of government to support the transformation of public service delivery.

It is also undertaking work to support the security of this infrastructure. The Department is involved in a joint initiative with the Ministry of Economic Development and the Government Communications Security Bureau (GCSB) aimed at protecting New Zealand government's information and assets from cyber attacks. This initiative involves developing a cyber security strategy, plan and operations centre. Subject to Cabinet approval, the Department, along with the GCSB, will focus over the next three years on creating and implementing the cybersecurity plan to enable agencies to implement and comply with GCSB standards.

Enhance the value of information and data available to support government decision-making

The Department undertakes research and engages in discussion with other government and non-government agencies and groups to support the government's decision-making. Its data-gathering and analysis provide a solid foundation for the development of sound and effective policy in a range of areas.

The Department provides advice on a number of matters, including racing, fire safety, dogs, and emergency management. For example, it provides advice on fire services and monitors the performance of the New Zealand Fire Service Commission. The Commission provides fire safety public education programmes, emergency response and coordination of the rural fire sector. In doing so, Internal Affairs supports the government and the Commission to:

- » reduce the consequences of unwanted fires for people, property, communities and the environment
- » reduce the adverse consequences of non-fire emergencies for people, property, communities and the environment
- » give New Zealanders access to fire services in which they have a high level of trust and confidence.

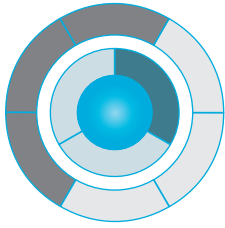
The Department also advises on the development and maintenance of the local government legislative framework. It works with local government to improve its efficiency and effectiveness, and to make sure the policies and legislation are allowing territorial authorities to meet the needs of their communities. It also ensures that the public has access to information about local government. Internal Affairs is currently engaged with the Auckland Council on its first spatial plan, and will be working with the Council during the plan's development and implementation. The Department is carrying out a first principles review of the local government system outside of Auckland to see whether reform is needed.

2011–14 Key initiatives

The Department's key initiatives over the next three years are:

- » Ensure the success of the guest-of-government and State functions programme related to Rugby World Cup 2011
 - The Department has provided staff to this task force, which will deliver a programme of visits and State functions during Rugby World Cup 2011.
- » Improve information and communications technology for members of the Executive
 - The Department will investigate the feasibility of operating a single network for both the Parliamentary Service and members of the Executive to improve the efficiency of transition whenever the membership of the Executive changes. A particular emphasis for 2011–12 will be to ensure the continued effective operation of the Executive following the 2011 General Election.
- » Support Auckland governance reforms – Auckland spatial plan
 - The Auckland Council is developing a first spatial plan that will illustrate future development of the city region, including the sequencing of growth and infrastructure provision. The Government will support the early success of the governance reforms through a constructive and ongoing dialogue with the Auckland Council on how both parties can achieve their objectives for Auckland. The spatial plan provides the vehicle for this. The Department, along with the Ministry for the Environment, has been tasked with coordinating central government's engagement with the Auckland Council on the spatial plan.

- » Improve the efficiency and effectiveness of the fire sector
 - This priority is intended to deliver a more efficient fire service and more effective emergency fire responses and planning through addressing a number of problems faced by New Zealand’s fire services. These include issues relating to the fragmentation of rural fire services, fire service levy inequities, and legal protection and mandate for volunteer rural fire forces attending non-fire incidents.
- » Conduct a first principles review of the local government system (outside of Auckland)
- » Implement the Directions and Priorities for Government ICT
 - The Department will progress work to implement the Common ICT Capability Roadmap. In particular, throughout 2011/12, the Department will work with other agencies to identify and advance initiatives that support the public sector to deliver a higher-quality experience for New Zealand people and to reduce costs through economies of scale and reuse.
- » Support Royal Commissions – although Royal Commissions are independent bodies, the Department will:
 - Support the Royal Commission on the Pike River Coal Mine Tragedy as it undertakes work to consider and report on the causes of the explosion and loss of lives from the 2010 Pike River Mine Tragedy by March 2012.
 - Support the Royal Commission on the Canterbury Earthquake as it undertakes work over the next twelve months to examine and report on issues relating to the built environment in the Christchurch central business district.
- » Review public safety around dogs
 - Internal Affairs will carry out a first principles review of public safety around dogs.



To support specialist capability-building in other nations

By virtue of its varied and specialist expertise, the Department not only shares its knowledge with other agencies but with other nations. It particularly does this in supporting other nations to:

- » increase their capability to keep secure and maintain the integrity of public records and personal information they hold
- » increase their capability to work with and respond to the needs of diverse communities
- » increase their capability to carry out regulatory responsibilities.

For example, its work in libraries, emergency management, and identity information, among other areas, sees it participate in a range of international forums to exchange information. As a world leader in digital preservation, its expertise is frequently sought from overseas and, in this capacity, Internal Affairs supports other nations to develop their capability. These forums are of benefit to other nations as well as the Department as they enable it to stay abreast of international developments while also enhancing others' capability.

The recent earthquakes in New Zealand highlight the importance of international support in times of emergency. This support is a feature of the nation's reputation and interactions with other countries. The Department will continue to fulfil its purpose of building a respected nation by strengthening New Zealand's international relationships in its areas of expertise.

2011–14 Key initiatives

Over the next three years, the Department's key initiatives will include:

- » monitoring and incorporating international trends and best practices in identity information management through participation in Australasian and international forums, such as the Five Nations Passports Group, Five Nations Citizenship Group, Australasian Biometrics Institute and International Civil Aviation Organization
- » maintaining relationships in the civil defence and emergency management area to learn from overseas practice and enhance the international assistance that would be provided to New Zealand in the event of an emergency
- » providing leadership and support to the Pacific Branch of the International Council of Archives, through the Department's role as Secretary-General. Among other activities, the Department will be preparing guidance on disaster preparedness and response for Pacific archives and archival institutions.

CAPABILITY
TO DELIVER

OPERATING ENVIRONMENT

The operating environment for the Department is inextricably linked to, and strongly influenced by, the broader economic and fiscal environment, which has been adversely affected by the global economic downturn and domestic recession.

The key messages from the Government continue to highlight a tight economic and fiscal environment, exacerbated by the financial pressures created by the Christchurch earthquakes.

The primary implication for the Department is that it will continue to operate within a fiscally constrained environment, with static baselines creating significant risks and cost pressures over the medium term. Any capital investment proposals will need to align with the Government's aim of using improvements in national infrastructure to drive productivity growth within the public sector and the wider economy.

The other influences that affect the Department's capability to deliver the required services and support include:

- » the outcomes of the Treasury-led Better Administrative and Support Services programme, and the potential impact on the back-office functions of the Department
- » the cross-functional nature of the Department's operations means that processes and systems must be sufficiently flexible to meet individual business unit requirements, while still conforming to overall corporate requirements.

MANAGING IN A CHANGEABLE OPERATING ENVIRONMENT

To manage in this environment, the Department must be both risk-aware and risk-astute. Managers must understand where their strategic, operational and service delivery uncertainties lie, and how these can create risk to the achievement of the Department's objectives.

The Department is confident that it has the capability and capacity to manage and respond to the continually changing environment. It has in place systems, structures and processes that enable the Department to identify and mitigate risks in the operating environment. The Executive Leadership Team determines the nature and level of strategic risk by actively defining and assessing the short- and medium-term context of the various sectors, stakeholders and customers of the Department. The Department considers opportunities afforded by the forward environmental scanning and identifies key initiatives and strategic priorities as the first expression of its response to the external operating environment.

The Executive Leadership Team is collectively responsible for identifying the key capability and capacity requirements to support the strategic direction and priorities, and assessing the level of uncertainty of performance or productivity. Each branch is required to identify any area of performance or delivery risk to its operations and services and put in place appropriate mitigations and contingency plans.

The Executive Leadership Team also supports the identification and recognition of risk by way of the Department's four governance committees, which provide further focus on key categories of risk management. The practice and policies to support risk management in the Department are strengthened by way of the Risk and Assurance governance committee, tasked specifically to provide oversight and guidance at an organisation-wide level.

APPROACH TO BUILDING CAPABILITY

In 2010, the Minister of Internal Affairs challenged the Department to become the preferred home for selected government functions that require high-quality service delivery to people, communities and government. In the past 12 months, the Department's strategic priority has been to build its capability so it can meet that challenge.

The scale of change to date is significant, involving major growth in the number of people and responsibilities. This will continue with the consolidation of the changes associated with the integration and the strengthening of the Department's capability for future change. The Department's approach to building capability has been and will continue to be largely influenced by the 1 February 2011 integration.

To respond to the integration, Internal Affairs seeks to be an organisation that is sustainable, fit for purpose and adaptable for managing change. It will focus on building its capability to:

- » deliver services to people and work with communities, hapū and iwi
- » deliver services to government
- » be a good employer.

The Department has put in place a new structure, leadership team and governance arrangements. The executive leadership team has collective accountability for the strategic direction of the Department, supported by the governance committees and management board, which also have a whole-of-Department perspective. The integration has created a new organisation that has potential synergies from the new combinations of functions within it. However, the Department has to build a collective culture that allows it to realise those synergies. This is an important area of focus for the leadership team, and is essential in order for the Department to be able to meet the Government's expectations.

Improving services to people and working with communities, hapū, and iwi

Providing customer-focused services

A central process to improving service delivery, both internally and externally, is a series of 'Systems Thinking' interventions, which the Department undertakes in order to improve the efficiency and effectiveness of its functions, systems and processes. The Department has adopted the Systems Thinking approach to ensure continuous improvement of its services. Systems Thinking is a highly participative method designed to support managers and staff through improvement efforts, while challenging thinking and assumptions that may hinder improvement. This will include developing measures that better reflect what matters to the customer, what the current state is and what needs to be done to improve performance. The interventions the Department has introduced in Citizenship, Births, Death and Marriages, and Human Resources have already resulted in significant and measured efficiency gains. Internal Affairs is developing an in-house capability which will see the Systems Thinking approach implemented incrementally and continually across all of the Department's functions.

The Department will also continue to:

- » support the National Library's New Generation programme, which is focused on developing new services and building a stronger customer focus, and leverage this work across the organisation where appropriate
- » develop and formalise the community advisory practice and training frameworks in its Community Operations areas.

Ensuring fair prices for the Department's products

The Department provides a number of services to individuals and groups for which it charges fees. It has in place an overall pricing framework encompassing best practice public sector guidelines, a set of overarching pricing principles and specific pricing strategies for individual products and services provided in both contestable and non-contestable environments and markets.

Where services are provided on a cost recovery (fee-for-service) basis in non-contestable markets, the Department operates memorandum accounts⁴ to assist in managing costs and revenue, particularly where fees charged are set under regulations. Other fees are charged for services that are not regulated through specific statute.

The Department depends on revenue from fees for over one-third of its income, and baselines can fluctuate as demand for products and services changes. The most significant area of fee generation is for passport production. Volumes in this area are predicted to rise, and then plateau, over the next five years, reflecting the commencement in March 2010 of the renewal cycle for the five-year passports.

A regular review of fees is essential to ensure cost recovery, while fee reviews are undertaken on a regular basis to ensure the validity of application of the principles of equity and financial prudence in the setting of fees.

4 Memorandum accounts are notional accounts to record the accumulated actual surpluses and deficits of particular activities with the objective of breaking even over the medium to long term.

Apart from passports, there continue to be current and outyear risks associated with projected adverse performance in citizenship, birth, death and relationship certifications and non-casino gambling. Accordingly, during the 2011/12 financial year fee reviews will be completed for these products, and the recommendations from these fee reviews may affect forecast third-party revenue from 2011/12.

Enabling effectiveness for Māori

The Department is committed to the articles and the principles of the Treaty of Waitangi and will continue to build its internal capability to work with whānau, hapū and iwi Māori. The Department is currently reviewing its overall Effectiveness for Māori plan (EfM) to ensure that its capability to work effectively with Māori is aligned with its strategic direction.

This EfM plan is designed to strengthen its capability to improve outcomes for whānau, hapū, iwi and Māori. For example, the Department's implementation of the following will help build, amongst other things, capability to deliver high quality operational services to Māori:

- » the Te Whakamotuhaketanga Hapū strategy in Community Operations
- » the Te Kaupapa Mahi Tahi and Bicultural Implementation Plan of the National Library
- » the Responsiveness to Māori Programme of Archives New Zealand.

The Department is also undertaking a review of its Māori advisory groups. As a result of the integration, the Department has three Māori advisory groups which exist to provide high level advice and support to the Chief Executive and advice to local branches. These groups provide advice on matters relating to its overall ability to meet Treaty of Waitangi obligations and work with mana whenua (Te Atamira Taiwhenua), as well as its specific work relating to National Library (Te Komiti Māori) and Archives New Zealand (Te Pae Whakawairua) responsibilities. The future arrangements need careful consideration, and will be worked through to identify an approach that best enables the Department to successfully respond to the needs of Māori staff, implement Treaty settlements, and to honour its broader obligations under the Treaty.

Delivering services to government

In addition to ensuring it has the capability to deliver services to people and communities, the Department will also continue to build its capability to support other public sector organisations through ICT strategy and procurement.

Central to its support of other public sector organisations is the Department's ability to use its expertise in delivering government technology services to ensure it has the internal technical and service delivery capability it needs to give the maximum benefit to its public sector clients. The Department's approach to ICT involves a standard 'client-service provider' model to deliver services to internal and external clients and it is achieving measurable improvements as a result.

The Department also seeks to show particular leadership in procurement through strengthening awareness of the need for collective responsibility and prudent management of taxpayer funds. It will improve procurement competency among staff in areas such as value for money. Following on from the success of the Centre of Expertise for ICT Equipment, part of the all-of-government procurement programme, the Department will continue to take a strategic approach to procurement. It will do this by ensuring value for money, improving ease of doing business, building capability, encouraging sustainability, being a leader in partnering and collaboration, and maintaining effective control.

The Department will review its shared services model in order to make sure that the way it operates and the relationships the branch has with the rest of the Department deliver the intended benefits from its formation, such as a consistent approach to delivery and flexibility in response to changing needs.

Being a good employer

The Department continues to focus on being a good employer. It also aspires to be an 'employer of choice', offering a range of opportunities for people to grow their careers. It is well-positioned to make a contribution to the wider State sector through building leaders and will continue with its current focus on talent management and leadership development.

As part of being a good employer, the Department continues to promote diversity and equal employment opportunities (EEO) and support the Equality and Diversity: New Zealand Equal Opportunities Policy. Internal Affairs recognises the value of a diverse workforce and supports a number of EEO groups within the Department.

The Department will also build on the integration of the former Department, National Library, Archives New Zealand and the functions of the Office of the Government Chief Information Officer and the Office for the Community and Voluntary Sector by:

- » working to achieve a common set of core terms and conditions and single people systems to unify the diverse groups within the Department. This will involve implementing a new employment relations strategy, which includes new remuneration and performance management systems.
- » reviewing existing key frameworks such as the Lominger Leadership Competencies to ensure they align with the Department's current direction and focus.

FINANCIAL MANAGEMENT AND CAPITAL INTENTIONS

The Department meets its obligations to deliver effective financial management and stewardship, within the parameters of the provisions of the Public Finance Act 1989, and the State Sector Act 1988.

Financial management within the Department is based on two foundation principles, financial accountability and strategic financial management. These foundation principles provide a framework for financial management within the Department and encompass a number of financial strategies.

The Department maintains a promulgated suite of financial policies and procedures that are designed to ensure consistency in the application of best practice financial management, and also support and reinforce the strategic goals and priorities of our Ministers and the Government. In addition the Department has been progressively strengthening its financial management capability, in line with the purpose of the Government's expectations, processes and rules for public service departments and Crown entities.

These processes and rules are designed to improve the focus on, and quality of, capital asset management and to produce worthwhile value for money gains over time. In the short-term, the Department will accord priority to consolidating financial practices and infrastructure to ensure financial management supports it to fulfil its strategic direction.

Fiscal environment

Cabinet directed the delivery of baseline savings of \$0.833 million in 2010/11 and \$2.000 million in 2011/12 and out-years, in respect of the enlarged Department. These savings are now reflected in the Department's baseline, and have been apportioned across all activities of the Department, both Crown-funded and third-party funded.

Apart from the foregoing baseline reductions, the Department continues to actively seek ways to work more productively, and areas of potential gain will be explored on an ongoing basis.

As well as the influencing factors described earlier, the Department is subject to a number of specific environmental and other influences that have a direct impact on its financial operations and capability.

The increasing complexity of the business and financial reporting requirements has compelled a focus on systems enhancements, together with additional, robust compliance and reporting frameworks, to ensure we deliver consistent, accurate and meaningful information in a timely manner.

The continuing growth in the scope and complexity of the Department's business activities requires the delivery of customised solutions that are effective and financially sustainable, particularly where workloads and requirements for financial management have increased.

An increasing emphasis on accountability, efficiency and transparency is generating changes in organisational financial requirements.

The ongoing enhancement of our performance management framework and associated performance measures are enabling an increased emphasis on continuous improvement, value-for-money service delivery and a focus on productivity improvement.

The Department's financial and information management processes, systems and tools have to support changing requirements, driven by the continuing growth and complexity of the business. Many tools, and the way they are used, will need to be updated to adequately support the financial and information needs of the new, enlarged Department and its stakeholders. To be successful in the future, the Department will invest in improving some systems, tools and processes, and introducing some new ones. In this regard, a particular focus for the Department over the next two years is the introduction of a new generation Financial Management Information System.

Capital and asset management

The Department is progressively enhancing its own capital planning and investment framework, to ensure appropriate compliance and alignment with the Treasury-led Capital Asset Management framework. In this regard

and in order to realise the greatest benefits from its capital investments, these improvements will seek to ensure the alignment and integration of strategic, business and operational planning across the Department.

The overall objective for the Department is to ensure effective capital asset planning, investment, delivery and management, supported by processes and procedures that provide assurance that required standards are being met, the required capability has been built and the required and credible information is readily available.

Overall the Department is aiming to maintain a capital base that will meet the Government's objectives of economic growth and improved State sector performance. In light of the fiscal constraint on capital injections from the Crown, a key challenge for the Department is ensuring the sustainability of the Department's funding flows from depreciation as a means of fully funding future capital investment, that is, self-funding capital investments through balance sheet management.

Key financial information

Appropriations

	2010/11 \$million	2011/12 \$million	2012/13 \$million	2013/14 \$million	2014/15 \$million
Departmental:					
Output Expenses	296.484	360.447	362.361	362.789	362.765
Other Expenses	3.100	-	-	-	-
Capital ⁵	44.209	72.891	40.012	40.648	39.968
Total Departmental	343.793	433.338	402.373	403.437	402.733
Non-departmental:					
Output Expenses	7.149	9.142	9.142	9.142	9.142
Other Expenses	78.537	54.555	50.690	47.203	47.203
Benefits and Other Unrequited Expenses	58.900	60.000	60.000	60.000	60.000
Capital	75.623	2.524	1.888	1.883	1.976
Total Non-departmental	220.209	126.221	121.720	118.228	118.321
Total Baselines	564.002	559.559	524.093	521.665	521.054

The following summarises the changes in departmental baselines:

- i) **Output expenses** – the out-year increases are primarily due to the full-year impact of the integration of the National Library of New Zealand and Archives New Zealand into the Department of Internal Affairs (from 1 February 2011), and volume increases in demand-driven activities, in particular passports
- ii) **Capital** – from 2011/12 the out-year reductions reflect the completion of the National Library New Generation Implementation Programme and the Passport System Redevelopment Programme.

The following summarises the changes in non-departmental baselines:

- i) **Output expenses** – the out-year increases are attributable to the full-year impact of the integration of the National Library of New Zealand and Archives New Zealand into the Department of Internal Affairs from 1 February 2011
- ii) **Other expenses** – the out-year decreases reflect the impact of funding provided in 2010/11 for response and recovery activities as a result of the Christchurch Earthquake, and the end of the time-limited funding for the racing promotion and sponsorship scheme
- iii) **Benefits and Other Unrequited Expenses** – the out-year increases reflect the projected costs of the Rates Rebate Scheme
- iv) **Capital** – the 2010/11 appropriation primarily included a loan to the Auckland Transition Agency.

⁵ 2010/11 includes the full 12 months capital expenditure programme for the integrated Department.

Forecast Capital Expenditure

Category	2010/11 \$million	2011/12 \$million	2012/13 \$million	2013/14 \$million	2014/15 \$million
Intangibles	36.202	32.718	26.008	28.454	29.976
Property, Plant and Equipment	8.007	40.173	14.004	12.194	9.992
Total	44.209	72.891	40.012	40.648	39.968

The 'Intangibles' category largely comprises software, much of which is proprietary to the Department. This includes passport and other identity-related systems.

The 'Property, Plant and Equipment' category includes expenditure on computer hardware associated with infrastructural asset projects, building developments, office fit-outs and associated furnishings, and cyclical replacement of the VIP Transport vehicle fleet.

The Department's forecast capital expenditure over the planning horizon reflects anticipated capital injections from the Crown for identified initiatives, the sustainability

of the Department's funding flows from depreciation as a means of funding priority future capital investments, and the importance of retaining an adequate level of unallocated residual funding that can be made available for emerging priorities, emergencies, or other capital contingencies.

During 2011/12, the Department will substantially complete a number of major projects including the National Library New Generation Implementation Programme and the Passports System Redevelopment Programme, and introduce a replacement grants management system.

MEASURING PROGRESS AND PERFORMANCE

MEASURING THE DEPARTMENT'S CONTRIBUTION AND COST-EFFECTIVENESS

Developing improved performance measurement, including measures of cost-effectiveness, will be a key focus for the Department in 2011/12.

This year, the Department implemented a comprehensive and collaborative process across the organisation to develop a new performance framework (comprising outcomes, objectives, impacts, outputs, indicators and performance measures) that meaningfully reflects its diverse functions, and the complexity of the relationships between its services and their contribution to the outcomes and objectives.

The tables on the following pages present a range of indicators, trend information and standards of relevance to the Department's outcomes and objectives. Wherever available, the latest actual results for each impact and supporting objective indicator have been provided as a benchmark. Collectively, these will assist us in demonstrating progress towards our outcomes and objectives, and success in achieving our intended impacts. The Department will also use the measures in the Information Supporting the Estimates 2011/12 to assess the performance of the services it provides.

The Department has identified the areas of the framework that require additional investigation and will focus on developing indicators in these areas. The Department will also further develop and refine existing indicators to ensure their continued relevance, and identify new indicators where required. This will include exploring mechanisms to assess the level of capability of public sector organisations in areas of significance to the Department, for example assessing their capability to

maintain the integrity of public records and personal information they hold.

The Department's ability to measure its contribution and demonstrate cost-effectiveness will continue to be refined over the next year as the Department focuses on:

- » further developing and refining indicators for the outcomes, objectives, and impacts to ensure their continued relevance, and identifying new indicators where appropriate
- » completing the review of outputs and performance measures
- » utilising the identified measures and indicators to develop a meaningful approach to assess the cost-effectiveness of the Department's services.

Progress towards outcomes

The Department's main indicators to assess progress towards the outcomes, intermediate outcomes and impacts are below. The outcome and intermediate outcome indicators describe what the Department seeks to achieve at the highest level. The impact indicators describe the intended effect of the Department's services. The results for the indicators, and particularly those for the outcomes and intermediate outcomes, are subject to a wide range of influences and will be carefully analysed to inform decision making and future interventions.

Outcomes and Intermediate Outcomes	Indicators	Trends
<p>New Zealand's diverse people and communities/hapu/iwi are resilient and prosperous</p> <ul style="list-style-type: none"> » People live in safe and secure environments » People engage with and contribute to their diverse communities in ways that strengthen those communities » People participate in civic society and add value to economic activity 	<p>People's involvement in their communities</p> <p>Percentage of people who say they feel a sense of community in their local neighbourhood. <i>Source: Quality of Life Survey.</i></p> <p>Percentage of people who would like to have more of a say in what their council does. <i>Source: Quality of Life Survey.</i></p> <p>People's participation in democratic processes</p> <p>Number of candidates standing for local authority elections. <i>Source: Internal Affairs survey.</i></p> <p>Percentage of voter turnout at local authority elections. <i>Source: Internal Affairs survey.</i></p>	<p>2006: 59%; 2008: 58.4%</p> <p>2006: 53.0%; 2008: 48.0%</p> <p>2004:4,092; 2007: 4,123</p> <p>2004: 46%; 2007: 44%</p>
<p>New Zealand is recognised for creating, sharing and using knowledge for social, cultural and economic well-being</p> <ul style="list-style-type: none"> » People use information for innovation and knowledge creation 	<p>People's innovation and knowledge-creation/sharing/use</p> <p>Indicators are to be investigated.</p>	
<p>The people of New Zealand have a strong and valued national identity, culture and heritage</p> <ul style="list-style-type: none"> » People (including people in other nations) value our documentary heritage and taonga » People, organisations and other nations trust New Zealand's identity and public information 	<p>Extent of perceived value of national identity, culture and heritage</p> <p>Number of countries allowing visa-free access to New Zealand passport holders. <i>Source: Internal Affairs data.</i></p> <p>Further indicators to be developed.</p>	<p>2009/10: 50+ countries allowed visa-free access</p>

Impacts	Indicators	Performance standards
<p>People and communities understand and manage hazards and risks</p>	<p>Level of awareness and preparedness</p> <p>Percentage of people prepared at home, work or both for civil defence emergencies. <i>Source: Internal Affairs Survey.</i></p> <p>Percentage of people who are aware of ways to avoid gambling too much. <i>Source: Health and Lifestyles Survey (Health Sponsorship Council.)</i></p>	<p>2009/10: 24% people prepared at home; 11% people prepared both at home and at work. We are aiming for this percentage to increase over time.</p> <p>2010: 69.8%. We are aiming for this percentage to increase over time.</p>
<p>Participants in regulated activities behave responsibly and with integrity</p>	<p>Breaches of regulation in Department's areas of regulatory expertise</p> <p>Number of breaches of relevant gambling regulations detected. <i>Source: Internal Affairs data.</i></p> <p>Number of official censorship-related warnings issued. <i>Source: Internal Affairs data.</i></p> <p>Number of censorship-related prosecutions initiated. <i>Source: Internal Affairs data.</i></p> <p>Percentage of people receiving spam/nuisance emails. <i>Source: World Internet Project New Zealand.</i></p>	<p>2009/10: 363 breaches detected. We are aiming for this number to decrease over time.</p> <p>As at June 2010: 146 official warnings had been issued. We are aiming for this number to decrease over time.</p> <p>As at June 2010: 39 prosecutions had been initiated. We are aiming for this number to decrease over time.</p> <p>2009: 73%. We are aiming for this percentage to decrease over time.</p>

Impacts	Indicators	Performance standards
<p>People have the capability-to participate in their communities and across communities</p>	<p>People's participation in their communities</p> <p>Percentage of people aged 10 years or over who in the previous three months: <i>Source: Internal Affairs survey.</i></p> <ol style="list-style-type: none"> 1. volunteered 2. donated money 3. donated goods <p>Number of nominations for Community Organisation Grants Scheme (COGS) Local Distribution Committees. <i>Source: Internal Affairs data.</i></p> <p>Ethnic community groups' satisfaction in relation to the advice and support received by them to enable them to help themselves and participate in their community. <i>Source: Internal Affairs Survey.</i></p>	<ol style="list-style-type: none"> 1. As at June 2010: 27.8% 2. As at June 2010: 40.4% 3. As at June 2010: 19.3% <p>We are aiming to at least maintain these rates over time.</p> <p>As at 31 March 2011: 304 nominations had been received for the 255 available positions on the COGS Local Distribution Committees</p> <p>We expect a 'satisfactory or better' rating of at least 95% by 30 June 2012.</p>
<p>People are able to access and use information important to their lives</p>	<p>Published heritage collections able to be searched for on the internet</p> <p>Percentage of published National Library heritage collections with online records. <i>Source: Internal Affairs data.</i></p> <p>Archival institutions and collections able to be located by the public</p> <p>Number of institutions describing archival holdings online through the Community Archive. <i>Source: Internal Affairs data.</i></p> <p>The proportion of contextual documentation about public archives that meets quality standards. <i>Source: Internal Affairs data.</i></p> <p>New Zealand libraries connected with national and global knowledge network</p> <p>The number of full text databases made accessible through New Zealand libraries participating in the Electronic Purchasing in Collaboration (EPIC) consortium. <i>Source: Internal Affairs data.</i></p> <p>Percentage of New Zealand libraries participating in the Te Puna catalogue and interloan services. <i>Source: Internal Affairs data.</i></p> <p>Number of New Zealand libraries and the number of marae having Aotearoa People's Network Kaharoa (APNK) connected (including the number of digitisation suites available via APNK) <i>Source: Internal Affairs data.</i></p> <p>Programmes in place to support literacy and the effectiveness of school libraries</p> <p>Increase in visits to use specialist online resources and services for schools. <i>Source: Internal Affairs data.</i></p> <p>Number of earthquake affected school libraries in Canterbury assisted to rebuild their capacity and capability. <i>Source: Internal Affairs data.</i></p>	<p>2010: 83%. We are aiming for 90% to have online records by 30 June 2013</p> <p>2010: 355 institutions</p> <p>2010: 50%</p> <p>2010: 25. We are aiming for 40 full text databases by 30 June 2012.</p> <p>2010: 98%. We are aiming to maintain the proportion of participants at 98%.</p> <p>2010: 127 public libraries and 3 marae had APNK, 20 scanners available via APNK. We are aiming to achieve a new sustainable business model and rate of growth by 2013.</p> <p>July-December 2010: 40,000 visits</p> <p>New indicator: standards to be developed.</p>

Impacts	Indicators	Performance standards
<p>New Zealand's documentary record is protected and available for current and future generations</p>	<p>Documentary record storage capacity and quality</p> <p>Completion of redevelopment of National Library Wellington building by the end of 2012.</p> <p>Percentage of the Alexander Turnbull Library collections in the National Library Wellington building that are held in appropriate environments <i>Source: Internal Affairs data.</i></p> <p>The proportion of Archives New Zealand holdings that are held in an appropriate environment and conditions. <i>Source: Internal Affairs data.</i></p> <p>Identification of archival value records in public offices</p> <p>The number of public offices that are holding archival value records over 25 years of age without a formal agreement with the Chief Archivist is reducing. <i>Source: Internal Affairs data.</i></p>	<p>2010: 55%. We are aiming to have 100% of the collections in appropriate environments by the end of 2012.</p> <p>2010: not available</p> <p>2010: not available</p>
<p>New Zealand's personal identity information has integrity</p>	<p>Privacy breaches</p> <p>Number of complaints about the Department on privacy breaches that are received or notified by the Privacy Commission. <i>Source: OPC Annual Report.</i></p> <p>Fraudulent use of identity information</p> <p>Percentage incident reports relating to the issuance of passport on fraudulent grounds or fraudulent use of a passport. <i>Source: Internal Affairs data.</i></p>	<p>2009/10: 2 complaints were received or notified by OPC. We are aiming for zero complaints on privacy breaches on an ongoing basis.</p> <p>2010: 0.012% related incidence reports. We will seek to maintain or reduce this result.</p>

Progress towards objectives

The Department's main indicators to assess progress towards the lead and supporting objectives are below. The indicators for the lead objectives describe what the Department seeks to achieve at the highest level across government. The indicators for the supporting objectives

describe the intended effect of the Department's services. The results for the indicators, particularly those for the lead objectives, are subject to a wide range of influences and will be carefully analysed to inform decision making and future interventions.

Lead Objectives	Indicators	Trends
To enhance trust in New Zealand government and confidence in the performance of public sector organisations <ul style="list-style-type: none"> » To enhance the productivity and accountability of public sector organisations » To support specialist capability building in other nations » To support the system of government to operate efficiently and effectively 	Perceived trust in New Zealand's public services New Zealand's country ranking on the Corruptions Perception Index. <i>Source: Corruption Perceptions Index</i> (Transparency International.) Percentage of New Zealanders who, based on their most recent service interaction, agree that 'overall you can trust them [public servants] to do what is right', <i>Source: Kiwis Count Survey</i> (State Services Commission.)	2009: 1st place; 2010: 1st equal place 2007: 67%; 2009: 70%
	Perceived value of public services Percentage of New Zealanders that agree their most recent service experience with a State sector agency was an example of good value for tax dollars spent. <i>Source: Kiwis Count Survey</i> (State Services Commission.)	2007: 55%; 2009: 64%
	The percentage of New Zealanders that agree their (public sector) service experience met their expectations. <i>Source: Kiwis Count Survey</i> (State Services Commission.)	2007: 66%; 2009: 70%
Supporting Objectives	Indicators	Performance standards
To increase capability across public sector organisations to carry out their regulatory responsibilities	Capability of public sector organisations to carry out their regulatory responsibilities Capability development assessment for non-Civil Defence organisations [mechanisms to be developed.]	New indicator: standards to be developed.
	Average score for capability of Civil Defence Sector organisations to achieve the National CDEM Strategy goals. <i>Source: Internal Affairs survey.</i>	2010 data: not available
To increase the capability of public sector organisations to keep secure and maintain the integrity of public records and personal information they hold	Capability of public sector organisations to maintain the integrity of public records they hold Capability development assessment [mechanisms to be developed.]	New indicator: standards to be developed.
	Percentage of core public offices having a formal recordkeeping programme. <i>Source: Internal Affairs data</i>	2010: 59%. We are aiming for 60% of core public offices to have a formal recordkeeping programme by 30 June 2012.
	Percentage of core public offices have a disposal authority that covers their core business records. <i>Source: Internal Affairs data.</i>	2010: 46%. We are aiming for 45% of core public offices to have a disposal authority by 30 June 2012.
	Percentage core public offices have undertaken a risk assessment against a mandatory standard. <i>Source: Internal Affairs data.</i>	2010: 38%. We are aiming for 50% of core public offices to have undertaken a risk assessment by 30 June 2012.

Supporting Objectives	Indicators	Performance standards
To increase capability across public sector organisations to work with and respond to the needs of diverse communities	Capability of public sector organisations to work with and respond to the needs of diverse communities Number of public sector organisations using Language Line. <i>Source: Internal Affairs data.</i>	As at June 2010: 73 agencies were using Language Line. We expect this number to rise to 85 agencies by 30 June 2012.
To improve the value of investment by public sector organisations in information and communications technology	Uptake of common capabilities across public sector organisations Number of new agreements with public sector agencies for service integrations with <i>igovt</i> logon and identity verification services. <i>Source: Internal Affairs data.</i> Number of transactions supported by the <i>igovt</i> Logon Service. <i>Source: Internal Affairs data.</i> Number of access agreements in place allowing use of the Data Validation Service. <i>Source: Internal Affairs data.</i> Number of services using the Data Validation Service. <i>Source: Internal Affairs data.</i> The realisation of planned benefits from ICT investment by public sector organisations Benefits realisation assessment (to be developed.)	As at March 2011: 23 service agreements were in place. We are aiming to have between 30–40 service agreements by 30 June 2012. 2010: 825,016 transactions occurred. We are aiming to support between 1.5 and 2.0 million more transactions by 30 June 2012. As at March 2011: 400+ agreements were in place. We are aiming to have between 500–1,000 access agreements in place by the 30 June 2012. As at March 2011: 2 services were using the DVS. We are aiming to have between 3–5 services using the DVS by 30 June 2012. New indicator: standards to be developed.
To optimise the services and systems that support effective Executive Government	Support for Executive Government is fit for purpose Level of confidence of the Minister Responsible for Ministerial Services that support is fit for purpose. <i>Source: Internal Affairs survey.</i>	2009/10: 'Very Good' satisfaction rating from the Minister Responsible for Ministerial Services for support provided by the Department
To enhance the value of information available to support government decision-making	Value and availability of information and advice The level of confidence that Ministers have in the relevance and reliability of information on which advice is based. <i>Source: Internal Affairs survey.</i> The frequency with which Ministerial decision making is informed by advice (to be developed). <i>Source: Internal Affairs survey.</i>	New indicator: standards to be developed. New indicator: standards to be developed.

Assessing capability

The Department's main measures to assess its organisational health and capability are below.

These measures enable the Department to determine whether it is able to deliver effective and efficient

services, and ultimately contribute to its outcomes and objectives. The following measures will help to inform the Department's decisions on where organisational capability needs to be improved.

Measure	Context												
Ratio of employee engagement	The Department will undertake a survey of employee engagement and will aim to achieve a score that exceeds the average score of a benchmark group comprising other State sector agencies. ⁶												
Percentage of new recruits that would recommend Internal Affairs as a great place to work, three months after commencing employment	This measure will enable the Department to assess whether new recruits are engaged and believe that Internal Affairs has a good work environment. The Department will aim to achieve at least 75%.												
Percentage of staff turnover	<table border="1"> <thead> <tr> <th></th> <th>30 June 2008</th> <th>30 June 2009</th> <th>30 June 2010</th> </tr> </thead> <tbody> <tr> <td>Internal Affairs</td> <td>21.7%</td> <td>11.8%</td> <td>12.3%</td> </tr> <tr> <td>Public service</td> <td>14.6%</td> <td>10.7%</td> <td>9.2%</td> </tr> </tbody> </table> <p>The Department monitors turnover as an indicator of staff engagement and retention of key skills and institutional knowledge. We will aim for turnover to be within 5% of the public service average.</p>		30 June 2008	30 June 2009	30 June 2010	Internal Affairs	21.7%	11.8%	12.3%	Public service	14.6%	10.7%	9.2%
	30 June 2008	30 June 2009	30 June 2010										
Internal Affairs	21.7%	11.8%	12.3%										
Public service	14.6%	10.7%	9.2%										
Operating expenditure: Expenditure variance (excluding demand-driven third party expenditure) is:	Within +-1.5% of budget												
Operating expenditure: Percentage of variation between the estimated actuals published in the Estimates of Appropriation and the actual outturn at 30 June	Within +-1.5% of budget												
Operating expenditure: Average creditor days outstanding	23 days												
Operating expenditure: Average debtors outstanding	10 days												
Working Capital:													
Liquid ratio	0.85:1.00												
Current ratio	1.00:1.00												

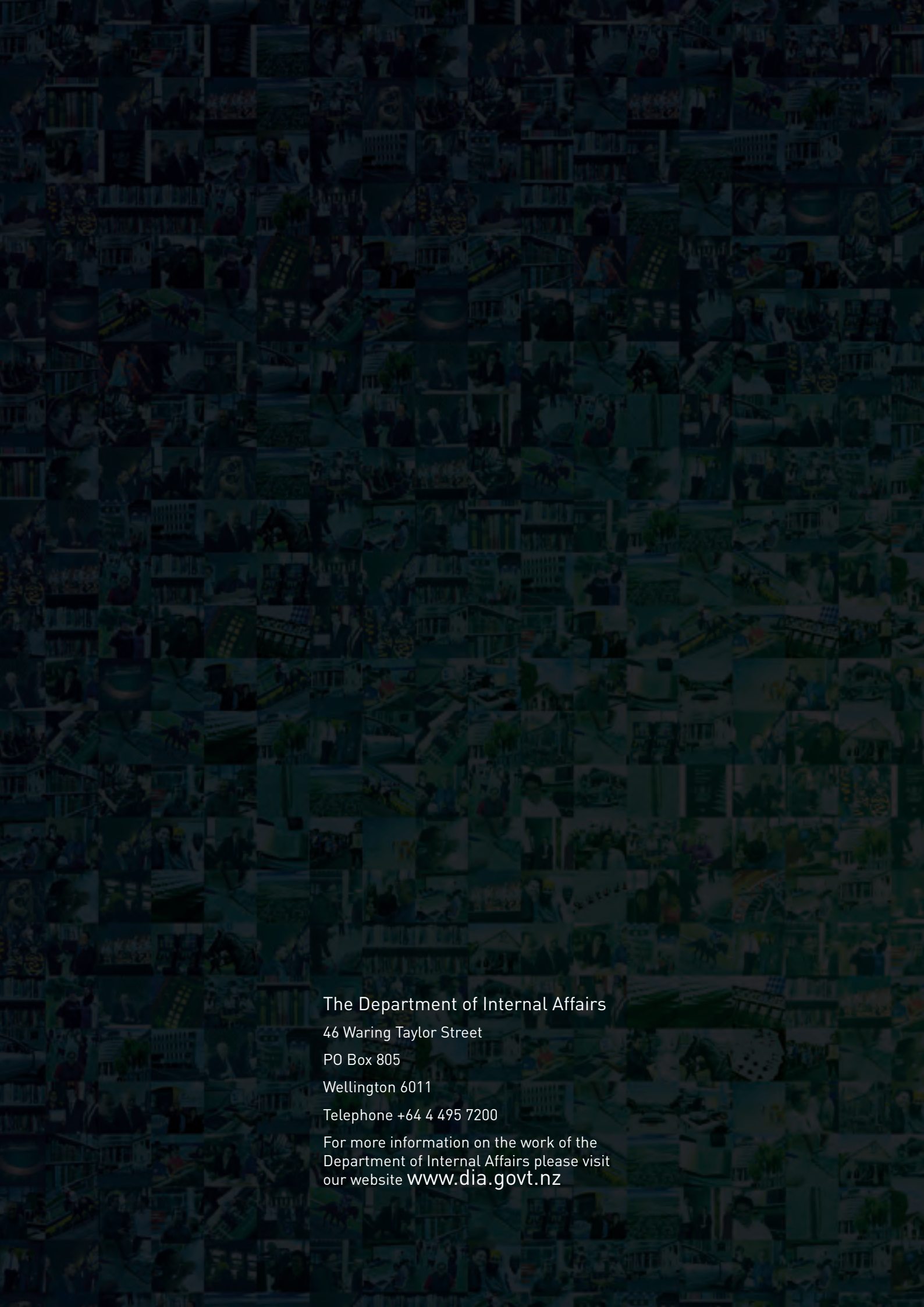
⁶ The Department previously used the JRA survey and, in 2009, scored 70.8 on the engagement index. This survey did not take place in 2010. The Department is now using Gallup.

APPENDIX

APPENDIX 1: LINKAGES BETWEEN THE DEPARTMENT'S OUTCOMES/OBJECTIVES, VOTES AND OUTPUT CLASSES

Outcomes/ Objectives	Votes	Output class
New Zealand's diverse people and communities/hapū/iwi are resilient and prosperous	Community and Voluntary Sector	<ul style="list-style-type: none"> » Administration of Grants » Community Advisory Services » Support Services for Grant Funding Bodies
	Local Government	<ul style="list-style-type: none"> » Information, Support and Regulatory Services – Local Government
	Internal Affairs	<ul style="list-style-type: none"> » Support Services for Grant Funding Bodies » Anti-Money Laundering and Countering Financing of Terrorism » Contestable Services » Services for Ethnic Affairs » Regulatory Services
	Emergency Management	<ul style="list-style-type: none"> » Management of National Emergency Readiness, Response and Recovery » Support Services, Information and Education
New Zealand is recognised for creating, sharing and using knowledge for social, cultural and economic well-being	Internal Affairs	<ul style="list-style-type: none"> » Identity Services » Contestable Services
	National Library	<ul style="list-style-type: none"> » Access to Information » Collecting and Preserving Information » Library and Information Services to Schools
	National Archives	<ul style="list-style-type: none"> » Archives Services
The people of New Zealand have a strong and valued national identity, culture and heritage	Internal Affairs	<ul style="list-style-type: none"> » Information and Advisory Services » Identity Services
	National Library	<ul style="list-style-type: none"> » Access to Information » Collecting and Preserving Information » Library and Information Services to Schools
	National Archives	<ul style="list-style-type: none"> » Archives Services
	National Archives	<ul style="list-style-type: none"> » Archives Services

Outcomes/ Objectives	Votes	Output class
To enhance trust in New Zealand government and confidence in the performance of public sector organisations	Internal Affairs	<ul style="list-style-type: none"> » Information and Advisory Services » Policy Advice » Anti-Money Laundering and Countering Financing of Terrorism » Contestable Services » Regulatory Services » Identity Services » Services for Ethnic Affairs » Government Technology Services » Cross-Government ICT Investment Proposals » Support Services for Grant Funding Bodies
	Ministerial Services	<ul style="list-style-type: none"> » Support Services to Members of the Executive » VIP Transport Services » Official Visits and Events Coordination
	Emergency Management	<ul style="list-style-type: none"> » Support Services, Information and Education » Policy Advice – Emergency Management
	Community and Voluntary Sector	<ul style="list-style-type: none"> » Policy Advice » Support Services for Grant Funding Bodies
	Local Government	<ul style="list-style-type: none"> » Information, Support and Regulatory Services – Local Government » Policy Advice – Local Government
	National Archives	<ul style="list-style-type: none"> » Regulation of Public Sector Recordkeeping » Archives Services » Policy Advice
	National Library	<ul style="list-style-type: none"> » Collecting and Preserving Information » Library and Information Services to Schools » Policy Advice and Statutory Servicing
	Racing	<ul style="list-style-type: none"> » Policy Advice – Racing



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