



Te Tāhū o te Ture

Annual Report

1 July 2019 to 30 June 2020



MINISTRY OF
JUSTICE
Tāhū o te Ture

**In accordance with the Public Finance Act 1989,
this Annual Report presents:**

Te Tāhū o te Ture - Ministry of Justice

This document includes information about the Ministry's operations and performance for the 2019/20 financial year.

Joint Venture Business Unit – Family Violence and Sexual Violence (JVBU)

The JVBU is hosted by the Ministry of Justice and provides a governance secretariat for the Joint Venture (JV), ministerial servicing and coordinates policy advice from a family violence and sexual violence system perspective.

The JVBU and its annual funded appropriation is presented within this document, as at this time the JV has no formal reporting mechanism for its work. Agencies of the JV will also capture their key initiatives to address family violence and sexual violence within their Annual Reports.

The Office for Māori Crown Relations – Te Arawhiti (Te Arawhiti)

Te Arawhiti was established on 1 January 2019 as a departmental agency hosted by the Ministry of Justice.

The Ministry of Justice Annual Report includes consolidated financial statements as well as the non-financial performance measures for Te Arawhiti.

This document also includes the Annual Report for Te Arawhiti.

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Introduction from the Secretary for Justice



Te Tāhū o te Ture's unique constitutional responsibilities are reflected in the wide-reaching and often complex scope of our Ministry's mahi. We support the judiciary and maintain the integrity of the courts and tribunals. We provide policy advice on legislation, human rights and justice matters to the Executive branch of government and to Parliament. We also support the Electoral Commission in preparing for elections.

It's been a busy and challenging year for Aotearoa. I'm proud of how our people have responded to those challenges as we've continued to work together with our justice sector partners for a fair and safe Aotearoa.

This Annual Report documents our people's combined achievements over the 2019/20 financial year. Some of those achievements were only fully realised after this reporting period ended, so I mention them briefly here.

2020 has, of course, been dominated by the COVID-19 pandemic. It's required all of us to work together to keep our people and court participants safe during the different COVID-19 Alert Levels. We accelerated our investment in technology to enable remote working. Our collaborative relationships with the judiciary and our justice sector partners enabled timely decisions and mutual agreement to support the smooth running of Aotearoa's courts and tribunals despite Alert Level restrictions.

The strength of these relationships also supported, and continues to support, ongoing innovation where opportunities for improvement exist.

Even before the COVID-19 pandemic, 2019/20 had already seen some extraordinary demands put on our staff by unprecedented events. One of these was the Sky City fire in central Auckland, causing some courts to close and an overflow of mahi into other jurisdictions. Another was our part in the government response to the national emergency at Whakaari White Island, including support for Coronial Services and our people in the Bay of Plenty community.

Communication and engagement are critical factors in us being successful in our mahi. I want to thank the unions representing our people, particularly the Public Service Association (PSA), who played an important role in contributing to the planning that enabled us to continue to deliver justice services during the COVID-19 pandemic. I also want to thank the Law Society and other representatives of the legal profession for the constructive engagements we shared with them during this challenging time.

Te Korowai Ture ā-Whānau, the final report of the Independent Panel examining the 2014 family justice reforms, was released in 2019. The Government responded by announcing the first phase of Family Court reforms designed to improve access to justice for families and whānau experiencing stressful circumstances while navigating the court system.

Three other important reports on our country's criminal justice system were published in the first half of this year, following public consultation and engagement across Aotearoa:

- *Turuki! Turuki!* the final report of Te Uepū Hāpai i te Ora – the Safe and Effective Justice Advisory Group presents a challenge to the government to fundamentally transform the criminal justice system in Aotearoa, declaring that the need for change is urgent and it must be bold, rather than incremental, change.
- *Ināia Tonu Nei* captured the voices of Māori who attended the Hui Māori held in April at Rotorua, calling for the Crown to share power with Māori and for Māori-led responses to be central to reformation of the justice system.
- *Te Tangi o te Manawanui* from the Government's independent Chief Victims Advisor presented recommendations for how to improve the criminal justice system for victims, and create meaningful and lasting change to ensure victims experience a fairer justice system.

These reports challenge our justice sector to transform the way we work. They identify opportunities for improvement and make recommendations on how to go about implementing them.

Flowing from these reports, partnerships across the sector have strengthened, including working together to build a new model of relationship with Māori and establishing a Victims Leadership Group. Our Ministry provided advice to government on the reports and has begun implementing its response, including permanent funding for a new alcohol and other drug court, and funding for an innovative new courthouse in Tauranga to be designed in partnership with iwi and the community.

We launched our Ministry's new Strategy this year, which identifies leading transformation of the criminal justice system and improving access to justice as two priority opportunities for Te Tāhū o te Ture. Discussions with our people around our Strategy highlighted our commitment to working more closely with communities, increasing our cultural capability and use of te reo, and the need to maintain the integrity of our courts and tribunals processes.

Our commitment to strengthen our partnerships with Māori has continued this year. We launched Te Kokenga, a Ministry-wide programme to build te Tāhū o te Ture's capability in tikanga Māori. We're working to further enhance our partnerships with Māori and acknowledge the value of those relationships. This includes collaborating on the design of courthouses and services to achieve better outcomes for Māori.

This year, Government announced \$260m of capital investment in justice properties. This will enable investment in seven of our busiest court locations, as well as the development of the new innovative courthouse in Tauranga.

The Christchurch Mosque attacks on 15 March 2019 saw our Ministry and the judiciary leading the delivery of a court event of unprecedented scale for Aotearoa. Our people collaborated and coordinated with multiple stakeholders to plan and prepare the court and victim support processes, culminating in the sentencing hearing in August 2020.

I'm immensely proud of the commitment and professionalism of all the public servants involved in delivering this event, and the support and awahi they extended to victims, their families and whānau.

One of the Ministry's most important functions is to work closely with the Electoral Commission to support its delivery of elections. With two referendums, same-day enrolment, COVID-19 and a late change of date, the 2020 General Election was one of the most complex and challenging elections Aotearoa has experienced. I acknowledge the Electoral Commission's exceptional mahi, and our Ministry people who worked with them, to deliver a safe and fair election and uphold our country's core democratic process.

I'm immensely proud of all we've achieved this year. I whakamihi the leadership of our Ministers and the judiciary, and the collective efforts of our exceptional te Tāhū o te Ture people, our justice sector and iwi partners, and the legal profession in making these achievements possible.

*Ma te kotahitanga e whai kaha ai tātou
In unity we have strength*

Andrew Kibblewhite

Tumu Whakarāe
Secretary for Justice

Te Tāhū o te Ture Ministry of Justice



Te Tāhū o te Ture Ministry of Justice

Te Tāhū o te Ture is the Māori name for the Ministry of Justice.

This name was bestowed to our Ministry by respected kaumātua Tā John Clarke.

Tāhū is the ridge pole that is the main support structure of a whareniui or house.

Ture is the law.

Our name touches on the connection between the ridge pole that supports a house and the role our Ministry plays in supporting democracy and the rule of law in Aotearoa.

Tāhū o te Ture as a name was developed after Tā John Clarke talked with a number of kaumātua. It was adopted by the Ministry of Justice in 2003, following the merger of the old Ministry and Department of Courts.

Our strategy



In October 2019, we launched the Ministry's new strategy. Our Statement of Intent 2019-24 outlines what the Ministry needs to do for New Zealanders, what we want to change, and what we need to do to get there.

Our purpose, working together for a fair and safe Aotearoa, guides what we do every day.

Our enduring priorities are the areas that will remain fundamentally important to the Ministry over the long-term.

Our transformational opportunities reflect the opportunities and challenges we face today to make Aotearoa a better place for everyone.

Our culture and capability are what we need to focus on as an organisation to ensure we're well placed to improve outcomes for all New Zealanders.

Our values underpin everything we do – the actions we take, the decisions we make and the relationships we build. Our success isn't just about what we do; it's how we do things that makes the difference – with *respect, integrity, service and excellence*.

Who we are and what we do

2019/20 milestones

We are over
4,000
people working across
Aotearoa.



We host the Joint Venture Business Unit, which supports the Joint Venture on Family Violence and Sexual Violence.



We have five business units:
Corporate and Digital Services
Operations and Service Delivery
Policy Group
Sector Group
Strategy, Governance and Finance



We host a departmental agency,
The Office for Māori Crown Relations – Te Arawhiti



We support the judiciary to deliver court services for the Supreme Court, Court of Appeal, High Court, District Court and Specialist Courts.



We support 29 tribunals, allocating \$192 million to authorities and committees that help New Zealanders resolve disputes, in addition to our contact centres answering more than **940,000 calls**.



We lead the justice sector.

We develop justice policy - advising on legislation and supporting our Ministers.



We contract with **over 2,000** community-based and non-governmental service providers to support people moving through the justice system.

We carry out criminal conviction history checks.
We processed over 500,000 requests in 2019/20.



We administer legal aid - helping people who can't afford a lawyer to get legal advice and representation.

We administered over 82,000 legal aid applications in 2019/20.



We support and manage the Public Defence Service (PDS) - New Zealand's largest criminal law practice. **The PDS accepted 13,111 cases in 2019/20.**

We collect fines, reparations, infringements, and civil and legal aid debt. We aim to resolve our collections activities in a way that is firm, but fair given the customer's circumstances.
We collected over \$198 million in fines in 2019/20.



We have oversight and monitoring responsibilities for seven justice sector Crown entities.



We contribute to the Government's priorities

We support the government of the day and our ministers to deliver their priorities for the justice system.

We support the Government's work programme to **transform our response to family violence and sexual violence**, through the cross-government joint venture.

We **engage and partner with Māori** to improve justice and wellbeing outcomes for iwi, hapū and whānau Māori.

We are implementing the first phase of the **Family Court reform** to strengthen the family justice system.

We lead **Hāpaitia te Oranga Tangata: Safe and Effective Justice**, the cross-sector initiative to transform the criminal justice system.

Contributing to the Government's Child and Youth Wellbeing Strategy

Law and policy form part of the ecosystem that supports families and whānau to nurture their tamariki/children and youth. We're supporting the Child and Youth Wellbeing Strategy by:

- strengthening the family justice system to give effect to some of the recommendations from the independent panel review, Te Korowai Ture ā-whānau, published in 2019. The human rights focus ensured recommendations were designed with the welfare and best interests of tamariki were at the centre of settling disputes about their care
- supporting Ngā Kōti Rangatahi and Pasifika Courts. These courts aim to reduce youth reoffending and enable Māori and Pasifika communities to be more involved in each step of the youth justice process
- supporting the Joint Venture on Family Violence and Sexual Violence, implementing new family violence law and supporting the passage of the Sexual Violence Legislation Bill.

Improving New Zealanders' wellbeing

Everyone has a stake in our justice system, and everyone benefits from a system that works fairly and effectively. A strong justice system ensures laws are upheld and allows people to go about their lives confident that they're safe and their rights will be protected.

The Treasury's Living Standards Framework has four capitals to capture the foundations of wellbeing - human, social, natural and financial/physical. Intergenerational wellbeing relies on the growth, distribution and sustainability of these capitals. The Ministry's work contributes most significantly to social and human capital. We do this by:

- strengthening the public's trust in the justice system by ensuring processes are accessible, open, transparent and impartial. We promote respect for the fundamental rights of everyone in Aotearoa, including their civil, political, economic, social and cultural rights
- supporting the fundamental values, principles, and machinery that regulate relationships between citizens and the State - and between branches of the State - including the justice system
- stewarding the legislation, and monitoring the operation, of constitutional watchdogs such as the Independent Police Conduct Authority, the Privacy Commissioner and the Human Rights Commission. They hold the public sector to account, which strengthens public trust that the rule of law is upheld in Aotearoa.



Significant events in 2020

During 2019/20, Aotearoa faced unprecedented challenges including responding to the Christchurch Mosque attacks and the COVID-19 pandemic. Our priority during these difficult times has been to support our people with their safety and wellbeing.

Responding to the Christchurch Mosque attacks

We supported the Government's response to the Christchurch Mosque attacks by advising on counter-terrorism legislation and responding to requests from the Royal Commission of Inquiry into the Attack on Christchurch Mosques.

We collaborated with other agencies, including New Zealand Police, Ara Poutama Aotearoa and Victim Support, to ensure a safe and supportive environment for victims attending pre-trial hearings and in preparation for the sentencing scheduled for August 2020. Our work also ensured that logistical arrangements and preparations for the sentencing event were well coordinated.

Responding to COVID-19

We continued to provide essential services to New Zealanders throughout all COVID-19 Alert Levels, maintain the integrity of the courts and tribunals and contributed to the legislative and policy changes that were urgently needed.

Supporting our people

Our focus was on the safety, health and wellbeing of our people. We intensified our cleaning and hygiene regime and dispatched Personal Protective Equipment to all our sites from March 2020.

We expanded the Ministry's network capacity, fast-tracked the delivery of digital devices for flexible work options (including mobile phones, laptops and desktops) and introduced new collaboration and productivity tools.

We also developed resources for managers to check the wellbeing of their teams as well as supporting their own resilience.

Courts and tribunals

During COVID-19 lockdown jury trials were suspended, but the courts continued to progress matters and hear priority proceedings, including those affecting the liberty of an individual, personal safety and time critical matters.

We increased the number of virtual meeting rooms from 33 to 378 across 81 court locations and we developed a virtual courts solution with the judiciary, courts, New Zealand Police and Ara Poutama Aotearoa.

The courts minimised the impact of COVID-19 restrictions on active caseloads. The backlog of criminal cases seen during Alert Levels 4 and 3 was addressed by the end of July 2020 through reallocation of judges from suspended jury trials to other criminal court matters. However, this has come at a cost – active jury trials now make up a greater proportion of the active caseload in the District Court. These cases are generally harder to resolve because they are more complex and resource intensive.

Supporting third party providers

During the COVID-19 lockdown period, the Ministry's contracted providers of community services were unable to deliver services face-to-face and had to adapt the way they work. We supported providers to continue helping clients, especially people needing family violence services. This included establishing sustainable payment mechanisms, enabling remote service delivery when safe and appropriate, and extending all contracts to the end of 2020/21.

Contributing to the COVID-19 policy response

The public health response to COVID-19 imposed necessary but significant constraints on New Zealanders' rights and liberties in order to prevent the pandemic taking hold in Aotearoa. We provided input into all-of-government policy to ensure that the courts could keep working, that other non-court services and issues were addressed, and a human rights approach was at the forefront of government policy and legal considerations.

We worked closely with the judiciary, the legal profession and other key stakeholders to clarify where temporary legislative changes were needed and to identify operational solutions.

We also worked with the Electoral Commission to ensure that disruption to the 2020 General Election and referendums was minimised and ensured the election could safely take place.

Family violence and sexual violence COVID-19 response

The Joint Venture on Family Violence and Sexual Violence (JV) took a lead role in ensuring an appropriate response to those affected by violence. Lockdown situations, where people had to stay in their bubbles, heightened the risk of violence. The JV's connections with community-led initiatives meant we could act swiftly so people could access the help they needed. Actions undertaken to address family violence and sexual violence during Alert Levels 4 and 3 included:

- a coordinated prevention campaign to encourage help-seeking and help-giving
- connection to essential services (for example, pharmacies, supermarkets, food banks) to provide discreet messaging on how people could access help
- specific assistance for relocated families, including provision of emergency housing and essential needs packs of clothing and food.

Providers of safety and non-violence programmes shifted to delivering programmes remotely. There was good engagement with respondents in non-violence programmes and a rise in the uptake and engagement for safety programme participants.

COVID-19 By the numbers during Alert Levels

Rolling weekly completed court events¹



Alert Level 4



Contact centre calls up **41%** on an average Monday



New civil cases filed in courts **down 95%**

Foot traffic into the District Court **down 90%**



22% fewer criminal charges were filed in the District Court

10% decrease in Family violence related charges entering courts

989 charges filed in the offence against justice category (breaching Alert Level restrictions)



Protection order applications **decreased by 31%**
Parenting order applications **decreased by 58%**
54% fewer Family Court applications filed

Alert Level 3



Active criminal cases increased by **5,500**

to **41,687**

District and High Court events completed in a 7-day period **dropped** to a low of **3,256** down from **14,500**

Alert Level 2



46,239 court events were adjourned or rescheduled



Drug offence charges **increased by 46%**

29% more charges for sexual assault by the end of Alert Level 2

¹Completed court events include occurring court appearances in the Youth, District and High Courts.

Providing sector leadership and policy stewardship

We lead an integrated justice sector through strong sector governance, and shared ambition and knowledge. Everyone has a stake in our justice system, and we all benefit when it works effectively.

We work with our ministers, and across the public sector to ensure our policies and laws allow us to deliver critical services, support our core democratic settings and make a significant difference in the everyday lives of New Zealanders.

We support our ministers and the priorities of the government of the day. We must also develop and maintain capability to give free and frank advice to future ministers and governments. We design policies and programmes to improve the long-term wellbeing of New Zealanders. This means anticipating future issues and proactively offering advice on the issues we think matter the most.

We support the three branches of government

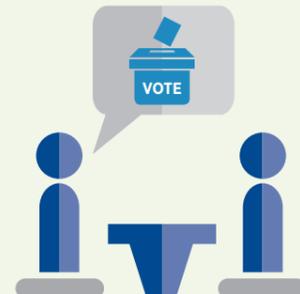
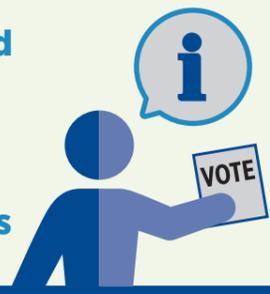


We are the stewards of **154** pieces of legislation across **52** regulatory systems



We established the **Criminal Cases Review Commission**

We provided the public with official information on two referendums



We provided advice on policy and legislative settings for the **2020 General Election**

Leading across the public service

We advise on matters that all central government agencies must address in their work: Te Tiriti o Waitangi, New Zealand Bill of Rights Act 1990, Human Rights Act 1993, and the separation of powers between the executive, legislative and judicial branches of government. We also work across the public service and advise other agencies on offences and penalties, access to justice, and the rule of law.

In 2019/20, we:

- worked to uphold human rights by vetting over 80 Bills for compliance with the New Zealand Bill of Rights Act 1990
- vetted approximately 150 proposed offences and penalties to ensure they were proportionate and consistent across the statute book.

We also play a significant role in supporting Parliament to consider matters of high public interest. In 2019/20, this included:

- the Abortion Legislation Act 2020, where we provided support to the Parliamentary processes including the Abortion Legislation Committee. In March 2020, the Abortion Legislation Bill received Royal Assent. This Bill amended the law to decriminalise abortion, better align the regulation of abortion services with other health services and modernise the legal framework for abortion.
- the Privacy Act 2020, to promote people's confidence that their personal information is secure and will be treated appropriately. The reforms help address privacy risks earlier and gives the Privacy Commissioner a stronger role. The Privacy Act 2020 comes into force on 1 December 2020.

We lead the justice sector

We lead an integrated justice sector through strong sector governance, and shared ambition and knowledge. The justice sector is a system of agencies, stakeholders and individuals who work together on complex issues every day. We work together across the justice sector to make Aotearoa safer and to deliver justice services that are fair for all New Zealanders.

The Ministry leads the justice sector through the Secretary for Justice's role as Chair of the Justice Sector Leadership Board. The Board is a vehicle for collaboration, collective decision-making, and direction setting for a whole-of-sector approach to the system. The Ministry also chairs national and local cross-sector forums to ensure joined up investment, operations and communications.

We share our data, evidence and what we've learned to increase collaboration and integration across the justice system. These shared insights help us make better decisions, increase transparency, and improve our services.

In 2019/20, we led the development of the Board's Strategic Plan 2020-23, which outlines three priorities:

- transformation of the criminal justice system
- strengthening the Māori-Crown relationship
- system performance.

Delivering the Remand Action Plan

We lead the coordinated sector response to increasing numbers of people being remanded in custody. The Remand Action Plan includes multiple initiatives, such as embedding additional judicial resources, triaging remand cases, and providing bail accommodation as an alternative to custody. Progress against this plan was integrated into other performance reporting across the justice sector to ensure sector leaders understood what initiatives were having the biggest impact and why. This has shown that successfully aligning initiatives and investments across the justice sector can have significant benefits.

Fulfilling our policy and regulatory responsibilities

We have a diverse range of policy responsibilities and relationships, which have a significant influence on the social cohesion and economic success of Aotearoa. Our policy and regulatory role, built on our commitment to the rule of law and strong and resilient institutions, enhances the attractiveness and competitiveness of Aotearoa. Our political, legal and economic institutions are among the most enduring in the world.

We are the stewards of 154 pieces of legislation across 52 regulatory systems. Our responsibilities cover areas from criminal justice and support for victims, to civil and family law, constitutional policy and regulation of professional occupations.

We have an all-of-government leadership role, and support agencies to provide free and frank advice to ministers and the parliamentary process, on matters including:

- promoting and preserving the integrity of the courts and tribunals system, and advising on access to justice
- the legal framework for private relationships and resolving disputes between individuals, including property and contractual matters
- the balance between the rights and the obligations of the individual, and the powers and responsibilities of the government
- protecting the fundamental human rights of all New Zealanders, including ways of protecting and exercising economic, social, cultural and environmental rights
- maintaining strong and resilient constitutional arrangements, and ways to protect democracy and the rule of law, including making government information easily available.

Strengthening our democracy

We support a strong and resilient democracy through in-depth advice to ministers. In 2019/20 we provided advice on policy and legislative settings for the 2020 General Election. This included:

- banning overseas donations over \$50 and introducing a due diligence requirement on political parties
- introducing election day enrolment, and permitting the use of supermarkets and malls as voting places
- giving voting rights to people serving a sentence of imprisonment for a term of less than three years,
- providing a statutory framework for the two referendums being held alongside the 2020 General Election.

In addition to preparing advice on the delivery on the 2020 Election, we supported the Justice Committee's Inquiry into the 2017 General Election, which included an in-depth consideration of the risks of foreign interference.

Ensuring impartial information for the referendums

This year the Ministry took on the new role of providing information to the public about the two referendums held alongside the 2020 General Election. We worked with the Ministry of Health to prepare explanatory materials outlining the key features of the proposed Cannabis Legalisation and Control Bill and the End of Life Choice Act 2019.

Explanatory materials were made available in English, te reo Māori and New Zealand Sign Language. Information was also available in accessible formats such as audio, braille, dyslexic-friendly, Easy Read, HTML and large print.

The primary source of official information about each referendum topic was the referendums.govt.nz. People were also able to call a contact centre and ask for explanatory material be posted to them. Summary information was included in the Electoral Commission's enrolment update and EasyVote mailouts. 'Know before you vote' publicity across a range of media let the public know where to find official information.

Leading at the regional level

We lead the development of local justice sector networks across Aotearoa. These networks provide a mechanism for the Ministry to engage with stakeholders at the regional level and those on the frontline on key operational issues affecting the delivery of justice services.

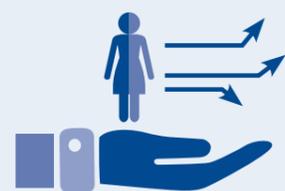
In 2019/20, the local justice sector networks:



worked with the Ministry of Social Development to provide financial help for vulnerable communities to support people to obtain driver licences



collaborated with marae, New Zealand Police, Ara Poutama Aotearoa, Collections and judicial officers to address outstanding fines for whānau to help people exit the justice system and prevent re-entry



supported New Zealand Police and a South Auckland marae to provide an alternative pathway to prosecution for women who commit low-level offending



supported New Zealand Police and Oranga Tamariki to initiate an alternative resolution pathway for people who come to the attention of the police when a child is harmed.



Preparing the Cannabis Bill

The referendum on legalising personal use of cannabis in Aotearoa is being held alongside the General Election in October 2020. The new regime would be guided by the objectives of minimising harm associated with cannabis and lowering overall use over time.

We supported this process by providing evidence-based advice on cannabis law reform, developed a workable regulatory model that balances interests and risks, and prepared the draft Cannabis Legalisation and Control Bill.

We sought expert input and engaged with key stakeholders, including the Ministry of Health, New Zealand Police, Ministry for Primary Industries, experts in public health, pharmacology, psychology, criminology and law. We also undertook a series of engagement hui with Māori across Aotearoa to understand the current impacts of cannabis in communities and hear how the regime might affect their interests.

The Bill and explanatory materials were publicly released in May 2020 to help voters make an informed decision at the referendum.

Honouring our responsibilities to Māori

Ko koe ki tēnā, ko au ki tēnei kīwai o te kete
You at that handle and me at this handle of the basket

Honouring our responsibilities to Māori begins with greater involvement of whānau, hapū and iwi in the design and delivery of justice services for Māori. We're enabling and developing engagement with Māori in the justice system in a way that reflects Te Tiriti o Waitangi partnership, improves outcomes for whānau Māori, and recognises the need to address the disproportionate representation of Māori in our criminal justice system.

We build partnerships with Māori, community groups and businesses so we can collaborate and design long-term solutions that work for future generations. We work to ensure the justice sector does better in our engagement with, and service, to Māori.



8 contracts with iwi or kaupapa Māori organisations, providing restorative justice services to **18 courts**

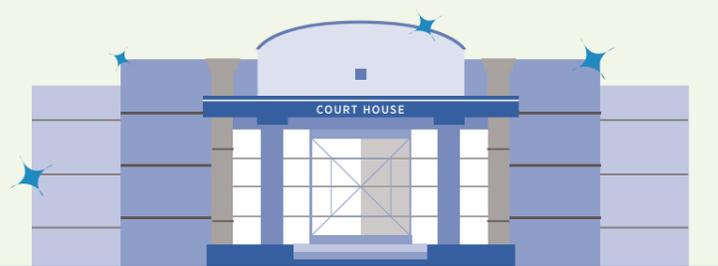


22 kaupapa Māori providers providing programmes for perpetrators and safety programmes for adult and child victims of family violence



15 Ngā Kōti Rangatahi / 1 Matariki Court

We are working with Tauranga Moana iwi on the new Tauranga court



Delivering Te Haerenga, our Māori Strategy

Te Haerenga is the Ministry's strategy to position our organisation – our people, systems and processes – to deliver improved outcomes for Māori. It's our roadmap to improve our capability to work together with our Treaty partners for mutual benefit. Te Haerenga sets out the key high-level actions we'll undertake across our organisation over the next five years and beyond.

Te Haerenga is not just about achieving our goals through service delivery. It's also about how we do this and building partnerships along the way. It's a statement of our commitment and approach to honouring our responsibilities to Māori, and how we'll respond to environmental changes and emerging issues.

A major achievement this year was the development of Te Kokenga, a multi-year programme of work to uplift our te ao Māori organisational capability and a cultural capability framework, Kōkiri. Both the programme and framework are consistent with Te Arawhiti's Māori Crown Relations Capability Framework for the public service.

Engaging and partnering with Māori

Engaging and partnering with Māori is one of most practical and meaningful ways we can honour our responsibilities to Māori and therefore give effect to the principles of Te Tiriti o Waitangi. We are ensuring we identify and take opportunities to engage and partner with Māori in the review, design and delivery of justice services across the Ministry.

In 2019/20, we established a Māori Engagement team. The team leads engagement with Māori for the Ministry and supports other parts of the Ministry to engage and partner with Māori.

Growing lasting relationships

The engagement team has been working with Te Arawhiti in having kōrero with iwi who want to formalise relationships with the Ministry and other justice sector agencies as part of their Treaty settlement redress. For example, Te Whānau-ā-Apanui, the Ministry and other justice sector agencies are progressing partnering opportunities arising from the Treaty settlement undertaking.

The Justice Sector Leadership Board is developing its relationship with Ināia Tonu Nei, the Māori leaders who convened Hui Māori in April 2019, and have continued to engage with the justice sector to build a new relationship between Māori and system leaders.

We are working with Te Arawhiti on commitments to partner with certain iwi as part of their Treaty Settlement redress.

Partnering with iwi and hapū

As part of the Ministry's Innovative Courthouses programme, we're partnering with tangata whenua to co-design and support the operations of courts that are being replaced or significantly refurbished.

We're partnering with Tauranga iwi on designing and supporting the operation of the new Tauranga courthouse (see below). We're also in discussions with Whanganui iwi about working together on a new justice campus in Whanganui. As we work through our property replacement and refurbishment programme, other major projects may be identified and delivered as innovative courthouses.

During the year, we met with Invercargill iwi who had been affected by the closure of their local mortuary and made alternative arrangements for the provision of post-mortem coronial services in Dunedin. As a result, we'll be working with iwi in Invercargill, and other rohe without mortuaries in the coming year. This will include reviewing and improving the cultural appropriateness of coronial services for Māori.

Te Kōti Hou o Tauranga Moana: A new courthouse for Tauranga

The Government announced an investment of \$100 million to build a new courthouse in Tauranga, which will be a model for future courthouse design for Aotearoa.

The Ministry has initiated discussions with local iwi to co-design and support the new courthouse by incorporating tikanga Māori and te ao Māori values into its design and operation. This includes a focus on safety and support needs for victims in the court building. It also focuses on providing victims and offenders with access to wrap-around services which will be co-located on or near the premises.

The new courthouse will put people at the heart of the justice system, provide support for victims, partner with Māori and communities, and improve outcomes for all New Zealanders.

Providing specialist courts and services

We support specialist cultural courts that use kaupapa Māori, which emphasises the involvement of whānau, hapū and iwi in the court process. Such courts include:

- **Ngā Kōti Rangatahi – Rangatahi Court:** These courts aim to reduce youth reoffending and enable Māori communities to be more involved in each step of the youth justice process. Courts are held on marae and encourage strong cultural connections by using te reo Māori, culture and protocols. There are 15 Ngā Kōti Rangatahi across Aotearoa, which support tikanga Māori, while welcoming all ethnicities.
- **Matariki Court:** This court was established in Kaikohe to address the overrepresentation of Māori in the criminal jurisdiction of the adult court, and incorporate more Māori perspectives, into the justice system. Through the adoption of a kaupapa Māori approach, it aims to provide more

appropriate outcomes for offenders, victims and whānau by providing iwi-based support for them through the court process, engaging the offender's whānau, hapū and iwi in the sentencing process.

We also support kaupapa Māori providers who deliver specialist programmes and services that emphasise the involvement of whānau, hapū and iwi. These include:

- restorative justice contracts with eight iwi or kaupapa Māori organisations that provide services to 18 courts.
- 22 kaupapa Māori programme providers for the national delivery of non-violence programmes, for perpetrators and safety programmes for adult and child victims of family violence
- a kaupapa Māori provider that provides services to the Matariki Court.

Delivering the Whenua Māori programme

The Whenua Māori programme is jointly led by the Ministry of Justice and Te Puni Kōkiri. It's the Government's commitment to Māori to invest in whenua and whānau. The programme will establish focused and coordinated services to support Māori freehold landowners' aspirations for their whenua and enable the technology and regulatory systems to support Māori freehold landowners.

In 2019/20, we worked alongside Te Puni Kōkiri on the design and delivery of legislative, technology and business change for users of the Te kooti Whenua Māori Land Court, and to support landowners outside of the court to make informed decisions about how their land is used. We also engaged with Māori Land Court judiciary on design of new Māori Land Court services, including a tikanga-focused dispute resolution service proposed in the legislation.



Maintaining the integrity of the courts and tribunals

Trust in our institutions is vital for the wellbeing of New Zealanders. A strong justice system ensures laws are upheld and allows people to live their lives confident that they're safe and their rights will be protected.

We enable the courts and tribunals to provide services that:

- are easy to access and navigate
- are simple to understand
- don't create unnecessary delay or stress.

We're improving how we manage our operations, using data and information more effectively and effectively managing facilities and security.

We work in partnership with the judiciary to ensure each can meet their responsibilities for the courts of Aotearoa and our expectations of the communities.



More than **1 million** court and tribunal events were administered, helping to resolve **280,000** cases that entered courts and tribunals, across all jurisdictions



The work of our National Scheduling Team resulted in **120 additional judge sitting days per quarter**



\$26 million in reparations was collected on behalf of victims

Our collections teams collected

\$198 million



Our contact centres answered

943,398 calls



Our **252 Court Security Officers** are the first point of contact for people visiting the courts. In 2019/20, they prevented

21,178 dangerous items from entering our courts

21,178 dangerous items from entering our courts

Supporting the independent judiciary

Our key operational role is to support the judiciary and the courts. We provide the registry and administrative services necessary to support the judicial administration of the court system and judicial decision-making. Administrative support includes providing court security, staff in the registries, transcription services, finance, ICT, human resources, and funding for continuing legal education and development for judges.

In delivering these services, we recognise the importance of the constitutional requirements of the independence of the judicial function and support the judiciary to ensure this is preserved and maintained. The courts must be, and must be seen to be, separate from and independent of the executive – this serves to uphold the rule of law.

While Parliament is responsible for making laws and the executive for administering them, the judiciary is responsible for interpreting the law and for independently and impartially conducting trials and resolving disputes in accordance with the law.

An independent judiciary gives people confidence that when they appear before the courts, their cases will be decided in accordance with the law and without any influence from the executive, Parliament or anyone else.

Court registrars are Ministry employees who exercise quasi-judicial functions as officers of the court. The Ministry does not direct employees when they are exercising these functions.

As well as daily contact with the judiciary on operational matters, Te Tari Toko i te Tumu Whakawā (the Office of the Chief Justice) is the official conduit for communications. We seek judicial input for operational changes that affect the courts, for example, improvements to court processes and service design.

Reparation payments to victims of crime

Supporting victims is a key part of our business. One of the ways we deliver this is through the collection of reparation payments on their behalf. This year, we successfully collected \$26 million in reparations.

In 2019, we established a dedicated Central Registry team to review cases where reparation had not reached the victims. The team uses additional information to contact victims and ensure they receive their appropriate reparation.

Since this mahi began, over 15,000 profiles have been reviewed and over \$7 million has been disbursed to victims. Additionally, each profile is updated so that further reparation payments will be paid automatically once collected.

This was achieved by using information already held in the Ministry, for example with Court Victim Advisors (CVAs). At the same time, new ways for victims to enquire about their reparation have been developed, including an online form that enables them to submit all the information necessary to receive an automatic payment.

Providing essential services to New Zealanders

We're committed to continuously improving the way we deliver services to help New Zealanders navigate through the justice system more easily and fairly. We want people to have the same high quality of service, regardless of where they are or how they interact with us.

Despite the number of cases entering courts and tribunals gradually reducing over recent years, the number of court and tribunal events is increasing. This is because cases entering courts and tribunals are becoming more complex and require more time and resourcing to reach resolution.

We support the judicial administration of courts, tribunals, and authorities, including:

- the Supreme Court, Court of Appeal and High Court
- the District Court, including the Family Court and Youth Court
- specialist courts like the Environment Court, Employment Court and Coronial Services
- Te Kooti Whenua Māori – the Māori Land Court
- the Waitangi Tribunal
- 29 tribunals, authorities and committees with over 400 judicial officers and certifying consultants.

We also provide other services, including:

- technical and judicial security, which provides a secure and safe environment for the judiciary, court users, our people and the New Zealand public. Court participants who have been surveyed told us they find our court security officers approachable and feel safe when using the courts
- the National Transcription Service, which transcribes proceedings across all jurisdictions and in other areas of the wider justice sector



Ministry of Justice Central Registry team



More effective scheduling

The District Court schedules 200,000 new cases on average, and approximately 800,000 events across all courts per year. The efficient scheduling of cases is pivotal to the court's ability to optimise the allocated judicial time and Ministry resources, and to ensure the timely disposal of cases.

The National Scheduling Team supports scheduling decisions and helps us understand resources and behaviours. In 2019/20, improved scheduling effectiveness in the criminal non-jury jurisdiction has resulted in approximately 120 more sitting days per quarter.

- the Judicial Libraries team, which provides library and information services to the judiciary and judicial support teams and advises on the management and administration of court records and publishes judicial decisions
- Centralised services (which includes the courts' contact centres) and the Central Registry, whose primary focus is delivering timely, quality services quickly, every day
- Collections services, which collects unpaid infringements lodged in court and court-imposed fines, the offender levy, reparations owing to victims and enforces civil debts on behalf of judgment creditors where the court is instructed to do so. This helps ensure the credibility of monetary sanctions as a sentencing option.

Electronic casebooks were previously adopted by the Court of Appeal and the High Court. In 2019/20, we supported the Napier Family Court judge to implement an electronic casebook pilot.

- **iJudgment** enables judges to review their judgments on-screen, listen to relevant audio at their workstation, and authorise that judgment on screen. In 2019/20, iJudgment was extended to the District Court family jurisdiction.

Ensuring laws are fit for purpose

The final amendments of the Courts Matters Act 2018 and the Tribunals Powers and Procedures Legislation Act 2018 came into effect in October 2019. These changes help courts and tribunals provide better participant protection and improve New Zealanders' access to justice. They've also enabled the Ministry to provide safer courts and tribunals buildings. The changes included:

- increasing Disputes Tribunal monetary threshold from \$15,000 to \$30,000
- replacing all prescribed tribunals forms with easy-to-use approved forms
- the Real Estate Agents Disciplinary Tribunal having the power to award compensation of up to \$100,000 for financial losses caused by a real estate agents' unsatisfactory conduct
- the appointment of Deputy Chairpersons to the Human Rights Review Tribunal to help reduce the case backlog and provide more timely access to justice
- extended powers for Court Security Officers to deny entry to, and to remove and detain disruptive individuals in court and tribunal buildings.

Improving how New Zealanders engage with our services

People often interact with the courts at important or stressful times in their lives. If someone needs to appear in court, they may need to take time off work or school, or arrange childcare, which can be stressful. Effective processes and procedures, like scheduling and case management, are key to getting people through the court system more quickly.

Improving our processes

We're supporting judicial initiatives to ensure people are well prepared to help participants in the justice system:

- **Electronic casebooks** are compiled electronic versions of court documents, like submissions of evidence used on-screen during a hearing. They enable the judiciary and others involved to share a 'single source of truth' and can be easily searched and annotated throughout the hearing.

Leading the transformation of the criminal justice system

We support the Minister of Justice in leading the reform of the criminal justice system. Hāpaitia te Oranga Tangata – Safe and Effective Justice (Hāpaitia), is a cross-sector initiative led out of the Ministry of Justice. It was set up to help guide the transformation of our criminal justice system and create a safer Aotearoa New Zealand.

Hāpaitia is guiding mahi to establish a vision and principles for transforming our criminal justice system, as well as an approach that will enable agencies to work together to develop long-term solutions that:

- support safe and peaceful communities
- address pathways to offending, so we can respond more effectively to criminal behaviour
- deliver better outcomes for everyone who encounters the justice system – those who have been harmed by crime and those who have harmed others, as well as families, whānau and witnesses.

In 2019, Hāpaitia conducted a survey of over 5000 New Zealanders to test their appetite for criminal justice reform. Results to key survey questions include:



Are we allocating resources in our criminal justice system the right way?



Should victims' interests be at the heart of our criminal justice system?



Should Māori take the lead on solutions to criminal justice issues for Māori?



Should less serious offences (e.g. disorderly behaviour) be dealt with in communities instead of through the formal justice system?



23% Alcohol and Other Drug Treatment (AODT) Court participants that are less likely to reoffend

*Hāpaitia te Oranga Tangata - Safe and Effective Justice 2019 public survey of attitudes toward the justice system. Please note, some figures may not add up to 100% because of statistical rounding.



Chester Borrows at Pasifika Fonu.

Working towards a safe and effective criminal justice system

In 2018, the Hāpaitia programme was launched to drive reform and help create a criminal justice system that's more effective and keeps people in Aotearoa safe.

What we've heard so far

Three major reports into Aotearoa's justice system were published in the second half of 2019, supported by Hāpaitia te Oranga Tangata – Safe and Effective Justice:

- *Inaia Tonu Nei: The Time is Now. We Lead You Follow* from Te Ohu Whakatika, the organisers of 2019's Hui Māori on justice issues.
- *Te Tangi o te Manawanui: Recommendations for Reform* from the Chief Victims Advisor.
- *Turuki! Turuki! Move Together* from Te Uepū Hāpai i te Ora – Safe and Effective Justice Advisory Group.

Across these three reports we heard that:

- victims need better support and must have a stronger role in the criminal justice system
- Māori want to lead solutions for their people. Tikanga Māori values and principles must be central to any change and mana ōrite models, in which the respective views of the Crown and Māori are heard, considered and afforded equal explanatory power, should be adopted

- the system should focus more on preventing crime and rehabilitating people (and punitive responses should be proportionate and effective)
- communities want to be resourced and empowered to make change
- the current criminal justice system needs to be improved but, at the same time, system-wide transformation is needed.

Continuing our engagement

For six weeks spanning October to December 2019, Hāpaitia conducted a survey of nearly 5000 New Zealanders to understand their knowledge of the criminal justice system and their appetite for reform. The results of this survey were published early July 2020, following delays caused by the COVID-19 pandemic.

The findings indicate a clear public appetite for change.

Expanding the Alcohol and Other Drug Treatment courts

In 2019/20, the pilot AODT courts in Auckland and Waitākere were made permanent, and the government funded a new AODT court in Waikato because of the positive effect these courts have on reducing reoffending.

Within two years, AODT court participants are 23% less likely to reoffend for any offence, 35% less likely to reoffend for a serious offence, and 25% less likely to be imprisoned because of their reoffending.

Responding to victims' needs

Improving the experience of victims is the focus of transforming our criminal justice system, and a significant amount of effort is already under way to prioritise victims' rights.

We aim to make the justice system more responsive and easier to navigate for all victims of crime. The Victims Code explains how victims can expect to be treated, what support services are available to them, and how they can make a complaint if they believe they haven't been treated fairly. It's important for us to know when victims' rights aren't being met, so we can identify what went wrong

and ensure their concerns are addressed. We established the Victims Leadership Group, bringing together senior government officials to assess where the justice sector could make the most significant improvements for victims with the available resources and levers.

In 2019/20, we received 39 complaints from victims of crime alleging a breach of rights under the Victims' Rights Act 2002, compared to 5 complaints in 2018/19. The increase is likely to be attributed to the growing awareness of the Victims Code and the Victims Service. All were resolved in-house or referred to the relevant agency (for example, New Zealand Police or Ara Poutama Aotearoa).

Support for victims of the 15 March 2019 Christchurch Mosque attacks

The Ministry of Justice's mahi to support those affected by the Christchurch Mosque attacks aimed to:

- give full effect to relevant statutory obligations under the Victims' Rights Act 2002 (VRA)
- minimise, and where possible mitigate the trauma experienced by victims and others engaging with the court process
- help victims and affected communities to engage more meaningfully with the court process.

After 15 March 2019, the Ministry established a team of four experienced CVAs to work with the victims and their whānau. Additional CVAs were added to the team leading up to and during the sentencing. The CVAs worked with Police Family Liaison Officers and Victim Support so that victims could engage with the support worker they were most comfortable with. Between them, CVAs, Police Family Liaison Officers and Victim Support were in contact with approximately 300 victims and their whānau. The CVAs kept victims informed about the progress of the case. Written translations were provided in 11 languages, including Arabic, Farsi, Urdu, Hindi, Somali, Bengali and Turkish.

To provide additional support for victims and their whānau, the Ministry:

- instructed counsel to help victims understand the legal steps in the process and to give full effect to their rights in that process, and to provide expert advice to the CVAs on the criminal process
- established a group of subject matter experts from the Muslim community to assist in engaging and supporting victims, and to provide support and training to Ministry staff.

Ministry staff, including CVAs, worked with Police Family Liaison Officers and Victim Support to provide support to victims at court hearings. The support included the use of separate entrances, private security search facilities, prayer rooms, interpreters, overflow courtrooms for victims when seating was at capacity in the main courtroom and the ability to view the hearing via AVL with the help of interpreters.

Victim Support administers the Victim Assistance Scheme (VAS), distributing grants to victims to help with the costs of accessing the justice system including travel expenses, counselling, and other immediate expenses as a result of a crime. This year, 275 victims of the attacks received a total of 540 grants from the VAS.

Victim Support workers helped victims with a wide range of needs, including support for emotional trauma, and a wide range of practical support. Support workers helped victims build independent support networks and resilience by:

- assisting with critical essential life skills, such as creating bank accounts and obtaining driving lessons
- helping whānau members travel to Christchurch from overseas
- supporting victims to access financial support
- supporting victims to overcome language barriers
- referrals to counselling, employment, and other community services.

The Ministry undertook the New Zealand Crime and Victims Survey (NZCVS) to help understand the experiences of victims. NZCVS represents a national picture of the experience of crime in Aotearoa for those aged 15 years and over. The survey is designed to collect annual data and is the only comprehensive source of crime data covering crimes reported to the Police and unreported crime.

This year, we supported victims by:

- helping Victim Support's national rollout of the homicide case worker service, with additional, paid specialist support workers to help homicide victims feel reassured, more informed and more in control of their lives
- supporting the Christchurch Mosque attack victims by providing experts to engage with victims and the Muslim community and ensure they were informed.

The Ministry also supported the work of the Chief Victims Advisor, Dr Kim McGregor. The Chief Victims Advisor is an independent ministerial advisor appointed by, and accountable to, the Minister of Justice. Dr. McGregor provides independent advice on justice sector-wide strategy and coordination relevant to victims. This year, with the support of the Ministry, Dr. McGregor:

- published three reports and provided a range of other advice to the Minister of Justice on victims' rights and related matters
- supported the Government's response to the Christchurch Mosque attack victims
- supported the Government's response to COVID-19 by contributing to the Pandemic Working Group for Family Violence and Sexual Violence
- met with a range of victims, victim advocates and others concerned with victims' issues to explore opportunities to improve outcomes for victims of crime.

Supporting the Victims Information service

The **Victims Information service** is a valuable resource, which includes a comprehensive website (victimsinfo.govt.nz) and a 24/7 toll-free information line (0800 650 654).

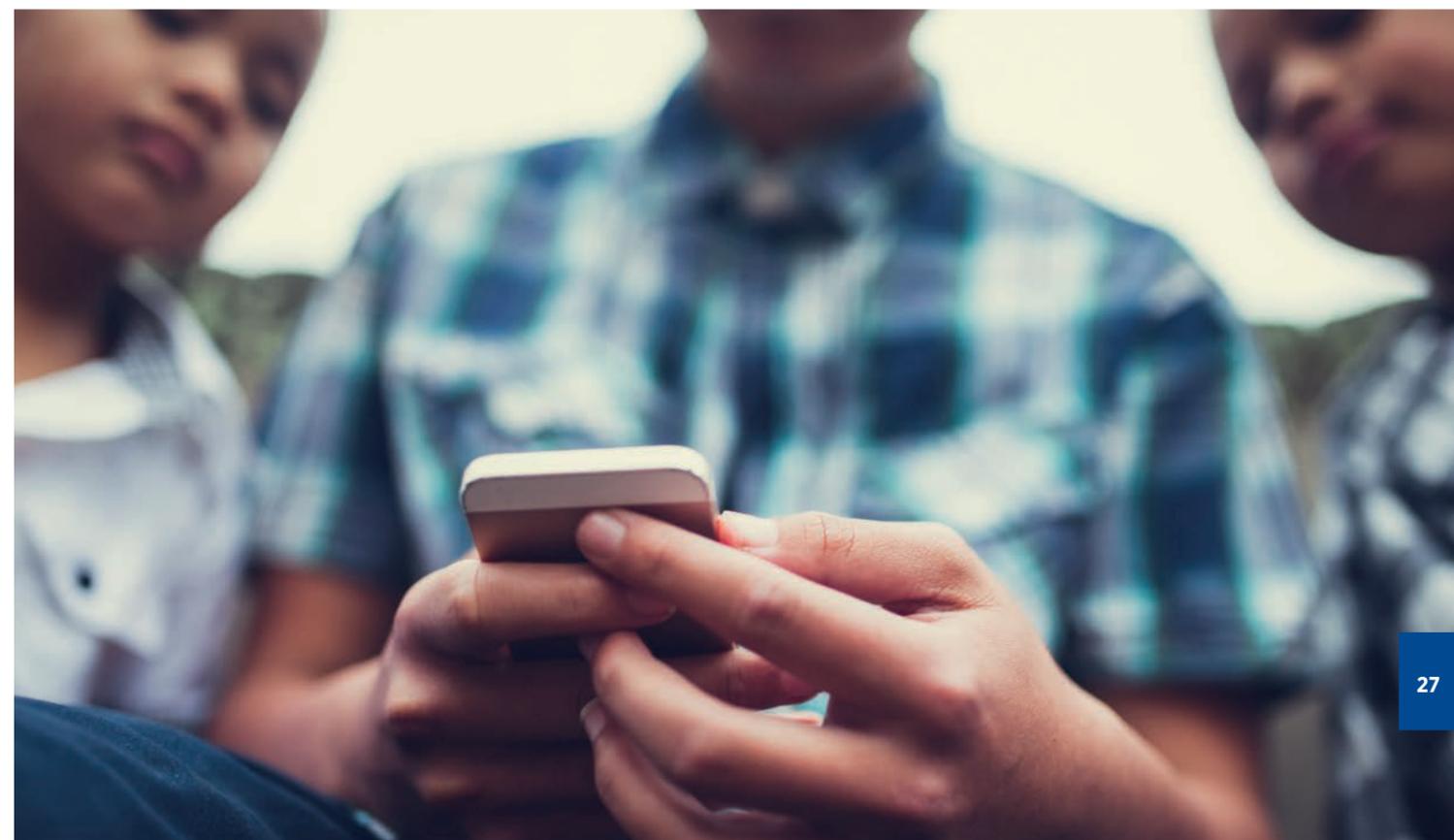
It gives people affected by crime quick and easy access to information about the criminal justice system and support services. It also helps connect victims with the most appropriate support agency for their needs.

In 2019/20, the 0800 victims information line received 28,003 calls.

Helping victims of cyberbullying

Thousands of people who have experienced harmful digital communications have been helped by the Harmful Digital Communications Act 2015 (HDCA). Netsafe, New Zealand's independent, non-profit online safety organisation, is the approved agency responsible for carrying out the key functions of the HDCA.

Netsafe has received 10,271 requests for help since November 2016. In 2019/20, they received 3,394 requests for help. The courts have received 79 civil cases requesting Harmful Digital Communications Orders, 78 of which have been served.



Addressing family violence and sexual violence

We're part of cross-government work to improve the response to people affected by family violence and sexual violence. We're contributing to the prevention and elimination of the unacceptable rates of family violence and sexual violence in Aotearoa.

We are a member of the Family Violence and Sexual Violence Joint Venture and we host its business unit. The Ministry plays a key role in the whole of government response to family violence and sexual violence by administering and implementing the law, providing court services, reducing barriers to justice, and facilitating access to legal, health and social services.

We support  **82** FAMILY VIOLENCE PROGRAMME PROVIDERS FROM KAITIAIA TO INVERCARGILL

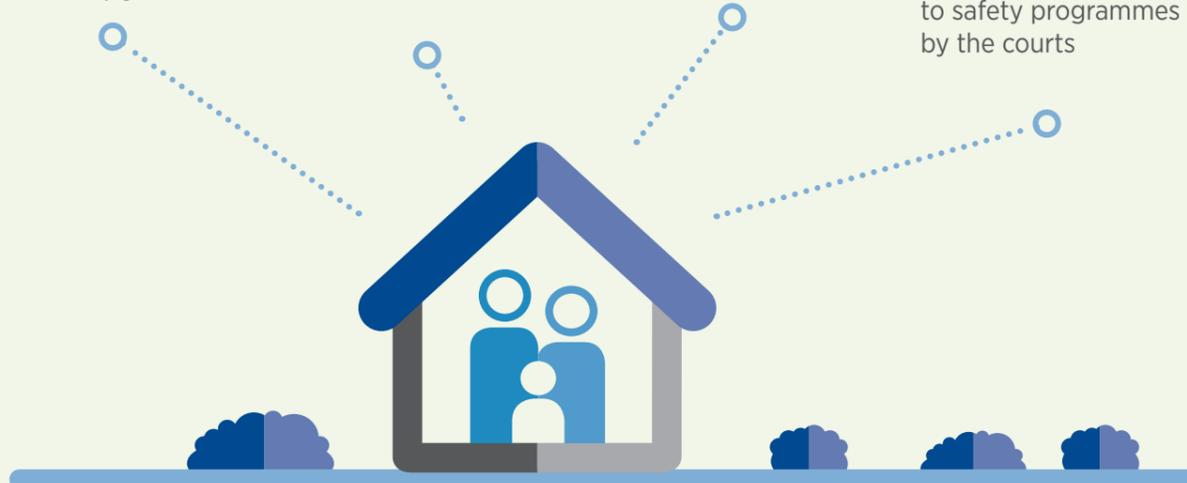
 **1,402** people were supported by sexual violence court victim advisors

519 homes have received a National Home Safety Service – Whānau Protect home upgrade

97% of people were satisfied with the National Home Safety Service – Whānau Protect service

805 adults were provided the Strengthening Safety Service

4,982 adults and children who experienced or witnessed family violence were referred to safety programmes by the courts



5,182 perpetrators were referred to non-violence programmes by the courts



Our role in helping people affected by family violence and sexual violence

We have a responsibility to ensure our processes and practices keep people safe from family violence and sexual violence. Following the implementation of changes to the law on family violence in 2019, we established a multi-year programme of operational initiatives. We're making changes to our workforce capability, courthouse design and access to services.

In 2019/20 we:

- delivered Family Violence and Sexual Violence Service Response training for our frontline staff. The training increases understanding of the impact of family violence and sexual violence on people navigating through the justice system, knowing how to respond, and where to refer them for support in the community
- targeted training for defence lawyers with insight into, and techniques for, questioning vulnerable witnesses in sexual violence trials
- developed a plain language information pack to be served with protection orders so parties understand the order and are therefore less likely to breach it
- introduced the Sexual Violence Legislation Bill. The Bill aims to reduce the risk of retraumatisation that complainants in sexual violence cases can experience during the court process. It responds to recommendations made by the Law Commission in 2015 and 2019.

Supporting the delivery of family violence programmes and services

We contract 82 community-based providers across Aotearoa, including 22 kaupapa Māori providers, for delivery of non-violence programmes and safety programmes under the Family Violence Act 2018. The Ministry also funds the Strengthening Safety Service to support victims who have applied for, and are awaiting, a protection order to be granted or where a family violence charge has been laid.

Following a joint procurement process in 2017, 45 non-violence programme providers were contracted by the Ministry of Justice and Ara Poutama Aotearoa with a joint contract management model and aligned elements of programme delivery.

In 2019/20:

- 4,982 adults and children who suffered or witnessed family violence were referred to safety programmes
- 5,182 respondents to protection orders were directed to attend non-violence programmes
- 805 adults were provided the Strengthening Safety Service.

Referrals to non-violence programmes were lower during the COVID-19 lockdown period, due to a corresponding drop in protection orders and referrals from criminal court cases.

We commissioned an independent evaluation of Ministry-contracted family violence programmes for victims and perpetrators. The evaluation found that these programmes reduce offending and help victims to feel safer.

Supporting judicial initiatives to address family violence and sexual violence

We support the sexual violence courts, led by the Chief District Court Judge. The sexual violence courts began in December 2016 in Whangārei and Auckland and aims to improve the court experience for victims. This initiative reduces delays in sexual violence cases getting to trial. A central part of the initiative is trial judges undertaking a sexual violence education programme. An evaluation completed in June 2019, showed that cases are proceeding to jury trial about a third faster on average. It also showed that most complainants feel trials are managed in a way that does not cause them to feel retraumatised by the process.

We support the Family Violence Bail Report pilot. The pilot launched in 2015 and has expanded to include 15 District Court locations. It aims to keep victims safe by ensuring judges have relevant, timely and consistent information to assess risk when determining bail applications. An evaluation completed in July 2019 found the initiative showed promising results by enabling more informed bail decisions. We're expanding the use of the Family Violence Bail Report across all district courts in Aotearoa.

We support the Family Violence Courts initiative, led by the Chief District Court Judge. This initiative was established in 2001 and has expanded to eight courts across Aotearoa. It aims to encourage offenders to take responsibility and keep victims safe by using a range of innovative approaches, including Victim Advocates, judicial monitoring, and community organisations providing specialist services to the courts. An evaluation of the initiative is underway and expected to be completed in late 2020.

The Joint Venture Business Unit (Family Violence and Sexual Violence)

We host the Joint Venture Business Unit (JVBU) whose role is to support the Joint Venture of the Social Wellbeing Board (the Joint Venture). The JVBU also worked with the Interim Te Rōpū Māori, established as a Māori Crown partner for family violence and sexual violence system issues.

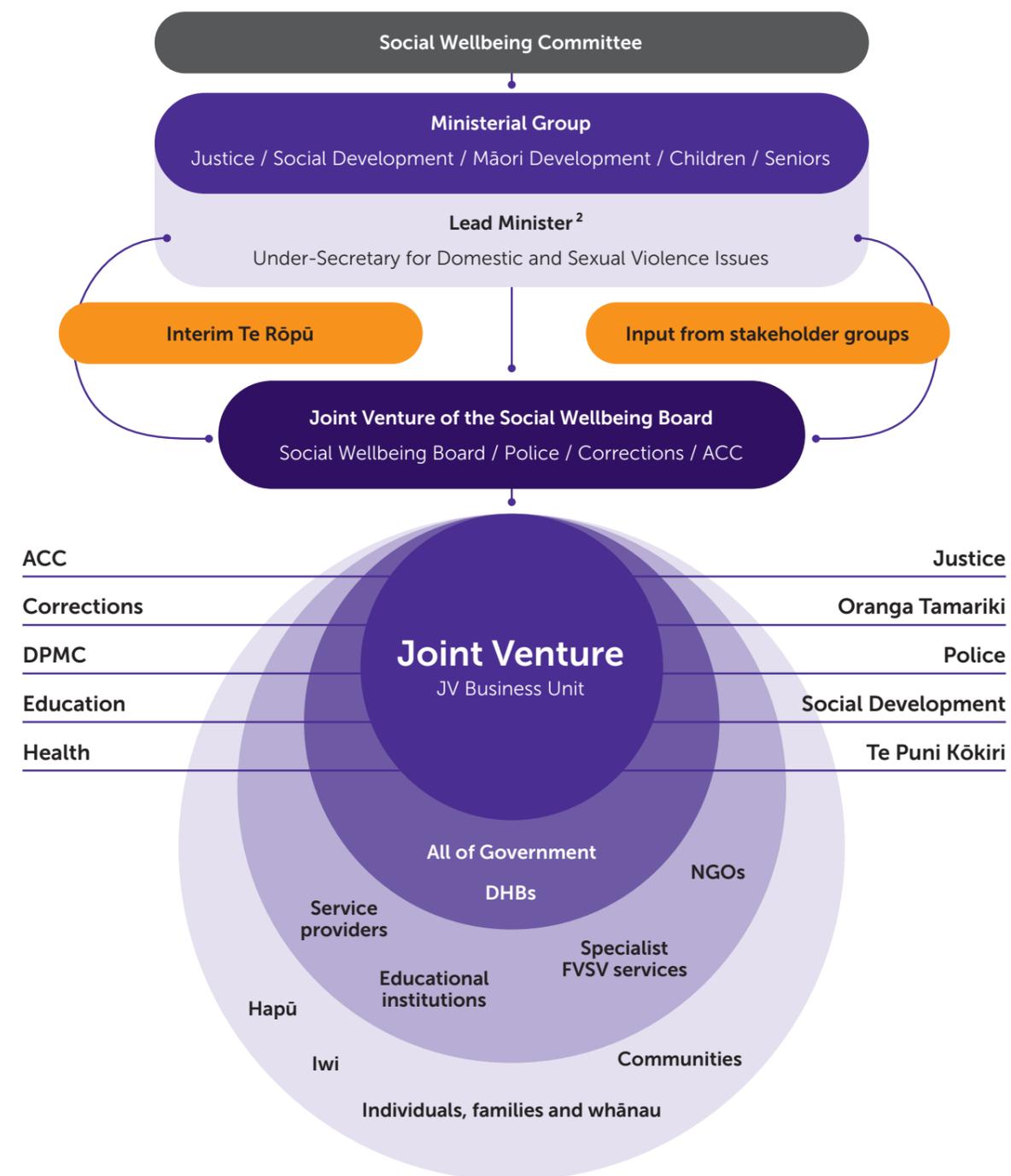
Joint Venture

Eliminating family violence and sexual violence

The functions of the Joint Venture are to:

- set a clear direction for the Government's commitment to reduce family violence and sexual violence
- ensure government agencies know their role in the future system and align their actions
- build the evidence base for effective interventions
- public reporting on progress
- provide input and advice into other related government priorities
- provide strategic whole-of-government advice to ministers on future Budget initiatives, the administration of funding and the effectiveness of services
- co-design with communities the infrastructure, tools and support they need to deliver community driven approaches to primary prevention, early intervention, and immediate safety and long-term recovery
- develop the capabilities of front-line staff to safely identify and respond to violence before it escalates.

Journey to a Joint Venture



The Joint Venture (Family Violence and Sexual Violence) of the Social Wellbeing Board

The Joint Venture is made up of the Chief Executives of the Department of Prime Minister and Cabinet, Oranga Tamariki – Ministry for Children, Ministry of Health, Te Puni Kōkiri, Ministry of Social Development, Ministry of Education, Te Tāhū o te Ture, New Zealand Police-Nga Pirihimana O Aotearoa, Accident Compensation Corporation and Ara Poutama Aotearoa.

The Joint Venture's key functions are to set clear direction for the Government's commitment to reduce family violence and sexual violence and to provide strategic whole-of-government advice to Ministers.

The Joint Venture is committed to co-designing with communities and providing the infrastructure, tools and support needed to deliver community driven approaches to primary prevention, early intervention, immediate safety and long-term recovery, while strengthening front line staff capability to safely identify and respond to violence before it escalates.

Interim Te Rōpū

When the Joint Venture of the Social Wellbeing Board was established, Government agreed that it would establish an independent Māori body to work in partnership with the Crown. The Interim Te Rōpū was appointed in late 2018 to give effect to the partnership especially by assisting in establishing long-term arrangements for Te Rōpū and to work with the JV to develop the National Strategy to eliminate family violence and sexual violence.

Chaired by Prue Kapua, Interim Te Rōpū has brought together expertise from across the motu. Its members are grounded in Māori communities and have a breadth of experience and knowledge of family violence and sexual violence issues.

Supporting the Joint Venture

In 2019/20 the JVB supported the Joint Venture by:

- providing strategic advice and coordination of the second joint venture whole-of-government package of budget initiatives totalling \$253.3m (including a COVID-19 Response and Recovery Fund). Budget 2020 specifically provided funding for services to support victims of Family Violence (FV), services to help perpetrators to stop inflicting FV, services for victims of elder abuse, and support for victims of strangulation
- working with Interim Te Rōpū and across the Joint Venture on the development of a National Strategy. Community engagement on a discussion document was deferred as a result of COVID-19 pandemic response
- working with member agencies and sector experts to develop the tools and frameworks that will build FVSV workforce and organisational capability
- leading a continuous improvement approach to enable the Joint Venture to learn, adapt and build towards a model that continues to support the transformation needed on family violence and sexual violence
- Providing a governance secretariat to enable the Joint Venture of the Social Wellbeing Agency to lead system transformation.

Family violence and sexual violence COVID-19 response

As part of the Government's response to COVID-19, the JV took a lead role in ensuring an appropriate response to those affected by violence. The JV was an effective mechanism for bringing together government agencies, the sector and communities.

During the COVID-19 lockdown period, people being restricted to staying in their bubbles meant the risk of violence increased. Our cross-agency or 'joint-venturing' approach meant we were connected in ways that helped us to very quickly understand and identify where we could provide the most support.

Our connection with community-led initiatives – the Pandemic Working Group and Tangata Whenua Rōpū; along with our all-of-government network meant we could act swiftly to make sure people could access the help they needed. These groups provided invaluable and real-time insight into what was happening for individuals and whānau within their communities.

²The Joint Venture structure as at 30 June 2020

Improving access to justice

Access to justice is about ensuring that people who seek to enforce their rights can use the legal system to achieve an outcome by means of a fair and open process. People's needs vary, from receiving information and education through to advice and support, as well as obtaining legal representation and resolution in the courts.

The ways that people access the justice system, and their needs, are diverse. We want to make sure that everyone, regardless of their financial means, can access justice and receive the support they need. Providing access to justice requires action, including:

- clear and accessible law so that people know and understand their rights
- easy access to mechanisms that enable people to enforce their rights, including, but not limited to, the courts
- a legal market that provides quality legal services at a price that litigants can afford
- fair and impartial procedures that are easy to navigate, protect our most vulnerable, and provide timely resolution of disputes.

Improving access to justice requires us to work in partnership with the judiciary and other justice sector stakeholders, as well as support and implement legislative reform.

Taking a system approach to improving access to justice

In March 2020, Chief Justice Dame Helen Winkelmann and Secretary for Justice Andrew Kibblewhite, hosted an access to justice workshop hui. The workshop hui brought together people working across the justice sector to talk about how to improve access to justice in Aotearoa. This included Minister for Justice, Hon Andrew Little, the legal profession including Te Hunga Roia – The Māori Law Society, community groups and organisations, and academics and students.

Hui attendees shared ideas on how to improve access to justice in Aotearoa based on issues they currently saw with the justice system, as well as opportunities they saw to improve on current practices. Ideas were discussed on how to lower the cost of accessing justice, ensure people can get information on their legal options and rights, facilitate better access both in and out of court systems, and how justice system can better provide access to justice for its many and diverse users, including Māori.

Since the hui, some positive developments have happened in several areas:



Family Court: The right to legal representation at the start of care of children disputes in the Family Court was restored on 1 July 2020 and funding for legal aid and lawyers for children in Family Court cases has increased. New Family Justice Liaison Officers will be appointed, and better information resources will be provided to help parents and whānau navigate the family justice system.



Public Trust: The Public Trust has received additional funding to enable it to meet its statutory obligations to provide fiduciary services to vulnerable clients.



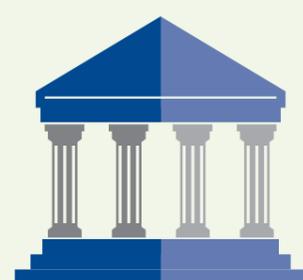
Courthouses: In addition to the funding for an innovative new courthouse in Tauranga announced late last year, the Ministry has been allocated a further \$163.5 million to remediate and upgrade other courthouses across Aotearoa. This is an opportunity to redevelop facilities to better meet the needs of victims and other court participants and the wider community.



Community legal services: Funding has been provided to enable Community Law Centres to implement a new case management system and to establish a pro bono clearing house to match lawyers with people who need help. Community Law Centres will also receive funding to address personnel cost pressures.



Remote technology: During the COVID-19 lockdown period, significant progress was made around the use of remote technology to facilitate access to the courts.



We processed **82,074** applications for legal aid and **62,795** legal aid applications were granted (excluding the Public Defence Service)

The Public Defence Service accepted **13,111** new cases

We hold **158** contracts with community-based providers



There were **10,000** referrals to restorative justice



1,700 cases proceeded to a restorative justice conference

The Young Adult List was launched in Porirua



Community Law Centres helped

46,196 clients

with legal advice, assistance and representation and delivered law-related education to

20,725 participants



Kia ora! How can I help?

28,003 calls to Victims Information Line

Family justice reforms

The Independent Panel considering the 2014 family justice system reforms released its final report to the Minister of Justice, Hon Andrew Little, in May 2019. The 142-page report makes 70 recommendations, which propose wide-ranging changes to the family justice system.

In May 2020, the first phase of a long-term work programme to strengthen the family justice system began, with the announcement of \$62 million funding over four years.

This work programme will promote a family justice system that continues to place tamariki wellbeing at its heart. It will help to ensure that families and whānau are well supported with early legal advice and information, children's participation is enhanced, and lawyers' duties are expanded in care of children proceedings. It will also reduce delays in resolving issues in the Family Court which have been exacerbated by the COVID-19 pandemic.

Enabling access to free or low-cost legal services

We want to make sure that everyone, no matter their needs or their financial means, can easily access justice and receive the support they need. Often people use our services when they are at their most vulnerable and each person's experiences and needs of the justice system may be different.

Providing legal aid

Legal aid is available for people who need a lawyer but can't afford one. People can receive legal aid for civil proceedings where they meet specified income thresholds, or criminal proceedings where it's in the interests of justice. In this way, New Zealanders aren't denied access to the courts because they can't afford legal help.

In 2019/20, we processed 82,074 applications for legal aid. This compares with 83,745 in 2018/19. The amount spent this year was \$192 million, compared to \$179 million in 2018/19. This reflects the increased complexity of cases and the associated cost of representation.

Supporting the Public Defence Service

The **Public Defence Service (PDS)** is the largest employer of criminal defence lawyers in Aotearoa. It provides high quality and independent criminal defence and duty lawyer services in 10 major metropolitan centres across Aotearoa. PDS provides legal advice and representation to defendants who've been granted legal aid in criminal cases. They also oversee the duty lawyer services in the courts where they operate.

In 2019/20, PDS was assigned 13,111 new cases. This compares to 15,051 in 2018/19.

Working with Community Law Centres

Community Law Centres (CLCs) deliver free legal services and law-related education around Aotearoa. CLCs ensure people who can't afford a lawyer have access to legal services, directly through walk-in centres, or indirectly through a national website or phone number. They also undertake community engagement and deliver specialised legal services.

In 2019/20, CLCs helped 46,196 clients with legal advice and saw 20,725 participants in law-related education.

Working with community-based providers

We help people in need by funding and contracting community-based and non-governmental providers for the delivery of community-based services. These services include family violence programmes, restorative justice services, victims' services, family dispute resolution mediation, and parenting through separation programmes. In this way, we help to:

- keep people safe and minimise the impact of harm
- reduce offending and reoffending
- uphold people's rights
- make it easier for people to access, understand and interact with the justice system.

\$66 million was spent on 158 contracts with community-based providers and non-governmental organisations.

Supporting the judiciary

Under the direction of the judiciary, there are court cases and court ordered processes that require the Ministry to support, co-ordinate and facilitate those who enter the court system, with a focus on improving access and responsiveness.

Providing restorative justice

Restorative justice conferences are face-to-face meetings where victims can tell offenders how the crime affected them and offenders can take personal responsibility for their actions. This gives victims a stronger voice in the criminal justice system and holds offenders to account for their crimes. Restorative justice has been effective in reducing the frequency of offending and the number of people reoffending. Most victims of crime who take part in restorative justice conferences are satisfied with the process.

We contract 25 restorative justice providers across Aotearoa to deliver pre-sentence restorative justice services at every district court location. This year, there were approximately 10,000 referrals to restorative justice in Aotearoa. During the year, 1,700 cases proceeded to a restorative justice conference. This is less than last year, due to the reduction of services during the COVID-19 lockdown period.

The restorative justice values underpinning the service are aligned with Māori values and tikanga. The core values include tika and pono (fairness and honesty), whanaungatanga (relationships), āhurutanga (security), manaakitanga (hospitality), mana motuhake and aroha (independence and love). We work closely with providers to ensure they deliver culturally responsive services, and support practices that are responsive to the needs of Māori. This includes applying of whānau-centred approaches, focusing on strengthening and supporting relationships, and creating a sense of belonging and safety where Māori values are placed at the forefront.

Supporting therapeutic courts

People who use our services have diverse needs, which we work to address. Some courts aim to deal with specific social problems by improving the experience of users and creating a less intimidating environment than more formal courts. therapeutic courts include the following judicially-led courts:



8 Family Violence Courts. In eight locations in the North Island, the District Court schedules block sittings of family violence cases so that appropriate social services, support and programmes are all on hand to connect with whānau under court guidance.



2 Sexual Violence Courts. This pilot is led by the Chief District Court Judge and takes place in Auckland and Whangārei. It uses best practice case management and specialist judicial education to reduce delays in bringing sexual violence cases to trial and improve the court experience of victims of sexual violence.



Te Kooti o Timatanga Hou – New Beginnings Court in Auckland and the **Special Circumstances Court** in Wellington. These courts address persistent low-level offending by people who are homeless and whose ability to make decisions is impaired. They may also be dealing with addiction and mental illness.



Christchurch Youth Drug Court. This court provides an enhanced youth court process to address the alcohol and drug dependency issues of young people appearing in court and facilitates better service delivery to reduce their offending.



Alcohol and Other Drug Treatment Courts pilot in Auckland and Waitakere District Courts. This pilot is designed to supervise offenders whose offending is driven by their alcohol and other drug dependency. It provides judicial oversight of their engagement with treatment programmes and rehabilitation support services before they're sentenced.



2 Pasifika Courts. Two Pasifika Courts are based at community venues in Auckland that specifically address youth offending. They enable Pasifika communities to be more involved in each step of the youth justice process.



15 Ngā Kōti Rangatahi and the **Matariki Court** in Kaikohe. These courts put te ao Māori and tikanga Māori at the forefront of their services.



Establishing Te Kāhui Tātari Ture – the Criminal Cases Review Commission

Te Kāhui Tātari Ture – the Criminal Cases Review Commission (Te Kāhui) – opened on 1 July 2020 and follows international best practices. The Ministry set up and now monitors Te Kāhui as an independent Crown entity that employs specialist staff to investigate possible miscarriages of justice. Anyone convicted of a crime in a New Zealand court, and who believes they have suffered a miscarriage of justice over their conviction or sentence, or both, can apply to Te Kāhui for an independent review of their case and follows international best practices.

The Criminal Cases Review Commission Act received Royal Assent on 16 November 2019. An Establishment Advisory Group and Chair worked with a small, dedicated team in the Ministry who were responsible for the policy development and implementation of the Act that established Te Kāhui. The team worked at pace within a short time frame, working around the challenges of the COVID-19 pandemic to successfully launch Te Kāhui on time so it could begin its mahi straight away. Te Kāhui is founded on design principles that foster accessibility, responsiveness, transparency, partnership and respect. Te Kāhui does not decide guilt or innocence. If a case is referred, it is given a new hearing in an appeal court.

Young Adult List launches in Porirua

In August 2019, the Acting Chief District Court Judge Hon Judge Walker proposed a trial of a Young Adult List, in the Porirua District Court.

The Young Adult List is for all people aged 18 to 25 years old, with a focus on those with special characteristics, such as mental health issues, histories of substance abuse, family violence and sexual violence, acquired brain injuries, and learning and intellectual disabilities.

By bringing elements from the Youth Court into the District Court and re-designing other relevant processes, the court can support young adults to more easily understand and engage with the process. This improves fairness and enables access to justice.

To recognise and adjust for special characteristics that limit executive functioning (thinking, memory and focus) the following processes are being introduced:

A screening tool – rangatahi are asked a series of questions to screen for the possible presence of special characteristics such as alcohol and drug dependencies and learning and developmental difficulties, so the court can make appropriate accommodations.

Information sharing – a protocol has been established to allow better information sharing of relevant health reports between the Youth and District Courts.

A dedicated multidisciplinary team – a dedicated Iwi Liaison Officer, Bail Support Officer, Probation Officer, Police Prosecutor and Forensic Court Liaison Nurse will be present at each List.

Accessible court room language – where possible plain English is used in the court. Where language is prescribed, clear explanations will be given.

The Young Adult List draws on strong support from the local community, government agencies and international partnerships.

The List will be evaluated throughout its pilot and if deemed successful, the List may be replicated in more courts.

Our culture and capability

We want Te Tāhū o te Ture to be a place where our people feel valued, connected and part of a strong and positive culture. We encourage our people to reach their potential and feel motivated to play their part in our Ministry's successes.

Our culture and capability priorities set out the areas we need to focus on to ensure we have the people, capability and infrastructure we need to deliver improved outcomes for all New Zealanders.

Our RISE values underpin everything we do.

RISE TOGETHER Respect
Integrity
Service
Excellence



In 2019/20 we rolled out...

1,599 mobile devices to our people to enable better ways of working
1,433 desktops

793 mobile devices and **60** desktops during the **COVID-19** lockdown period



59%

was our overall *Working for Justice* survey engagement score in 2019

314

of our people attended our Orientation Day



Gender Pay gap is **12%**

this is down from **12.9%** last year



Our new payroll system, *mahi*, went live



We support

employee-led diversity networks

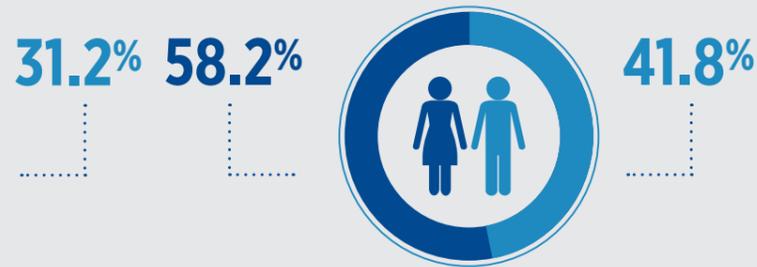
We held **35** strategy roadshow sessions with our people across Aotearoa



Gender (overall)



Gender (senior management)



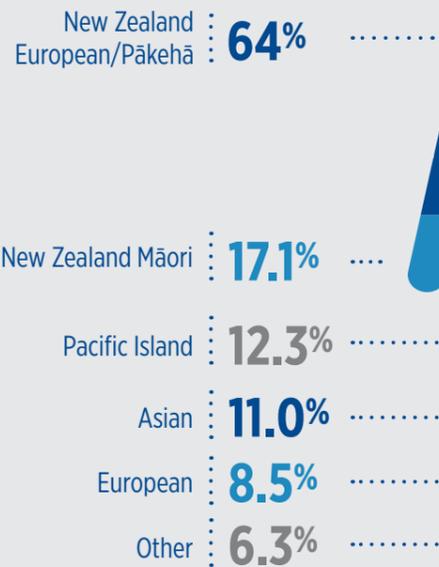
4,101
people at our
Ministry

FTE
(full-time equivalent)
3,964



67.6% of our people work in
Operations and Service Delivery (OSD)
Total number of OSD employees - 2,679

Ethnicity (self-reported)



Breakdown of length of service



Making our Ministry a great place to be

We see strength in having a diverse range of people working together to provide services to New Zealanders.

We want our Ministry to be a place where our people can be:

healthy and safe – where asking for help isn't a weakness. If you need a hand or support, you can just ask

trusted – where everyone has a right to dignity and respect, whoever they are or wherever they come from

supported – where they're encouraged and supported to pursue their ambitions, and recognised and rewarded

involved – where everyone's opinion matters. Some of our greatest achievements have come about through collaboration

And a place where you can be **yourself** – because we don't hire staff, we hire people.

This is 'our promise' to our people and is something we strive for every day.

Supporting inclusion and diversity

We're committed to being a place where people can be themselves and feel safe and welcome to do so. Our diversity is something to be valued and celebrated as this enables us to see issues and possibilities through different lenses. Inclusion at the Ministry means we consciously raise the voices of underrepresented groups, seek to mitigate bias, and create a space where everyone belongs. The representation of a diverse Aotearoa is what enables us to better serve New Zealanders.

In 2019/20, we finalised our Inclusion and Diversity Strategy, which outlines the principles and goals that will allow us to be recognised as an employer of choice. The Strategy is guided by the Papa Pounamu Diversity and Inclusion Programme agreed to by public service chief executives in 2017. It complements our mahi to close the Gender Pay Gap and implement our Māori strategy, Te Haerenga. Our culture of belonging is what makes us successful; we strive for an equitable, inclusive, and supportive place to be.

One way we encourage inclusion and diversity is through our Ministry People Networks. We currently support seven employee-led networks, which have been established to provide a space for collaboration, support and networking for members.



Celebrating inclusion and diversity with our new people networks

The success of our first four networks – the Disability Network, Young Professionals, the Women’s Network and our Tātou Tātou Rainbow Network – paved the way for our people to continue connecting with others and celebrating different aspects of their identity. This year, we saw the establishment of three new networks that are open to all our people to join. These are:

Māori Network is focused on connecting our Māori employees and encouraging the celebration and promotion of Te Ao Māori (the Māori world).

Pasefika Network aims to support the Ministry to promote, celebrate and educate on Pacific languages, cultures and practices; and connect, develop and support Pasefika employees.

Ethnic Network provides a platform for people with diverse ethnic backgrounds to celebrate diversity and connect with one another to achieve personal and professional goals.

These networks alongside the ones established in previous years allow our people to connect, collaborate and celebrate the diversity we have at the Ministry.

Making progress on our gender pay gap and equal employment opportunities

Our gender pay gap has continued to trend downwards to 12% at June 2020, down from 12.9% last year and 13.2% in 2018.

In 2019/20, we made progress against our Gender Pay Gap Action Plan, which comprises of four streams outlined below. Addressing the gender pay gap means we can recruit and retain the right talent, increase diversity at all workforce levels and ensure all our employees are valued appropriately.

- **Equal pay** – we’re aiming to eliminate gender pay gaps within the same roles and progress any pay equity claims. In 2019/20, we conducted an analysis and costing exercise to understand and eliminate gender pay gaps within the same roles.

- **Flexible work by default** – this focuses on treating all roles as flexible and exploring how flexibility could work, unless there’s a genuine business reason for any role not to be flexible. In 2019/20, we published our principles and approach to flexible working, which outlines the options, tools and resources available to support flexible working discussions between our people leaders and their teams.

- **No bias or discrimination in remuneration systems or human resources practices** – we confirmed that there are no unjustified bias or discrimination found in our systems or practices. In conjunction with the PSA, we completed an assessment of our HR policies and practices to look for any bias. Our research revealed that we have met this milestone and have plans in place to maintain this achievement.

- **Gender balanced leadership** – we want to ensure that the Ministry maintains a gender-balance in its leadership team. We’ve achieved the Public Services Commission target, as women hold at least 50% of the roles in the Ministry’s top three tiers.

Supporting flexible working for our people

Flexible working is about rethinking where, when and how our mahi can be done, in a way that ensures continuity of justice service delivery for a fair and safe Aotearoa.

Over the last 12 months, Aotearoa encountered several unprecedented significant events including the Auckland SkyCity fire, the Whakaari White Island volcanic eruption and the COVID-19 global pandemic. These events, in particular COVID-19, have prompted us to accelerate our review and approach to flexible working.

In 2020, we conducted the Flexible Working Survey, the results of which formed the basis of the Ministry’s approach to flexible working. The approach provides our people with options, tools and resources on flexible working.

We’ve also invested in productivity and collaboration tools that enable us to stay connected. Over the next year, we’ll continue to work with the PSA to further embed our approach to flexible working.

Recognising excellence

Recognising and rewarding success and contribution is important. We continue to recognise our people through the Chief Executive’s Awards, Service Recognition Programme and RISE awards. In 2019/20, we expanded our Service and Contribution programme to include Te Tohu Manawaroa a Te Kawa Mataaho - The Public Service Commissioner’s Commendation for Service, which recognises public servants who have served 30, 40, and 50 years in the public service.

Focusing on health, safety and wellbeing

We want everyone working at Te Tāhū o te Ture to return home safely every day. We’re building a strong risk-aware culture where everyone is involved in health, safety and security and clearly understands what’s expected of them and how to keep themselves and others safe.

Many of our people carry out their mahi in challenging situations. We’ve invested in improving security for frontline staff by addressing line of sight issues in courtrooms, in conjunction with the ongoing CCTV upgrade programme.

We introduced modules on reducing the stigma around mental health issues and raised awareness about preventing and responding to family violence. In 2019/20, we rolled out modules on preventing and responding to sexual harassment, suicide, disability, long-term health conditions and addictions and dependency. We want to make sure our people know what support is available and to identify any steps needed to reduce barriers to accessing that support.

Our wellbeing programme

Mental wellbeing in the workplace is as important as the physical aspects of health and safety. We take a holistic view, recognising that a variety of situations may impact our people in different ways. We know that what happens to us in our personal lives can have impact at work (and vice versa).

A key component of our wellbeing programme is having effective controls in place that mitigate the potential for psychosocial harm. During 2019/2020 we responded to unexpected significant events such as the COVID-19 pandemic and the preparation for trial and then sentencing of the Christchurch Mosque shooter that required us to activate specialist wellbeing support as part of our response. This included clear communication and ongoing messages of support to all our people, developing tools and resources to support managers, and moving to a remote support delivery model during the lockdown.

Workplace family violence programme

Our workplace family violence programme continues to be a key component of our wellbeing programme and is part of our commitment to making the Ministry a great place to be. We continue to hold the DVFREE Tick from domestic violence prevention charity, Shine.

The DVFREE Tick is recognition that an organisation has taken meaningful steps to create a domestic-violence free workplace, with policies, processes, training and awareness raised to support staff. This includes having trained contact people to act as pathways for support for people affected by family violence.

An important part of DVFREE is manager training. This year, 71 managers attended the workshop and 991 staff and managers completed our online Workplace Family Violence module.

Positive workplace behaviours programme

Our people are at the heart of everything we do. We need to ensure our workplace is a place where our value of respect underpins how we treat each other to ensure trust is built and maintained at all levels. In 2019/20, we introduced a stand-alone Sexual Harassment policy and the independent ‘Explore’ channel as part of the process for raising concerns about inappropriate behaviours at work. The ‘Explore’ channel provides our people with an external option to safely discuss any inappropriate behaviours at work in a confidential setting. The channel was initially launched as a six-month trial but, was extended to 12 months to support our people through the COVID-19 pandemic.

Enabling our people to succeed

Our performance as a team determines our ability to deliver on our strategic priorities. We want to attract, develop and retain exceptional people.

We need strong leadership at all levels of the Ministry. It’s important that the diversity of our people reflects the communities we serve and that a ‘spirit of service’ is embodied in what we do.

We need to ensure our people have the right tools, infrastructure and skills to succeed.

Supporting our people from day one

We invest in the development of our people from the day they start working at Te Tāhū o te Ture. Our orientation days give new employees an opportunity to find out about other parts of the Ministry, development opportunities and support mechanisms, and to connect with colleagues from across Aotearoa.

The orientation day starts with a mihi whakatau and an hour-long Q&A session with the Strategic Leadership Team (SLT), followed by interactive sessions that introduce the broader justice system and the Ministry’s role within it. In 2019/20, 314 new employees attended an orientation day over four events in Auckland and Wellington.

We’re committed to continually improving our induction experience to ensure that we provide our newly recruited people with the best start possible, enabling them to succeed.

Growing our leaders

We continue to focus on building leadership capability and effectiveness at all levels within the Ministry. We're investing in our leadership capability through ongoing support, in-house and external development programmes and senior leader talent management.

In 2019/20:

- 46 leaders completed our Essential Leadership Skills Programme – our in-house blended learning programme that builds core skills in both leadership and people management
- 82 leaders completed a 360° survey – our bespoke 360° feedback tool based on the Public Service Leadership Success Profile where leaders receive feedback on their leadership capability. This is offered as part of leadership programmes or as a stand-alone survey
- 107 leaders completed our in-house Coaching for People Leaders and Coaching for Leaders of Functions, which support our leaders to have regular conversations with their people with the goal of developing staff and driving performance.

Ensuring our people have the tools they need

To enable our people to succeed, we need to ensure they have the right skills, tools, resources, assurance and physical environment.

In 2019/20, we:

- launched our new people, pay and leave system 'Mahi'. The new system provides our people with a better online tool for entering and viewing data and ensures more transparency over their own information, such as real-time leave balances and payslips. It also ensures we comply with the Holidays Act 2003.
- continued the roll-out of He Puna, our business intelligence tool, which allows our people to use data to inform decision-making. This includes performance reporting metrics for courts and human resources information to aid our leaders to support their people.
- continued to upgrade our intranet, which is the definitive source of information about working at the Ministry of Justice. Through our investment in digital communication tools, we're creating a stronger sense of community and connection across Aotearoa.
- rolled out over 3,000 digital devices to the Ministry, judiciary, courts and tribunals to support flexible working.

Our property

Our Ministry has one of the largest property portfolios in the public sector, with 97 buildings in towns and cities across Aotearoa. Our 71 courthouses play a critical role in maintaining the integrity of courts and tribunals and enabling access to justice.

A recent assessment revealed up to a third of our property portfolio is in poor condition. Our ageing property portfolio, in addition to population growth and the increased complexity of court cases means that the current configuration and condition of our property portfolio doesn't meet our current needs.

Over the last year, we developed our Property Capital Works Plan 2020-2030, which was noted by Cabinet. The plan provides a 10-year view of the infrastructure investment required in our property portfolio to address degraded building conditions, major upgrades, and planned new builds.

Investment in our properties provides opportunities to better enable transformation of the way justice services are delivered. Our first opportunity to bring this vision to life is the Tauranga Moana Innovative Courthouse project. This court will be designed in partnership with iwi, the local community, the judiciary, our justice sector partners and wider public service agency partners.

We continue to seismically strengthen our buildings to ensure our people, the judiciary, court participants and the wider public remain safe. In 2019/20, we remediated the Hamilton and Levin District Courts. Work on the Hamilton District Courthouse was completed in June 2020, and the Levin District Courthouse is scheduled to reopen in September 2020. In addition to seismic strengthening, we completed our Cell Safety Programme in early 2020 to remediate issues in custodial court cells and upgraded court counters to ensure these meet the required safety, security and cell design standards.

Focusing on assurance and business continuity

Our people and court users need to have confidence that their safety and wellbeing isn't compromised when engaging with justice services. To support this, we work to understand what risks exist in our physical and digital working environments to ensure our people and court users are kept safe. In March 2020, we established the Assurance and Continuity Services team to assist with the management of 'second line of defence' assurance activities for protective security, privacy and business continuity.

During 2019/20, we completed the following activities that provide our Ministry and the public with the confidence that our services are robust and secure. These include:

- Several major events including COVID-19 tested our business continuity response to enable court operations. Our business continuity plans ensured the Ministry continued to safely and securely provide essential justice services for New Zealanders during each event
- We completed an assurance process that verified and certified our public-facing websites, including our Ministry website, as secure

- We began the development of our multi-year Protective Security Requirements (PSR) uplift plan. The PSR outlines the Government's expectation for how public sector organisations manage their personnel's physical and information security. Our plan aims to improve our security maturity, enabling us to conform with the 20 mandatory PSR requirements.

Building capability to engage and partner with Māori

We're building the confidence of our people in their use and understanding of te reo Māori and tikanga Māori in our everyday mahi.

Te Haerenga, our Māori Strategy, identifies the capability we need to partner with, and deliver services for Māori. To achieve the capability and the culture our organisation needs, we'll implement Te Kokenga, our multi-year programme of mahi that focuses on lifting our capability to partner and engage with Māori.



Improving our te reo Māori and tikanga Māori capability

Our first step as an organisation is to ensure we have the right capability to deliver improved justice and wellbeing outcomes for whānau Māori. A key focus for us this year was preparing to lift the cultural capability and understanding of our workforce.

To start our collective journey to build Māori cultural capability at the Ministry we started implementing of our Te Kokenga programme. This included developing our new learning and development framework, Kōkiri, to build our people's individual cultural capability. Kōkiri aims to build our people's confidence in using and understanding te reo Māori (the Māori language), tikanga Māori (Māori customs), and their knowledge of te ao Māori (Māori worldview), te Tiriti of Waitangi, and the history of Aotearoa. Kōkiri, which translates as, 'to champion, advocate, and lead' provides learning events and resources to support all our people to build their confidence, regardless of where their cultural capability building journey starts. Kōkiri aligns with the Te Arawhiti capability framework and will continue to be developed over time to fully support all core competencies in the Te Arawhiti framework.

In 2019/20, we also:

- held national and regional hui for Māori staff in Tauranga, Wellington, and Hamilton, with outputs from these hui shaping the Te Kokenga hui programme
- supported staff through kura reo, a week-long live-in total immersion te reo Māori wānanga
- introduced Tiriti o Waitangi training sessions and developed a Tiriti o Waitangi analysis tool to help our policy advisors with their analysis. The tool has a series of prompts/questions to guide people's thinking, and to encourage people to ask relevant questions
- continued to offer the online Te Rito modules to support our people to increase their understanding of te reo and tikanga Māori
- piloted a Te Ao Māori Capability Programme within our Sector Group to build confidence in te reo and tikanga Māori and understanding of te ao Māori and New Zealand history, including the relationship between Māori and the New Zealand criminal justice system over the past 170 years.



Using evidence and insights to deliver better services and outcomes

The Ministry is privileged to hold a large amount of data and information on behalf of the judiciary and all New Zealanders who participate in our services.

Our people need to be able to safely access this information themselves to support their day-to-day decisions and be informed about how it's used to make priority decisions across the Ministry. New tools need to be designed in a way that makes accurate data entry and management of documents easier for our people while fulfilling our information management responsibilities.

Evidence and insights don't just come from numbers. The best decisions are made when data is enriched with front-line practitioner expertise and the voice of the people we serve. Continually bringing these perspectives together when making decisions will lead to better services and outcomes for all New Zealanders.

Working with practitioners to improve services

To ensure that New Zealanders get timely access to justice, courts and tribunals need to have the right number of judges, court staff and prosecutors working in the right locations. We've been working with front-line registry staff, the Chief District Court Judge's Office and the Police Prosecutions Service to develop resource models for each District Court location.

The assumptions that underpin each resource model come from frontline practitioners who are best placed to understand the time and effort it takes to administer each type of court event. This detailed information, along with estimates on how many cases will enter courts, means the models can calculate how many court staff, judges and prosecutors are needed in each District Court location.

In November 2019, the Judicial Resource Model, which was developed collaboratively between the Chief District Court Judge's Office and the Ministry, received the Award for Excellence in Judicial Administration by the Australasian Institute of Judicial Administration.

Understanding the people we serve

The New Zealand Crime and Victims Survey (NZCVS) conveys the voices of 8,000 New Zealanders a year about their experience of crime and victimisation. This includes both incidents reported to the Police and unreported incidents. The New Zealanders who take part in the survey are selected randomly to give the most accurate estimate of the amount of crime and victimisation in our country as possible.

Even before the first survey went into the field in 2018, we worked with our sector partners, academics, community and stakeholder groups to ensure the questions were designed appropriately, interviewing was safe, and that the reports reflect the subjects that people want to know about.

The NZCVS gives the justice sector a huge amount of insight into the patterns of crime and victimisation. The latest results show that:

- 70% of adults (people aged 15 and over) and 80% households did not experience crime over last 12 months.
- 25% of all crime incidents, but only 6% of sexual assaults, were reported to the Police.
- Māori were more likely than the New Zealand average to experience all types of crime.
- people aged 65 and over were less likely to be a victim of crime, while those between 20-29 years of age were more likely.
- almost one in six adults (16%) had experienced intimate partner violence and nearly a quarter (24%) had experienced sexual violence at some time during their lives

These findings reflect the story of crime and victimisation in Aotearoa.

Growing our capability to use data and information

We operate in a complex environment where we hold information on behalf of New Zealanders and the judiciary. Over the last few years, we've embedded a culture across our Ministry that looks to data and information to inform decisions, considers how to use data safely, and treats information as a strategic asset to design and deliver better services.

In 2019/20, we continued to mature our information environment to ensure our people treat information as a strategic asset. This included developing an information sharing register³ and information asset register⁴, refreshing our Data and Information policy and refining the Data Impact Assessment. These help our people understand and realise the value of the information we hold.

We're finalising our Information Strategy 2020-23 that will lift our information management capabilities. This will ensure we maintain the confidence of New Zealanders in the justice sector and our stewardship of their information.

³Information Sharing Register is a collection of Approved Information Sharing Agreements that Ministry has with other agencies for the purpose of delivering public services.

⁴Information Asset Register a range of information that helps to understand Ministry's information assets. It is designed to support the Ministry to use, manage, and improve value from information assets.



Hāpaitia Sector Engagement Team member engaging with the community on criminal justice reform in Dunedin.

Bringing all the perspectives together

Behavioural science is one approach that brings the practitioner, people we serve and data perspectives together. In 2019/20, the Ministry applied behavioural science principles to improve compliance with Protection Orders. Prior to the changes, the language and process for serving Protection Orders presented barriers to compliance with the rules. One solution was to provide simpler communication to improve comprehension.

We brought together the experience and knowledge of a range of stakeholders, including NGOs, frontline staff, and those with lived experience of the family violence system. Using this insight, along with evidence from behavioural science, we designed new Protection Order Information at Service packs that take into account the factors and biases that influence human behaviour in practice.

The impact of the Information at Service packs is evaluated by collecting feedback from staff and respondents and comparing breach rates before and after the new information packs were introduced.

Many justice services and policies aim to change behaviour and encourage participants to make optimal decisions. Behavioural Science Aotearoa was established in 2019 and supports the Ministry of Justice, New Zealand Police, Ara Poutama Aotearoa, Oranga Tamariki and the Serious Fraud Office to apply evidence from behavioural science to make our policies and processes more responsive, accessible and culturally aware.

Engaging with and listening to communities

To improve justice services and outcomes we need to listen to the people who participate in our justice system. We must understand the needs and aspirations of New Zealanders and take the lead from communities in designing the systems and services that people required.

Justice policy and services are increasingly being designed and developed using collaborative models, drawing on engagement with participants in the system and the wider public. These ways of working help us to better understand challenges, issues, and risks. They also help us identify opportunities for improvement by bringing different perspectives on solutions.

We want to enhance and maintain meaningful relationships with communities, particularly Māori communities, so that we can work in partnership. We want to ensure that consultation, collaboration and co-design don't put unreasonable and counterproductive burdens on communities. Our people need to be well equipped to connect and communicate with participants within the system, our partners and New Zealanders.

We'll also explore the use of, and build, new channels to engage with people more effectively, so they continue to get the information they need.

Connecting with our communities

Manukau District Court community day

In November 2019, the Manukau District Court held a community day. The day was an opportunity to showcase how the Court, wider justice sector and community providers work together for a fair and safe Aotearoa. It was also a great opportunity for the Court to collaborate with its local stakeholders to showcase the services available at the Court, while also connecting with the South Auckland community.

Over 300 people from the community attended the event and were able to learn about the jury empanelling process and take part in interactive mock trials involving the judiciary, Police prosecutors located in Manukau and lawyers from the Public Defence Service.

The Hāpaitia te Oranga Tangata team had a stall on the day and used a digital engagement platform to encourage the public to share their opinions on criminal justice reform and learn more about this important mahi.

Whangārei Courthouse school art project

In 2015, we collaborated with three local schools to have students create artwork to brighten the walls in the Whangārei Courthouse public waiting areas. Following the success of this initiative and a significant refurbishment of the Whangārei Court, additional artwork was sought from more local schools. The students based their work on what community spirit meant to them as individuals, for them in their community and for their wider whānau.

In November 2019, the Whangārei Court team hosted the students and their whānau, the Principal and teachers for a Court visit, which included the blessing of their artwork. The students visited a court room, asking staff questions and learning about the operation of a courtroom as well as using an audio-visual link (AVL). The students gained a better understanding of the role of the Court in their community.

Connecting on criminal justice reform

The Hāpaitia te Oranga Tangata – Safe and Effective Justice team travelled throughout Aotearoa to continue a conversation about criminal justice reform following the release of Te Uepū Hāpai i te Ora – the Safe and Effective Justice Advisory Group’s first report *He Waka Roimata* in June, 2019. The team talked with diverse communities across Aotearoa, sharing data, evidence and insights about our criminal justice system. Those they spoke with included Māori, members of New Zealand’s migrant communities, athletes, local-government leaders, teachers, doctors, farmers, young and old people, and members of the community with disabilities. Insights from these encounters helped to inform advice about how our criminal justice system can be reformed to deliver the outcomes New Zealanders need.

Hui Paneke

In a first for the justice sector, Māori leaders, lawyers, senior judges and justice sector Chief Executives came together in September to workshop practical ideas to improve the criminal justice system. The idea for Hui Paneke came from Māori and was convened by the

Secretary of Justice. Its purpose was to identify issues within the criminal justice system that don’t need legislative change or need new resources to solve, but could be addressed by bringing together people with influence over how the justice system works.

The Hui Paneke identified several ideas to improve criminal processes, which we subsequently actioned. The leaders who participated also acknowledged benefits from simply sharing their different perspectives with each other. They agreed that ongoing opportunities to do this will be important for helping to improve criminal justice system processes and practices.

Building our capability to work with Māori communities

In 2019/20, we established a Māori engagement team to lead and support Ministry engagement with iwi and Māori.

One of the ways we’re growing our capability to work and partner with Māori is through the Innovative courthouse Projects, by using co-design approaches to better understand what matters to local hapu when it comes to how future Courthouses should function. Currently a series of co-design workshops is currently under way with representation from the three iwi that comprise Tauranga Moana iwi.

This co-design approach will help gather a set of requirements that will inform the subsequent architectural design and construction of new infrastructure. This may result in a different range of services being delivered from one or more buildings than is normally seen in a traditional court building.

Listening to our people

In July 2019, we rolled out a new *Working for Justice* survey. The survey provided our people with an opportunity to have their say on what matters to them at the Ministry.

75% of our people completed the survey, with our overall engagement score being 59%. Feedback from the survey is used to inform future initiatives and programmes, including alignment with public service-wide programmes.

Our strategy roadshow

This year, our SLT and our strategy ‘Pou’ engaged with our people across Aotearoa and shared ideas about how to bring our strategy to life.

We held 35 sessions across Aotearoa. We heard from our people about what they need to succeed, including connections with their communities, greater confidence in using te reo Māori, a focus on mental health and wellbeing, and a need for improved technology.

These engagements were an important opportunity for Ministry leaders to hear from our people. They reinforced that our people want to feel involved and included, as well as wanting more frequent, open and transparent communication.

We also heard what’s needed to give effect to our transformational opportunities, including greater understanding of the impact of trauma on participants, such as family violence and sexual violence, and the need for strong relationships with iwi Māori.

Governance and risk management

As well as our strategic priorities, there are other components critical to delivering our strategic objectives in a sustainable way, including effective governance and risk management.

Providing governance

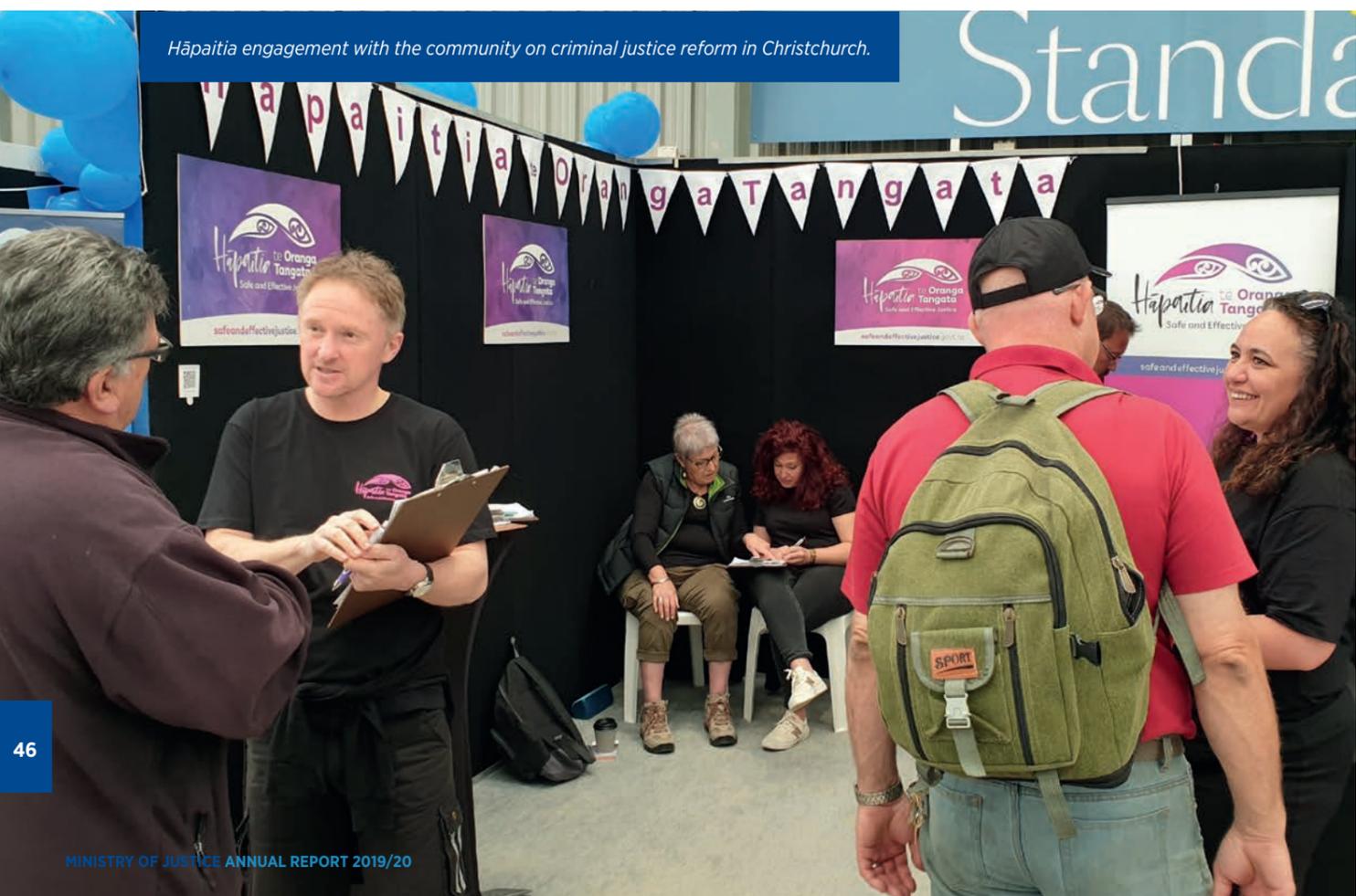
The SLT is collectively responsible for organisational performance. SLT sets out our long-term strategic direction, ensuring good foundations, aligned investment decision-making, and assurance over operational performance, so that we can meet our strategic objectives.

The Risk and Assurance Committee provides independent advice and observations to the Secretary for Justice on the quality of: risk management processes, internal control mechanisms, internal and external audit functions, integrity of performance information, business improvement initiatives, the governance framework and processes; and policies and processes adopted to ensure compliance with legislation, policies, and procedures.

Our governance model includes the following groups and committees:

- SLT Board – responsible for setting and monitoring progress towards our strategic direction and priorities.
- SLT Start-Up – a weekly update of key business and operational events and news, which can include approval of time-critical governance or operational decisions if required.
- Health, Safety and Security Committee – leads our health, safety and protective security arrangements. It oversees delivery of our obligations under relevant legislation and internal policies, and makes recommendations to achieve our health, safety and security objectives.
- Modernisation and Business Services Governance Committee – oversees the delivery of projects and enabling strategies to support the realisation of our transformational and enduring strategic priorities and transformational opportunities.
- People, Property and Enterprise Services Governance Committee – oversees the delivery of projects and enabling strategies to support the realisation of our culture and capability strategic priorities.

Hāpaitia engagement with the community on criminal justice reform in Christchurch.



Managing risk

Effective risk management is critical to sound governance. Identifying and managing risk is an integral part of all our activities.

We use an enterprise-wide risk management framework based on international standards, which ensures that risk management is an integral part of our organisational management.

The SLT reviews strategic risk on a quarterly basis and makes decisions to support mitigation activity. Further oversight is provided by the Health, Safety and Security Committee, Modernisation and Business Services Governance Committee, and the People, Property and Enterprise Services Governance Committee, which receive monthly information on significant organisational, operational, project and portfolio risks. Relevant business group plans indicate how they contribute to mitigation of strategic risks and how they manage operational risks.

We regularly monitor and report on our strategic and financial risks. Specific fiscal risks are reported to Treasury on a regular basis. The Risk and Assurance Committee provides independent advice and assists the Secretary for Justice on risk management.

Our internal audit programme provides independent assurance to the Secretary for Justice and senior managers that our key processes and systems are operating effectively. In addition, collaboration with our justice sector partners plays an important part in understanding and managing sector-wide risks.



ANNUAL REPORT

For period ended 30 June 2020

The Office for Māori Crown Relations — Te Arawhiti was established on 1 January 2019 as a departmental agency hosted by te Tāhū o te Ture – Ministry of Justice.


Te Arawhiti
THE OFFICE FOR MĀORI CROWN RELATIONS



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Introduction from the Chief Executive



*Ko te oranga kei ngā tapuwae o ōku matua tūpuna,
E kitea ai te ara hei whai
Ko te mātauranga kei ā rātou kupu tuku iho
I āta whakatinanahia e rātou. Kia mārama ki aua kupu
I whakaūngia ki te Tiriti o Waitangi
Te haere ngātahi a ngāi Māori me te Karauna, he hoa rangatira.*

I look to the past for the wise counsel of my Northern ancestors. They knew, as I know, that Māori and the Crown working together as Treaty partners, is the promise of prosperity – for Māori, for our nation.

Tēnā koutou

In my introduction to Te Arawhiti Annual Report last year I discussed the journey that lay ahead, not just for Te Arawhiti, but for Māori, the Crown and Aotearoa as a nation.

This set the foundation for what has been an incredibly challenging but rewarding 2019/20. Te Arawhiti has not only grown as an organisation but has also played a vital role in responding to some of the most challenging circumstances we have faced.

When COVID-19 first sent New Zealand into Alert Level 4, Te Arawhiti played a vital role in supporting whānau, hapū and iwi. We reached out to iwi throughout Aotearoa, providing them with information, advice and advocacy. We deployed our staff to all parts of the response. Government helped to ensure that local regional issues were being understood and acted on and we provided funding to go towards helping iwi with pandemic response initiatives, including the preparation of response plans, design and production of communications to whānau and hapū.

Our current focus is on engaging in and across regions, working alongside other parts of government on social and economic recovery. This involves working proactively to look for partnership opportunities between Crown agencies and Māori groups using Te Arawhiti's existing networks.

This year, we have developed our Te Arawhiti 'Strategy on a Page', which focuses our efforts on three key phases in Māori Crown relations. This year's Annual Report is structured around these key phases:

Reset

The Crown's relationships with Māori to date have been underpinned by the grievances that originate from the Crown's failure to honour the Treaty of Waitangi. Our work supporting the Minister for Treaty of Waitangi Negotiations to settle historical Treaty of Waitangi claims and engage with Māori on Marine and Coastal Area (Takutai Moana) Act 2011 applications helps reset our relationships with Māori and lay the platform for partnership into the future. Te Arawhiti has also begun exploring, with the Minister for Māori Crown Relations: Te Arawhiti, how the Crown can reset its relationship with Māori in relation to contemporary Treaty issues which are not necessarily defined by a Waitangi Tribunal claim and are varied in nature requiring an agile and proactive response from across government.

Sustain

In order to view our relationships with Māori beyond the settlement of historical claims an important first step is for the Crown to uphold the commitments it has made in those settlements. A simple ask for us to 'keep our word'. Continued improvement and attention to the relationship must be sustained. Te Arawhiti works hard to build capability and knowledge amongst Crown agencies of those settlement commitments. We also provide critical advice to help shift the Crown's approach from one of reacting or consulting, to a place where Crown agencies actively pursue opportunities and engagement with Māori, putting the Treaty of Waitangi at the heart of policy development.

Build

The unprecedented outbreak of COVID-19 reaffirmed the importance of our work, both in resetting and laying the platform for long-lasting change, and in building partnerships with Māori that look towards the future. Our Māori communities and leaders throughout the COVID-19 response swung into action alongside local and central government. We saw first-hand how the work we do – empowering Māori and supporting the Crown to work in true Treaty partnership – benefited all of New Zealand. Beyond the COVID-19 response Te Arawhiti has worked hard across government to facilitate greater understanding of the aspirations of Māori and we have helped to connect Māori into government. Helping government agencies understand what it means to work effectively with Māori is a key part of our role in lifting public sector capability to engage and partner with Māori.

It is difficult to envisage what the year ahead holds given the uncertainty of the COVID-19 pandemic. It is clear that the impacts of COVID-19 will continue to be felt for some time and Te Arawhiti will continue to play a role in the government's response. Central to everything we do will be our clear vision of where we need to get to as a nation and realising the full potential of partnership between Māori and the Crown.

*Tau mai ana ki te aroaro, te mate urutā, kua hōrapa nei ki te ao,
Tau mai ana te hiranga o te tū kotahi, te mahi tahi.
Heke iho i ngā tau, puāwai ana te ngākau aroha, te ngākau kaha inā
whakakotahi tātou,
Ki te whawhai mō ngā rā ki tua e mataora ai tātou me ngā reanga ka
mahue iho.*

The trials and tribulations of the world are upon us and never before has it been more important for us to work together. History shows us that the best of humanity is seen when we come together as one to fight for a future that benefits us now, and those to whom we leave behind.

Lil Anderson

Tumu Whakarae - Chief Executive
The Office for Māori Crown Relations – Te Arawhiti

Who we are and what we do

Our Role

Te Arawhiti is a departmental agency hosted by te Tāhū o te Ture – Ministry of Justice. With over 170 staff based in our Wellington office, we support both the Minister for Treaty of Waitangi Negotiations and the Minister for Māori Crown Relations: Te Arawhiti as the steward for Māori Crown relations across government.

We work alongside other public sector agencies to engage with Māori and influence positive outcomes for whānau, hapū, iwi and communities throughout Aotearoa. We are dedicated to fostering strong, ongoing and effective relationships with Māori.

To enable the shift from grievance to partnership, we are focusing on three foundations of partnership that help shape the Māori Crown relationship – **Reset, Sustain, and Build**. These foundations of partnership have informed our strategic priorities for the next four years, giving us a clear direction to support the public sector and communities in progressing true Treaty partnership.

TOWARDS TRUE TREATY PARTNERSHIP

RESET

- » Settle historical Treaty claims
- » Resolve longstanding and contemporary issues
- » Engage with Māori on Takutai Moana

SUSTAIN

- » Uphold the Crown's Treaty settlement commitments
- » Actively support Crown agencies to engage effectively with Māori
- » Put the Māori Crown relationship at the heart of policy development

BUILD

- » Lift public sector capability to work with Māori
- » Broker Māori Crown partnerships
- » Partner in COVID-19 response and recovery

Mahi Tahī

Pono ki te Kaupapa

Atawhaitia

Working together in good faith with humility and authenticity



Towards True Treaty Partnership



- » We will engage with purpose
- » We will work as one and make sure we have strong relationships - with each other, with Māori, with Ministers and across the public sector
- » We will listen and learn to expand our understanding and lift our capability
- » Manaakitanga and whanaungatanga will be evident in everything that we do.



- » We are committed to our purpose and direction
- » We will learn from the past
- » We will look to the future with optimism
- » We will act in good faith
- » We will work hard to always produce high quality work and achieve great results.



- » We aspire to do everything with humility, authenticity, generosity and kindness.



Our structure

The Executive Team is the governing body of our organisation – four kāhui and two hāpai. They provide strategic direction and high-level oversight of our performance and make decisions to ensure Te Arawhiti runs smoothly and effectively.

The Executive Team collectively owns and champions our vision toward true Treaty Partnership.



Executive team (above, left to right) - **Darrin Sykes**, Deputy Chief Executive – Organisational Services; **Warren Fraser**, Deputy Chief Executive – Strategy, Policy and Legal; **Lil Anderson**, Tumu Whakarae – Chief Executive; **Kelly Dunn**, Deputy Chief Executive – Partnerships; **Rachel Houlbrooke**, Deputy Chief Executive – Treaty Settlements and Takutai Moana

Our Kāhui

Te Kāhui Whakatau *Treaty Settlements*

Te Kāhui Whakatau works with Māori groups to negotiate the settlement of their historical Treaty of Waitangi claims. Settlements include historical, cultural, financial and commercial redress that provide a basis upon which to reset and strengthen the Māori Crown relationship.

We work with about 70 government departments, Crown entities and local authorities to negotiate and formalise Treaty settlements and provide policy advice to the government about Treaty settlement issues and individual claims.

Te Kāhui Takutai Moana *Marine and Coastal Area*

Te Kāhui Takutai Moana administers the Marine and Coastal Area (Takutai Moana) Act 2011 and the Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019. These Acts enable whānau, hapū and iwi to seek recognition of their customary interests in the takutai moana.

Te Kāhui Whakamana *Settlement Commitments*

Te Kāhui Whakamana is responsible for ensuring that settlements support partnerships by safeguarding the durability of historical Treaty settlements, maintaining and strengthening relationships and supporting the Crown to be a better Treaty partner. Settlements of historical Treaty of Waitangi claims provide redress for past wrongs committed by the Crown and provide a new platform for partnership between Māori and the Crown.

Te Kāhui Hīkina *Māori Crown Relations*

Te Kāhui Hīkina leads mahi on Māori Crown engagement, significant national Māori events, partnerships, building the capability of the public sector to engage and partner with Māori, and monitoring the health of the Māori Crown relationship.

Our Hāpai

Te Hāpai Ō Strategy, Policy and Legal

Te Hāpai Ō Strategy, Policy and Legal supports our ability to operate by providing policy and legal advice across our business groups, and leading organisational strategy to progress the Māori Crown relationship toward true Treaty partnership. It influences government policy to improve Māori Crown relations and leads Crown engagement with Ngāi Tahu and Waikato Tainui on the relativity mechanisms in their respective Treaty settlements.

Te Hāpai Ō Organisational Services

Organisational Services supports our ability to operate effectively and provides technical expertise and advice to deliver our important mahi. It spans various functions including finance, funding administration for takutai moana, human resources, contracts and procurement, communications, business reporting, business services, land and implementation and historian mahi.

Our achievements



- **Settle historical Treaty claims**
- **Resolve longstanding and contemporary issues**
- **Engage with Māori on takutai moana**

To build closer partnerships with Māori, we are focusing on addressing breaches of the Treaty of Waitangi. By addressing these issues, we can reset and move forward with renewed relationships built on trust and confidence.

Settle historical Treaty claims

We work with iwi groups to resolve historical grievances by negotiating fair and durable Treaty of Waitangi settlements. These settlements include historical, cultural, financial and commercial redress that provide a basis for strengthening the Māori Crown relationship into the future.

Key achievements in 2019/20:

- recognised two deeds of mandate (Ngāti Ruapani and Waikato-Tainui remaining claims);
- signed one terms of negotiation (Ngāti Ruapani);
- signed one agreement in principle (Whanganui Lands);
- initialled one deed of settlement (Moriori);
- signed one deed of settlement (Moriori);
- introduced three pieces of settlement legislation (Ngāti Hinerangi, Ahuriri Hapū and Moriori); and
- enacted one piece of settlement legislation (Ngāti Rangī).

Resolve longstanding and contemporary issues

Contemporary Treaty issues concern questions about whether Crown actions, omissions or policies since 1992 are consistent with the Treaty. Unlike historical settlements, there is no set process for resolving contemporary issues. Instead, we work alongside agencies to develop fair resolutions that support the Māori Crown relationship.

Our agency provides strategic leadership and advice on several contemporary Treaty issues in 2019/20. Currently, we are supporting the development of freshwater management policies and frameworks, an all-of-Government response to the Wai 262 *Ko Aotearoa Tēnei* report and the allocation of 5G spectrum rights.

We also worked alongside agencies to develop a coordinated and consistent approach to the Waitangi Tribunal's kaupapa inquiry programme, which looks into issues of pan-Māori or national significance and can include both historical and contemporary aspects.

Reset relationships

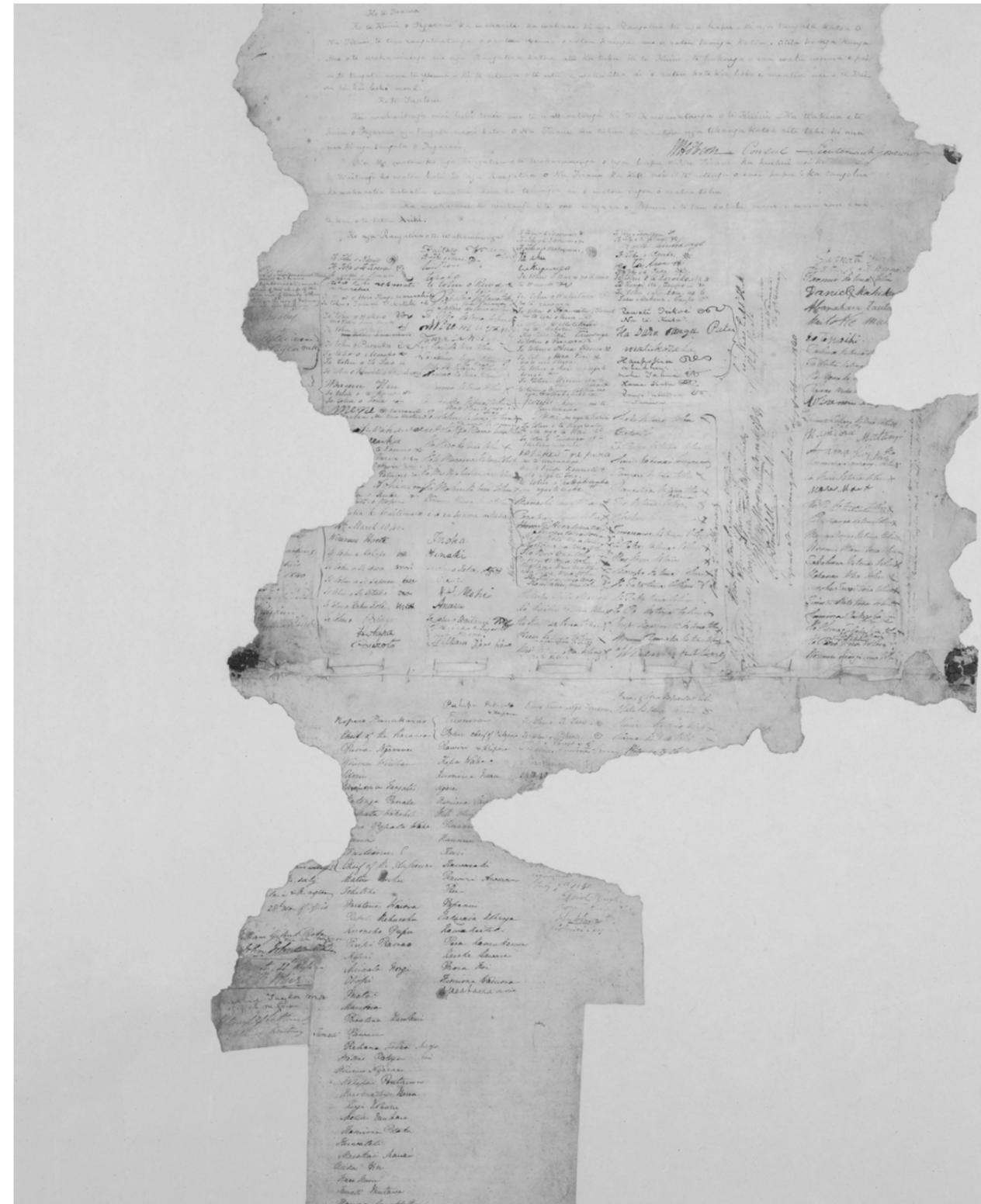
Improving the way government engages with Māori on issues of importance is key to successfully resetting the Māori Crown relationship. In 2019/20, we focused on embedding our engagement tools in the public sector while also supporting agencies in using them. There was also a strong focus on resetting the relationship between the Crown and the National Iwi Chairs' Forum resulting in the agreement of a Statement of Engagement, which sets out how Crown agencies and the National Iwi Chairs' Forum will work together on mutual priorities to achieve the best outcomes across a range of sectors.

Engage with Māori on takutai moana

We work with applicants under the Marine and Coastal Area (Takutai Moana) Act 2011 and the Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019 (the Acts) who have applied to engage directly with the responsible Minister and we advise the Minister on the assessment of applications under the Acts. We also administer financial assistance for applicants; deliver a historical research programme and maintain the public GIS platform – Te Kete Kōrero a Te Takutai Moana Information Hub (Kōrero Takutai) – to support the consideration of applications under the Acts; we also support the Attorney-General in the High Court by providing research and other information.

Key achievements in 2019/20:

- released Kōrero Takutai, which enables accurate mapping of application areas (and applicants to easily modify their areas) and provides a wide range of data sets about past and present use and occupation of the marine and coastal area;
- launched a comprehensive review of the Takutai Moana Finance Assistance Scheme to ensure it is fit for purpose;
- launched engagement with applicants on both the Crown's draft engagement strategy, and the review of the Takutai Moana Finance Assistance Scheme;
- undertook preparations for Ngā Rohe Moana o Ngā Hapū o Ngāti Porou to progress their application for Customary Marine Title;
- participated in the Waitangi Tribunal Marine and Coastal Area (Takutai Moana) Act 2011 inquiry (Wai 2660) stage one and commenced stage two; and
- reimbursed applicants to a total of \$3.4 million in the 2019/20 financial year, with a total of \$8.0 million reimbursements since 2012.



- Uphold the Crown's Treaty settlement commitments
- Actively support Crown agencies to engage effectively with Māori
- Put the Māori Crown relationship at the heart of policy development

As we continue to settle historical claims, we are focused on sustaining ongoing Māori Crown relationships beyond settlement documents. We do this by ensuring we uphold Crown Treaty settlement commitments and embed Māori Crown relations and te ao Māori perspectives in the heart of policy development.

Uphold the Crown's Treaty settlement commitments

Treaty settlements are an important part of the relationship between Māori and the Crown. They lay the foundation for reconciliation of historical wrongs through the provision of redress and provide a platform for partnership opportunities. That reconciliation is dependent on the Crown honouring the relationship with its Treaty partners by upholding the commitments it makes through settlements.

In 2019/20 we focused on:

Supporting iwi and agencies to deliver commitments and resolve settlement-related issues

Key achievements

- resolved approximately 20 settlement issues;
- jointly coordinated the inaugural Ngāi Tūhoe Service Management Plan five-year review; and
- continued to administer and enhance functionality of Te Haeata – the Settlement Portal, an online record of settlement commitments. Te Haeata now includes commitments for 67 settlements or related arrangements, and over 600 registered users across the public service and post-settlement governance entities.

Providing advice on the impacts of policy initiatives on the durability of settlements

Key achievements

- provided substantial advice on the following legislation:
 - › Kāinga ora – Homes and Communities Act 2019
 - › COVID-19 Recovery (Fast-track Consenting) Act 2020
 - › Urban Development Act 2020; and

- prepared initial guidance for Crown agencies undertaking development projects to consider Treaty obligations and Māori interests.

Fostering and growing post-settlement relationships

Key achievements:

- engaged with approximately 28 post-settlement governance entities in over 41 hui throughout the course of the year;
- coordinated the Crown's attendance at the 2019 Ngāti Porou – Crown Taumata; and
- contributed support to post-settlement governance entities during COVID-19 lockdown.

Actively support Crown agencies to engage effectively with Māori

In 2019/20, Te Arawhiti continued to actively support and advise the Crown on engagement with Māori in accordance with Cabinet's *Crown Engagement with Māori Framework* and *Guidelines for Engagement with Māori*. Effective and meaningful engagement with Māori is key to producing better quality outcomes, realising Māori Crown partnerships, and upholding the Crown's commitments under Te Tiriti o Waitangi.

'Engaging with Māori' is a focus area in the individual component of the Māori Crown Relations Capability Framework. Te Arawhiti developed the *Introduction to Engaging with Māori* workshop to raise awareness of our engagement tools as one means to help lift individual capability.

We have provided advice on 50 engagement processes and delivered 13 *Introduction to Engaging with Māori* workshops to 12 central government agencies. We have also now delivered a total of 35 engagement workshops to 20 out of 36 central government agencies.

To support leaders and individuals who have taken this workshop or have more experience engaging with Māori, we are developing an advanced workshop and a 'train-the-trainer' workshop that teaches agencies how to deliver their own Māori engagement workshops.

Put the Māori Crown relationship at the heart of policy development

Te Arawhiti seeks to make the Crown a better Treaty partner by ensuring that government policies are Treaty consistent and inclusive of te ao Māori perspectives. Part of this is effectively engaging with Māori to understand those

perspectives, but another key part is embedding knowledge and capability in te ao Māori perspectives and issues into our policy making. We work alongside Ministers and their agencies to embed this thinking as a natural and regular part of good policy development.

In 2019/20, the Cabinet Office issued a circular, CO(19)5 *Treaty of Waitangi Guidance*, based on Te Arawhiti advice, which sets out how agencies can apply the articles of the Treaty to their policy development. We also made significant contributions to the COVID-19 Recovery (Fast-track Consenting) Act 2020, the Review Panel stage of the Resource Management Act 1991 Review and the government's water reforms.



Photo credit: Waitangi National Trust.

- **Lift public sector capability to work with Māori**
- **Broker Māori Crown partnerships**
- **Partner in COVID-19 response and recovery**

The gains achieved through resetting Māori Crown relationships provide the platform for sustained, long-lasting change and partnership opportunities that look towards the future. The build phase therefore focuses on ensuring the relationship is moving towards true Treaty partnership.

Lift public sector capability to work with Māori

We aim to strengthen public sector capability to work with Māori and ensure the public sector can build on our relationships with Māori and enter into enduring partnerships.

In 2019/20, we developed and promoted a range of standards, tools and workshops for agencies to improve public service capability. Agencies (including non-government) began using these tools and we provided the necessary support for implementation, by:

- undertaking a needs assessment of capability across the public service;
- sharing insights and advice with agencies from the 2018 engagement hui with Māori;
- developing, promoting and publishing the Māori Crown Relations Capability Framework (MCR Capability Framework) – including both the Individual and Organisational Capability Components, and the Māori Crown Relations skills survey – at various fora; and
- contributing to the development of cross-government tools to ensure the Māori Crown relationship is included in them (e.g. the Policy Quality Framework).

We made the MCR Capability Framework more accessible to agencies by publishing it on our website in December 2019, and we continued to advise more than 20 agencies on using the Framework.

In 2020, Te Arawhiti refined its approach to the public sector capability-building programme. A broad approach was a helpful starting point to begin our journey of improving the level of Māori Crown Relations capability across the public sector; however, with more than 50,000 people in the core public service, and a further 350,000

plus in the wider state sector (including Crown entities), the refined approach supports a deeper, targeted reach to achieve true culture change.

Key features of the refined approach, currently being rolled out, include:

- targeting Tier 1 and 2 leaders;
- supporting Māori within the public service;
- supporting the development of additional cross-government tools, where applicable; and
- working alongside targeted agencies to provide tailored support with the development and implementation of their Māori Crown Relations capability plans.

Broker Māori Crown partnerships

Within government, Te Arawhiti facilitates greater understanding of the aspirations of Iwi Māori and often serves as a connector and navigator for Iwi Māori into government. Supporting other agencies to understand at a practical level what it means to work in partnership with Māori is key to achieving our vision of true Treaty partnership.

Some recent examples of successful Māori Crown partnerships in which Te Arawhiti acted as a broker or facilitator include:

- Ngāi Tai ki Tāmaki Trust (the Trust) – Connection regarding property development: Te Arawhiti was contacted by the Trust who were looking to contact Kāinga Ora regarding an urgent matter. Te Arawhiti brokered a connection to Kāinga Ora for the Trust.

- Te Rūnanga o Ngāti Whare (Te Rūnanga) – housing opportunities: Te Arawhiti supported Te Rūnanga with its housing aspirations within Minginui village by brokering a connection to Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development (HUD). Te Rūnanga and Ngāti Whare Iwi Trust are working together with HUD to develop a strategic housing plan for Minginui.

- Te Whānau a Rangiwahakaahu (Rangiwahakaahu) – Matapōuri Road landbank property: Te Arawhiti worked to support Rangiwahakaahu regarding the former Matapōuri school site, which was landbanked earlier in the year. Te Arawhiti facilitated between the Whangārei District Council, the Ministry of Education, and Land Information New Zealand to ensure the site was landbanked for for a future Treaty settlement in the area.

Whai Hononga – supporting significant national Māori events

Whai Hononga is an annual funding programme confirmed in Budget 2019 to contribute to the delivery of significant Māori Crown events, which strengthen a shared national identity that recognises, values and encourages strong Māori Crown partnerships.

Waitangi Week 2020 was one of the most important of these kaupapa in 2019/20 and a significant national Māori Crown event. It included the commemoration of Dame Whina Cooper in Panguru, which comprised of the unveiling of a statue of Dame Whina. Te Arawhiti staff built and worked in close partnership with the Waitangi National Trust, Waipuna Marae Trust, the Cooper whānau, Maihi Makiha, Kaea Media, Māori wardens, as well as Te Puni Kōkiri, Manatū Taonga – Ministry for Culture and Heritage, Ministry of Education and the Ministry of Defence, to coordinate the 17 commemorative events held throughout the week. The success of the suite of events at Waitangi 2020 shows the value of Whai Hononga and working in partnership with Māori to design and deliver events. It is also an opportunity to continue building towards stronger Māori Crown relationships and a shared sense of national identity.



When COVID-19 first sent New Zealand into Alert Level 4, Te Arawhiti played a vital role in supporting iwi directly and through our work across Government to support wider Government engagement with Māori.

We took a direct approach by setting aside total funding of \$470,000 to go towards helping iwi with pandemic response initiatives – which included the preparation of response plans, design and production of communications to whānau and hapū, and other key work led by iwi community response teams. We also utilised our experience and relationships to support a systems approach to ensure broader engagement with, and responsiveness to, Māori was foremost during this critical time.

Partnering in the COVID-19 response and recovery contributes to our build phase by leading Māori Crown relations and supporting the system and Iwi Māori. Details about our response and recovery efforts are below.

COVID-19: Leading Māori Crown Relations

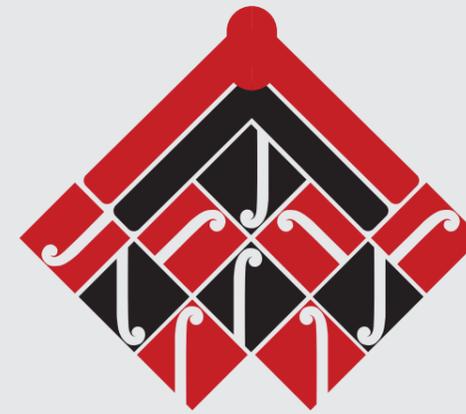


Māori Crown Engagement

- ▶▶ Te Arawhiti **provided strategic oversight** across both internal and external workstreams
- ▶▶ Te Arawhiti demonstrated **broad and inclusive engagement** linking with the National Iwi Chairs' Forum and the Māori community to recognise their unique role as a Treaty partner
- ▶▶ Te Arawhiti reached out to iwi throughout Aotearoa, providing them with **information, advice and advocacy**, ensuring local and regional issues were being understood and acted on by the appropriate officials or agencies
- ▶▶ **Te Arawhiti led the engagement** with the National Iwi Chairs' Forum, Iwi Māori and senior officials



A Cross-Government Kaupapa



- ▶▶ **Te Arawhiti invited over 12 agencies to systematically work together** in response to a range of issues raised by Iwi Māori. These agencies included the Department of Prime Minister and Cabinet, National Emergency Management Agency, Te Puni Kōkiri, Ministry of Social Development, Ministry of Health, Te Tūāpapa Kura Kāinga, Ministry of Education, Oranga Tamariki, New Zealand Police and Ara Poutama Aotearoa
- ▶▶ This cross-agency team delivered on the **\$56 million Māori Assistance Package**
- ▶▶ **Legislative change** to safeguard settlements and to modify restrictions on the operation of Post Settlement Governance Entities, including entities under the Companies Act 1993

- ▶▶ **Supporting the Ministry for the Environment in the policy development** of the COVID-19 Recovery (Fast-track Consenting) Bill including iwi technicians and better Treaty protections
- ▶▶ **Advice on Alert Level guidance** including tangihanga, marae guidelines, inter-regional travel, contact tracing and iwi checkpoints
- ▶▶ **A successful joint budget bid with MBIE for Māori trades training**
- ▶▶ Te Arawhiti also played a key role in **connecting iwi and other Māori groups** into wider government assistance packages and support



COVID-19: Te Arawhiti Response

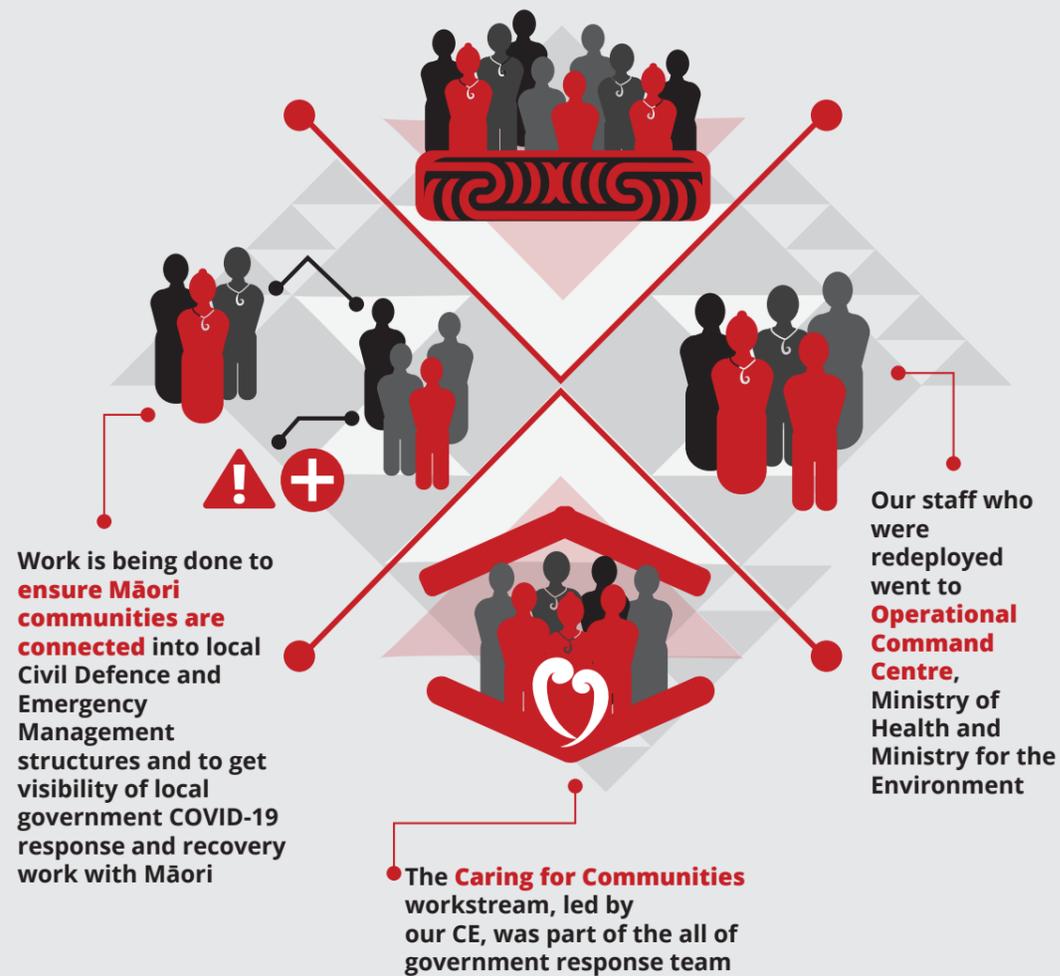


Supporting Across the System

Te Arawhiti deployed a number of staff to support broader government efforts.

By the Numbers

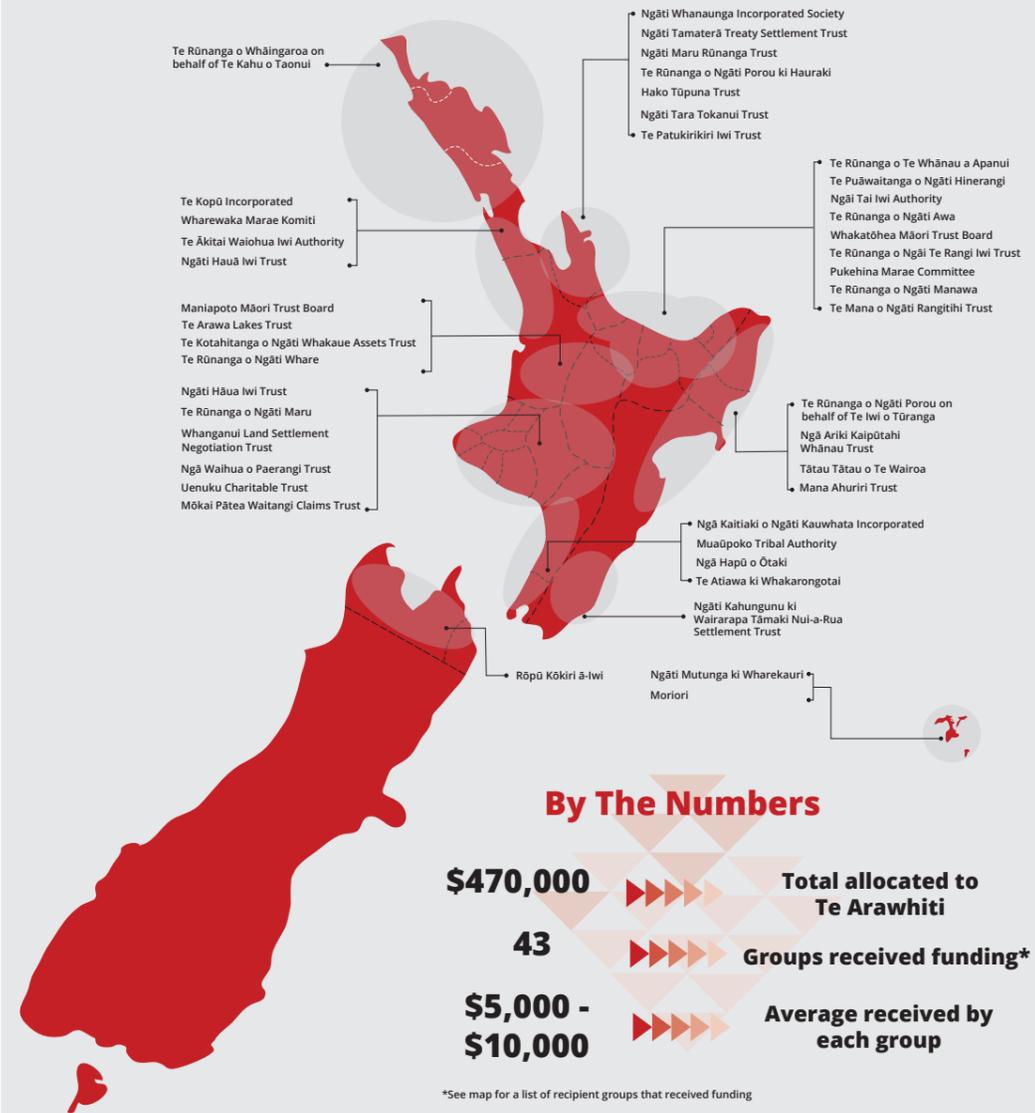
10% of staff (including our CE and one of our DCEs), which were redeployed to support the COVID-19 response and recovery



Supporting Iwi Māori

As part of the Government's work to connect with iwi, Te Arawhiti had \$470,000 available to support iwi with their COVID-19 response planning. One-off grants were provided as contributions towards the following types of initiatives:

- ▶▶ the preparation of response plans
- ▶▶ the design and production of communications to whānau and hapū; and
- ▶▶ key work being undertaken by iwi community response teams



How we work

Inclusion and Diversity Strategy

Te Arawhiti has worked collaboratively with te Tāhū o te Ture to develop an Inclusion and Diversity Strategy, and a Gender Pay Gap Action Plan. Closing the gender pay gap is a strategic priority for te Tāhū o te Ture and for Te Arawhiti.

Our commitment to diversity and inclusion is evident in everything that we do – and addressing the gender pay gap is no different. We have made significant progress in narrowing our gender pay gap over the years, but we still have more work ahead of us and we aim to continue accelerating our pace of change and delivering on our ambitions.

We recognise the importance of having a diverse workforce. Our employees who identify as female make up 63% of our organisation. There is a 70% female to 30% male gender split at the leadership levels from tiers one to four and we have achieved the Te Kawa Mataaho Public Service Commission's target for gender balanced leadership with women holding at least 50% of roles in the top three tiers of leadership.

Overall, the make-up of our organisation has enabled our thinking and understanding of different perspectives. This is crucial for the work that we lead in the public sector.

Supporting our people through change

In June 2019, we started 'Stage 1' of our change process by establishing the tier two Deputy Chief Executive structure. 'Stage 1' gave clarity to the work of Te Arawhiti as a newly established departmental agency and to our strategy, vision and work programmes.

In early March 2020, a consultation document was issued, which set out the proposed 'Stage 2' organisation design. However, before the consultation period was concluded, the process was paused in response to the COVID-19 measures. Following this, a 'revised stage 2' proposal was circulated for consultation.

'Stage 2' focuses on ensuring we're set up to operate effectively as One Te Arawhiti, with all our kāhui and hāpai working cohesively together with clear roles and responsibilities and with a seamless service to Māori, Ministers, the public service and the general public. An important element of this work will be to establish systems and processes across all our kāhui and hāpai that will support us in reporting and operating as a departmental agency.

Engagement and culture

Following the results of our engagement survey in September 2019, an engagement survey working group was established to theme the survey results and develop recommended action plans. The group's recommendations were divided into three key categories:

- ensuring people feel involved and included;
- enabling people to make a difference; and
- culture.

In October 2020, we moved to level two of the Justice Centre, which has enabled all staff to be located on the same floor and will help drive collaboration and cohesion between different kāhui and hāpai. Our new branding has been established, and we are looking forward to having a space that will be truly representative of Te Arawhiti, and our vision.

We will be conducting a pulse engagement survey in November of 2020 as a sense check of our current culture. Following the results of this survey, we will be looking to develop a people strategy focusing on supporting our leaders to grow our people and empower our staff to be the best that they can be.

Underpinning our culture, are our Te Arawhiti values and our newly developed strategy. Our strategy sets our strategic intentions to *reset, sustain and build* the Māori Crown relationship. This has formed the foundation of "Our Goals 2019-2024", which is our input to te Tāhū o te Ture Statement of Intent 2019-2024. It sets out how we will deliver on our broader mandate of improving the Māori Crown relationship over the next four years.

Growth/maturity of our organisation

Since being established as a departmental agency in 2019, Te Arawhiti has been operating in an environment of uncertainty and change as it has set out to establish itself. We are a fast-growing organisation, as reflected in our numbers on page 69 and we anticipate much more growth as we work towards our goal of shifting the Māori Crown relationship from one of historical grievance toward true Treaty partnership.

Building our capability

One of the responsibilities of the Māori Crown Relations: Te Arawhiti portfolio is to ensure that when the public sector engages with Māori, it is meaningful and strengthens the Māori Crown relationship. The government wants to demonstrate that true and practical partnerships are possible beyond the Treaty settlement negotiating table.

Te Arawhiti has a mandate to strengthen public sector capability to work with Māori. To this end, we have developed a Māori Crown Relations Competency Framework both at the individual and organisational level, to lift public sector capability to engage and partner with Māori.

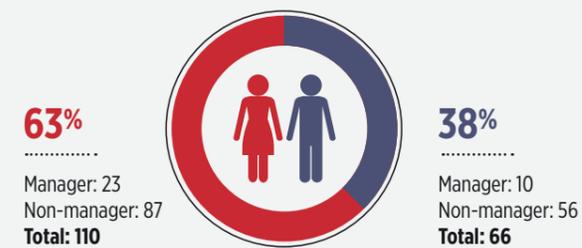
We are developing our own Te Arawhiti capability plan in line with our organisational and individual competency framework. The framework describes three skill levels – comfortable, confident and capable – we are

working to put together a training plan that will move Te Arawhiti staff to the "comfortable" level. We will also be undertaking a refresh of our current practices to ensure that the use of both te reo Māori and tikanga Māori are prevalent in our day-to-day interactions and engagements such as karakia when commencing hui and ensuring everyone is familiar and capable of reciting their own pepeha.

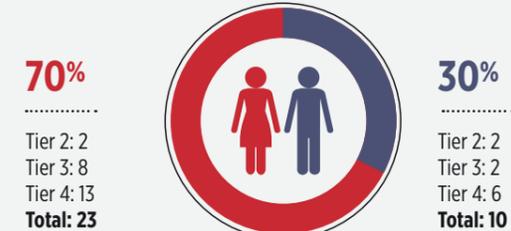
Diversity and inclusion



Gender (overall)

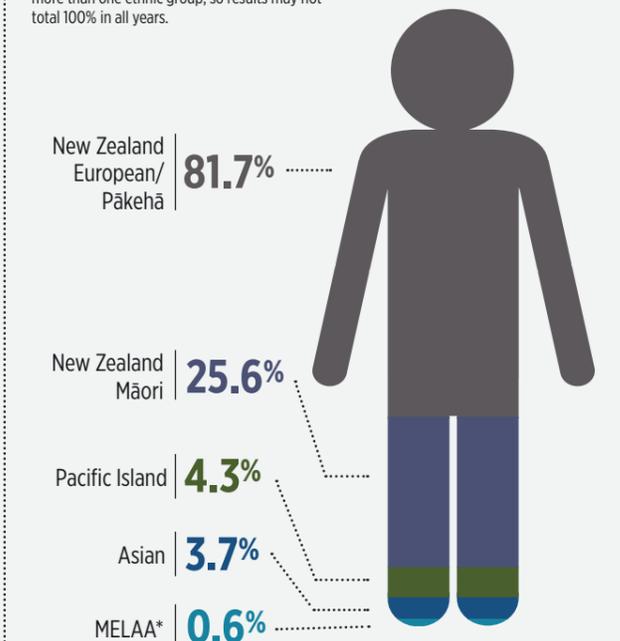


Gender (senior management)



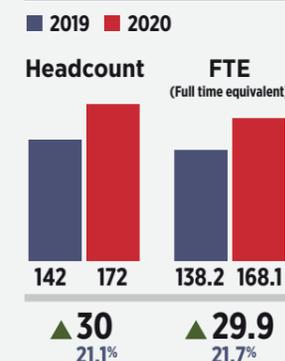
Ethnicity 2020

Results are self-reported and staff can belong to more than one ethnic group, so results may not total 100% in all years.



Growth and maturity of our organisation

METRICS



OCCUPATION (HEADCOUNT)

	All Managers	Policy Analysts/ Information Professionals	Social, Health & Education Workers	Legal, HR & Finance Professionals	Clerical & Admin Workers	Other
2019	21	90	12	4	13	1
2020	36	100	15	6	15	0
# / %	▲15 (71.4%)	▲10 (11.1%)	▲3 (25%)	▲2 (50%)	▲2 (15.4%)	▼1 (100%)

Statement of Responsibility

I am responsible, as Tumu Whakarae - Chief Executive of The Office for Māori Crown Relations - Te Arawhiti (Te Arawhiti), for the accuracy of any end-of-year performance information prepared by Te Arawhiti, whether or not that information is included in the Annual Report.

In my opinion, the Annual Report fairly reflects the operations, progress, and organisational health and capability of Te Arawhiti.



Lil Anderson

Tumu Whakarae - Chief Executive
The Office for Māori Crown Relations - Te Arawhiti

30 November 2020



Our performance



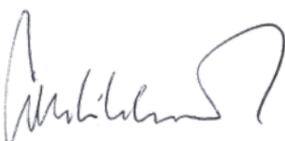
Statement of responsibility

I am responsible, as Secretary for Justice and Chief Executive of the Ministry of Justice (the Ministry), for:

- the preparation of the Ministry's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the annual report.

In my opinion:

- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2020 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2021 and its operations for the year ending on that date.



Andrew Kibblewhite

Secretary for Justice and Chief Executive
30 November 2020

Independent Auditor's report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

To the readers of the Ministry of Justice's annual report for the year ended 30 June 2020

The Auditor-General is the auditor of the Ministry of Justice (the Ministry). The Auditor-General has appointed me, Andrew Clark, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 107 to 131, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2020, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Ministry for the year ended 30 June 2020 on pages 78 to 104;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2020 on pages 149 to 158; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 133 to 148 that comprise:
 - › the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020;
 - › the schedules of expenses; and revenue for the year ended 30 June 2020;
 - › the statement of trust monies for the year ended 30 June 2020; and
 - › the notes to the schedules that include accounting policies and other explanatory information.

Opinion

In our opinion:

- The financial statements of the Ministry on pages 107 to 131:
 - › present fairly, in all material respects:
 - its financial position as at 30 June 2020; and
 - its financial performance and cash flows for the year ended on that date; and
- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.

- The performance information of the Ministry on pages 78 to 104:
 - › presents fairly, in all material respects, for the year ended 30 June 2020:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
 - › complies with generally accepted accounting practice in New Zealand.
- The statements of expenses and capital expenditure of the Ministry on pages 149 to 158 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- The schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 133 to 148 present fairly, in all material respects, in accordance with the Treasury Instructions:
 - › the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2020;
 - › expenses; and revenue for the year ended 30 June 2020; and
 - › the statement of trust monies for the year ended 30 June 2020.

Our audit was completed on 30 November 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below, and we draw attention to the impact of Covid-19 on the Ministry and the activities it manages on behalf of the Crown. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

Emphasis of matter – Impact of Covid-19

Without modifying our opinion, we draw attention to the disclosures about the impact of Covid-19 on the Ministry as set out in note 1 on page 116 of the departmental statements and page 141 of the non-departmental statements and schedules in the financial statements and page 78 of the statement of service performance.

We draw specific attention to the following matter in the Ministry's financial statements due to the significant level of uncertainty caused by Covid-19:

• Land and buildings

Note 8 on page 122 describes the significant uncertainties related to estimating the fair values of the Ministry's land and buildings.

We also draw specific attention to the following matters in the non-departmental statements and schedules due to the significant level of uncertainty caused by Covid-19:

• Legal Aid valuation

Note 2 on page 142 describes the significant uncertainties related to estimating the value of the Ministry's legal aid receivables.

• Fines valuation

Note 3 on page 144 describes the significant uncertainties related to estimating the value of the Ministry's fines receivables.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Ministry for preparing:

- financial statements that present fairly the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand;
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand;
- statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989; and

- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's Statement of Intent 2019-2024, the Estimates and Supplementary Estimates of Appropriation 2019/20 and the 2019/20 forecast financial figures included in the Ministry's 2018/19 Annual Report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate the appropriateness of the reported performance information within the Ministry's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises the information included on pages 2 to 72 and 160 to 165, but does not include the information we audited, and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

The Minister of Justice's report on relevant non-departmental appropriations that is appended to the Ministry's annual report is not part of the Ministry's annual report. The Public Finance Act 1989 does not require the information in the Minister's report to be audited and we have performed no procedures over the information in the Minister's report.

Independence

We are independent of the Ministry in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Ministry or Te Arawhiti (Departmental Agency).



Andrew Clark
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

Audit and Risk Committee report for the Period of 1 July 2019 to 30 June 2020

Background

Our Ministry's Risk and Assurance Committee first met on 6th June 1998 (as the Department for Court's Audit Committee). Since then the Committee has been a key mechanism to support our Chief Executive and Strategic Leadership Team in managing and improving our Ministry's corporate governance environment.

The Committee provides independent critical review, insights and advice on:

- key business initiatives
- risk management processes
- internal control mechanisms
- responsible resource management
- internal and external audit functions
- integrity of performance information
- governance framework and processes
- compliance with legislation, policies, and procedures.

The Committee plays an advisory role only. Primary responsibility for resolving issues and implementing Committee recommendations sits with our Chief Executive and Senior Leadership Team.

The Committee's Charter (Terms of Reference) has been refreshed for 2019/20 in consultation with our Chief Executive. The Committee's title changed in September 2019 from the Audit and Risk Committee to the Risk and Assurance Committee.

Current Members

The Committee comprises four independent external members:

- Lyn Provost (Chair)
- Viv Rickard
- Naomi Ferguson
- Jim Donovan

Lyn Provost joined the Committee in September 2019 and assumed the Committee Chair role, with effect from the November 2019 meeting. Graeme Mitchell, the previous chair, retired from the Committee at the end of September 2019. There have been no other changes to the Committee's independent membership during this period.

It is noted as a potential conflict of interest that Jim Donovan is also the chair of the Skylight Trust which is a supplier to Ministry for services related to supporting victims of sexual violence. The Risk & Assurance Committee has no involvement in Ministry supplier selection or evaluation.

Our Ministry's Chief Executive and/or Deputy Secretary Strategy, Governance & Finance attended all Committee meetings. A representative from Audit New Zealand (our Ministry's external auditor) also attends in an observer capacity. The Committee is supported by our Ministry's Manager Risk & Assurance.

Report of the Audit and Risk Committee

Between 1 July 2019 and 30 June 2020, the Committee met formally on five occasions to fulfil its duties and responsibilities. This included four quarterly meetings and a meeting on 24th September 2019 to consider the Ministry's draft Annual Report prior to it being signed by the Chief Executive.

The Committee provided critical review and insights on:

- key parts of the Ministry's programme of work, including the:
 - › Strategy refresh (September 2019)
 - › Ministry governance structure refresh (September 2019)
 - › Emergency & Business Continuity Management and ICT Resilience (September 2019)
 - › Joint Venture: Addressing family violence and sexual violence (November 2019)
 - › Ministry preparation for COVID-19 (March 2020)
 - › Preparations for the Crown v Tarrant trial in Christchurch (March 2020)
 - › "Performance Hour" covering criminal cases and court workload (March 2020)
 - › Ministry's performance during COVID-19 (June 2020)
 - › Budget 2020 (June 2020)
 - › Holidays Act Compliance Project including the implementation of a new compliant payroll system (June 2020)
- › key operational performance reporting metrics

- our strategic risks
- quarterly financial and operational performance
- external auditors audit planning and reporting
- our Internal Audit work programme for the year (including endorsement)
- progress on resolving findings from our Internal Audit reports
- our legislative compliance programme and mitigation of fraud risks
- the Ministry's Internal Control Assessment Tool (ICAT) survey results
- the Ministry's Annual Report and provided advice to the Chief Executive and CFO on content and disclosure.

In addition to its formal meetings, the Committee Chair liaised directly with our Chief Executive on relevant matters as appropriate.

The Committee undertakes regular assessments of its performance to ensure that it continues to be focused, effective, and providing a quality service to our Chief Executive.

Factors affecting service performance in 2019/20

COVID-19 had a significant effect on the operation of the courts and tribunals. During the level 4 and 3 lockdowns jury trials were suspended and the number of court events completed decreased significantly. As a result, in many jurisdictions, there has been a decrease in the number of cases disposed and an increase in the time taken to dispose of cases. There was a related decrease in the number of criminal legal aid cases administered. We also changed our collection and enforcement of fines business processes during the level 4 and 3 lockdowns, which decreased our performance in this area.

This year, the Ministry's policy advice service faced unforeseen external demands from the Government's policy and legislative response to both the Christchurch Terror Attacks and COVID-19. Our achievement in progressing this urgent work is reflected in the excellent result for the Minister of Justice's satisfaction with the Ministry's policy advice service. However, at the same time there was decrease in the technical quality of our policy advice papers. We expect these results to improve in 2020/21.

Statement of Intent indicators

As at 30 June 2020

Achieving our purpose

Our justice system is trusted, has a high level of integrity and helps to provide safe communities.

The indicators we use, and the desired trend are set out below. Progress towards achieving our purpose is reported in the Ministry's annual report.

Key indicators	Desired trend	Result
Our purpose - working together for a fair and safe Aotearoa		
New Zealand's ranking in the Transparency International Corruption Perceptions Index (see Note 1)	Maintain	2019: Global ranking 1=180 (score: 87/100) 2018: Global ranking 2/180 (score: 87/100) 2017: Global ranking 1/180 (score: 89/100) 2016: Global ranking 1=176 (score: 90/100)
From the New Zealand Crime and Victims Survey: • Percentage of New Zealanders who are confident (completely or fairly) that the criminal justice system as a whole is effective	Increase over time	2019: 53% (baseline)
From the New Zealand Crime and Victims Survey: • Proportion of adults who have experienced one or more victimisation incidents in the past year (victimisation prevalence)	Decrease over time	2019: 30% 2018: 29%

Note 1 - transparency.org/cpi2018

Achieving our strategic priorities

The indicators we use and the desired trend are set out below. We regularly report our performance to the Ministry's Strategic Leadership Team. A summary is included in the Ministry's annual report.

Key indicators	Desired trend	Result
Honouring our responsibilities to Māori		
Institutional Trust – trust by Māori in the courts as measured by the New Zealand General Social Survey* (See note 2)	Increase over time	NZ GSS 2018: 44.3% of Māori have a high level of trust in the Courts. *The General Social Survey was not conducted in 2019/20 NZ GSS 2016: 48.6% of Māori have a high level of trust in the Courts.
From the Crime and Victims Survey:		
• Proportion of Māori adults who have experienced one or more victimisation incidents in the past year (victimisation prevalence)	Decrease over time	2019: 38% 2018: 37%
• Proportion of Māori adults who have experienced multiple victimisations	Decrease over time	2019: 18% 2018: 18%
Maintaining the integrity of the courts and tribunals		
We resolve all serious harm cases within 12 months*	Increase over time to 90%	2019/20: 83% 2018/19: 86% 2017/18: 88% 2016/17: 90% 2015/16: 92%
*Serious harm cases are category 3 and 4 criminal cases where offenders can get more than 2 years imprisonment		
Serious harm cases are increasingly more complex and take longer to resolve.		
Since 2014, the time it takes for serious harm cases to be resolved in the District Court has been steadily increasing; in 2019/20, serious harm criminal cases required 2.3 more court events per case to resolve compared to 2014.		
COVID-19 has also contributed to this measure not being met, due to the reduced number of court events during lockdown and the suspension of over 500 jury trials.		
Institutional Trust – trust in the courts as measured by the New Zealand General Social Survey (see Note 2)	Increase over time	NZ GSS 2018: 64.1% of New Zealanders have a high level of trust in the Courts. *The General Social Survey was not conducted in 2020 NZ GSS 2016: 63.4% of New Zealanders have a high level of trust in the Courts.
Addressing family violence and sexual violence		
From the Crime and Victims Survey:		
• Proportion of adult victims of offences by family members	Decrease over time	2019: 2% (see notes below for the definition)
• Proportion of Māori adult victims of offences by family members	Decrease over time	2019: 5% (see notes below for the definition)

Key indicators	Desired trend	Result
Making the Ministry a great place to be		
Employee engagement score*	Maintain or improve	2018/19: 59% 2017/18: 59% 2015/16: 50% 2014/15: 47%
*An engagement survey was not undertaken in 2017 or 2020.		
The Ministry's Gender pay gap	Maintain or improve	2019/20: 12% 2018/19: 12.9% 20/17/18: 13.2% 2016/17: 15% 2015/16: 16.5%
Unplanned turnover rate	Maintain or improve	2019/20: 12.9% 2018/19: 17.4% 2017/18: 14.4% 2016/17: 14.8%

Note 2 – stats.govt.nz/information-releases/wellbeing-statistics-2018

Term	Definition
Adults	Refers to people aged 15 or over.
Offences by family members	In the New Zealand Crime and Victims Survey, offences by family members include the following offence types: robbery and assault (except sexual assault); sexual assault; harassment and threatening behaviour; and damage to motor vehicles and property damage provided the offender is a family member. Family members include a current partner (husband, wife, partner, boyfriend or girlfriend), ex-partner (previous husband, wife, partner, boyfriend or girlfriend), or other family member (parent or step-parent; parent's partner, boyfriend or girlfriend; son or daughter including in-laws; sibling or step-sibling; other family members including extended family). Offences by family members are a subset of all family violence offences as defined by current legislation.
Period covered	12 months prior to the interview.

Reporting against appropriations

For the year ended 30 June 2020

Our outputs are specified in the Estimates of Appropriations for 2019/20.

Where appropriate, an explanation is provided for service performance negative variances of more than 5%. Where there is a range for a standard, a variance explanation is provided for results outside the forecast range. Where appropriate, an explanation has been provided for positive variances of more than 10%.

MINISTRY OF JUSTICE

Vote Justice

Administration of Legal Services

What the ministry does

This appropriation supports the administration of legal services, including legal aid and related schemes, and the management and collection of legal aid debt.

Contribution to strategic intentions

This appropriation contributes to our priorities to maintain the integrity of the courts and tribunals and improve access to justice. The administration and provision of legal services helps to meet public needs and expectations to develop better, more accessible, and effective public services.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of new criminal legal aid applications administered	62,947	63,000-69,000	61,230	During COVID-19 lockdown, judicial protocols determined which proceedings were prioritised in the courts, which reduced the overall volumes going through the courts. Therefore, the number of criminal legal aid applications decreased.
Number of new family legal aid applications administered	18,745	18,000-22,000	19,105	
Number of new civil legal aid applications administered	2,053	1,600-2,000	1,936	
Legal aid applications for criminal cases assessed within one working day (see Note 1)	97%	90%	97%	
Legal aid applications for family cases assessed within three working days (see Note 1)	92%	90%	94%	
Legal aid applications for civil cases assessed within five working days (excluding Waitangi Tribunal proceedings applications) (see Note 1)	88%	85%	90%	

Output class statement – Administration of legal services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
29,661	Crown	29,110	30,431	29,110	29,271
328	Departmental	548	291	420	209
88	Other	52	24	24	24
30,077	Total Revenue	29,710	30,746	29,554	29,504
27,283	Total Expenses	29,207	30,746	29,554	29,504
2,794	Net Surplus	503	0	0	0

Note 1 – applications that are incomplete when received are excluded from this measure.

Establishing the Criminal Cases Review Commission

What the ministry does

This appropriation supports the establishment of the Criminal Cases Review Commission.

Contribution to strategic intentions

This appropriation contributes to our priority to improve access to justice. We want to establish a new body to assess alleged miscarriages of justice, to increase trust and confidence in the criminal justice system.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The Criminal Cases Review Commission is on schedule to be established by the date confirmed by Parliament	Not yet achieved	Achieved	Achieved	

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
200	Crown	911	0	911	40
0	Departmental	0	0	0	0
0	Other	0	0	0	0
200	Total Revenue	911	0	911	40
150	Total Expenses	892	0	911	40
50	Net Surplus	19	0	0	0

Justice and Emergency Agencies Property and Shared Services

What the ministry does

This appropriation is limited to the provision of property and shared services to other agencies in Christchurch.

Contribution to strategic objectives

This appropriation contributes to our priorities to maintain the integrity of the courts and tribunals and improve access to justice. We want to create a public facility with justice and emergency services that are modern, accessible, resilient and people-centred, provide for improved joint outcomes and service delivery and contribute to a vibrant urban environment in Christchurch.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Services meet the standards agreed with the other agencies (see Note 1)	Achieved	Achieved	Achieved	

Output class statement – Justice and Emergency Agencies Property and Shared Services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
23,908	Crown	25,907	22,191	25,907	20,640
7,888	Departmental	8,131	9,564	9,564	9,564
2,997	Other	3,250	3,339	3,339	3,339
34,793	Total Revenue	37,288	35,094	38,810	33,543
31,192	Total Expenses	35,012	35,094	38,810	33,543
3,601	Net Surplus	2,276	0	0	0

Note 1 - The standards agreed between the Ministry of Justice and the other agencies is set out in co-location agreements with these agencies.

Public Defence Service

What the ministry does

This appropriation supports the provision of legal services by the Public Defence Service.

Contribution to strategic intentions

This appropriation contributes to our priority to improve access to justice. The provision of legal services by the Public Defence Service helps to meet public needs and expectations to develop better, more accessible and effective public services.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of hours per annum Public Defence Service provides duty lawyer supervision and duty lawyer service in courts where the Public Defence Service operates (see Note 1)	15,334	16,000-17,000 hours	20,055	The quality of time recording has increased following a National review and in-depth training and now reflects a more accurate picture of the Duty Lawyer Service.
Number of new cases accepted during the year	15,051	15,000-16,000	13,111	The number of cases is lower than anticipated due to a steady increase in court events per case. This in turn takes longer for cases to be disposed of. Also, during COVID-19 alert levels 3 & 4 PDS assignments were suspended to allow more work for the private profession.
Average cost of PAL 1 cases (see Note 2)	New measure	<=\$1,200.00	\$1,021.52	

Output class statement – Public Defence Service

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
35,129	Crown	38,511	34,488	38,511	39,062
66	Departmental	91	126	175	114
81	Other	59	16	16	16
35,276	Total Revenue	38,661	34,630	38,702	39,192
35,097	Total Expenses	38,466	34,630	38,702	39,192
179	Net Surplus	195	0	0	0

Note 1 - This measure is an expansion of the 2018/19 measure to include duty lawyer service.

Note 2 - PAL 1 cases are less serious charges usually heard by a judge alone. PAL is the Provider/Lawyer Approval Level of a case. Costs accounted for use the criminal legal aid fixed fee rates.

Public Provision of Referendum-Related Information

What the ministry does

This appropriation supports the provision of factual and impartial public information for referendums initiated by the government, or through a referendum statute enacted by Parliament.

Contribution to strategic intentions

This appropriation contributes to our priority to provide sector leadership and policy stewardship. We want to provide the public with factual and impartial information for the two referendums being held alongside the 2020 General Election.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The public information programme for the two referendums being held alongside the General Election on 19 September 2020 is on schedule in providing factual and impartial information in line with Cabinet decisions (see Note 1)	New measure	Achieved	Achieved	

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
0	Crown	3,960	0	3,960	3,127
0	Departmental	0	0	0	0
0	Other	0	0	0	0
0	Total Revenue	3,960	0	3,960	3,127
0	Total Expenses	2,792	0	3,960	3,127
0	Net Surplus	1,168	0	0	0

Note 1 - The public information programme includes sign-posting publicity in the two to three-month period immediately before the referendums, as well as the official referendum website, the development of explanatory materials and use of a contact centre.

Reducing Family Violence and Sexual Violence

What the ministry does

The Ministry is contributing to the whole-of-government approach to prevent, address and reduce family violence and sexual violence.

Contribution to strategic intentions

This appropriation contributes to our priority to address family violence and sexual violence. We want to achieve coordinated efforts across the public sector to reduce the impact of family violence and sexual violence on New Zealanders.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Parliamentary Under-Secretary to the Minister of Justice (Domestic and Sexual Violence issues) with the quality of support and advice provided by the Joint Venture, supported by the Ministry of Justice	7.0/10	At least 8/10	8.5/10	
The satisfaction of the Joint Venture of the Social Wellbeing Board (Family Violence and Sexual Violence) with the advice and support provided by the Ministry of Justice	New measure	At least 8/10	7.2/10	

Output class statement – Reducing Family Violence and Sexual Violence

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
5,582	Crown	7,619	5,000	7,619	5,957
500	Departmental	0	0	0	0
0	Other	8	0	0	0
6,082	Total Revenue	7,627	5,000	7,619	5,957
4,414	Total Expenses	6,106	5,000	7,619	5,957
1,668	Net Surplus	1,521	0	0	0

Sector Leadership and Support

What the ministry does

This appropriation supports the provision of advice and services that focus on the Ministry's leadership role in the justice sector. This covers enhancing the Ministry's coordination with other sector and Government agencies, provision of advice and information about judicial and statutory appointments, and monitoring specific crown entities.

Contribution to strategic intentions

This appropriation contributes to our priorities to honour our responsibilities to Māori, provide sector leadership and policy stewardship, and lead the transformation of the criminal justice system. The provision of sector leadership and support improves sector governance, helps meet public needs and expectations to develop and deliver better public services, and makes society safer by preventing crime and reducing reoffending.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister of Justice and Associate Minister of Justice with the quality of support and advice provided by the Ministry in relation to its management of Crown entities and agencies	9.0/10	At least 8/10	8.5/10	
The satisfaction of the Justice Sector Leadership Board with the leadership, advice and support provided by the Ministry	7.0/10	At least 8/10	7.5/10	
Number of funding rounds of the Effective Justice Fund completed	New measure	1	1	
Number of funding rounds of the Proceeds of Crime Fund completed	New measure	2	2	
Report six-monthly on the performance of the Effective Justice Fund to Joint Ministers	New measure	Achieved	Achieved	
Provide an annual report on the performance of the Proceeds of Crime Fund to Joint Ministers	New measure	Achieved	Not Achieved	First performance report is due for the period ending 30 June 2020. This is expected to be completed by September 2020.
Provide an annual report on the performance of the Justice Sector Fund to Sector DCEs	New measure	Achieved	Achieved	
An annual prison population projection report is published on the Ministry of Justice website	New measure	Published by 31 March 2020	Not Achieved	The report was finalised and ready to be published in early March. However, due to a COVID-19 related embargo on the release of reports the publishing of the report was delayed and publicly released on 27 May 2020
The satisfaction of the Chief Victims Advisor with the advice and support provided by the Ministry	New measure	At least 8/10	9/10	
Hāpaitia te Oranga Tangata facilitates the delivery of Te Uepū Hāpai i te Ora - the Safe and Effective Advisory Group Report to the Minister of Justice	New measure	Achieved	Achieved	

Output class statement – Reducing Family Violence and Sexual Violence

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
16,529	Crown	14,772	11,728	14,772	11,074
210	Departmental	423	161	633	106
48	Other	380	23	23	23
16,787	Total Revenue	15,575	11,912	15,428	11,203
15,733	Total Expenses	14,434	11,912	15,428	11,203
1,054	Net Surplus	1,141	0	0	0

Justice Policy Advice and Related Services (multi-category appropriation)

What the ministry does

The Justice Policy Advice category supports to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to assist decision-making by Ministers on government policy matters relating to civil, criminal and constitutional law, and the justice sector.

The Legal and Ministerial Services category supports the provision of legal and ministerial services to assist decision-making by Ministers on government matters (other than policy decision-making).

Contribution to strategic intentions

This appropriation contributes to our priority to provide sector leadership and policy stewardship. The provision of these services is intended to make society safer by preventing crime and reducing reoffending, whilst also meeting the public needs and expectations to develop better, more accessible and effective public services.

Assessing Performance – Performance of the multi-category appropriation as a whole

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister of Justice, the Minister for Courts, the Associate Minister of Justice, the Associate Minister for Courts, and the Parliamentary Under-Secretary to the Minister of Justice (Domestic and Sexual Violence issues) with policy advice and related services, as per the common satisfaction survey	New measure	At least 4/5	4.5/5	

Justice Policy Advice

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister of Justice with the policy advice service, as per the common satisfaction survey (Note 2)	8.4/10	At least 4/5	4.9/5	
Average score for policy advice papers that are assessed (see Note 1)	New measure	3.5/5	3.1/5 (see Note 1)	
Percentage of policy advice papers that are assessed a score of 3 or higher out of 5 (see Note 1)	New measure	80%	69% (see Note 1)	
Percentage of policy advice papers that are assessed a score of 4 or higher out of 5 (see Note 1)	New measure	40%	14% (see Note 1)	
Percentage of policy advice papers that are assessed a score of 2.5 or less out of 5 (see Note 1)	New measure	<20%	31% (see Note 1)	

Note 1 – In 2019/20 new targets and a new in-house assessment was introduced. This year we faced various external demands such as the response to the Christchurch terror attacks and COVID-19, that each reflect a changeable and pressured year. We have introduced refreshed quality assurance tools and will be increasing our focus on quality over the coming year.

Note 2 – The Ministerial Policy Satisfaction Survey is used by agencies to assess their minister's satisfaction with the services provided by the policy function. In 2018/19 the survey was measured out of 10. In 2019/20 the survey was reviewed by Department of the Prime Minister and Cabinet, and the targets were changed to be out of 5.

Legal and Ministerial Services

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister of Justice with the quality of legal advice, as per the common satisfaction survey	New measure	At least 8/10	10/10	
The satisfaction of the Minister of Justice, the Minister for Courts, the Associate Minister of Justice, the Associate Minister for Courts and the Parliamentary Under-Secretary to the Minister of Justice (Domestic and Sexual Violence issues) with ministerial services, as per the common satisfaction survey	New measure	At least 8/10	8.5/10	

Output class statement – Justice Policy Advice

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
21,992	Crown	19,922	18,707	19,922	20,798
512	Departmental	478	411	463	279
446	Other	30	58	58	58
22,950	Total Revenue	20,430	19,176	20,443	21,135
22,011	Total Expenses	18,501	19,176	20,443	21,135
939	Net Surplus	1,929	0	0	0

Legal and Ministerial Services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
8,089	Crown	6,213	7,498	6,213	6,361
345	Departmental	180	125	134	81
42	Other	9	17	17	17
8,476	Total Revenue	6,402	7,640	6,364	6,459
7,205	Total Expenses	7,034	7,640	6,364	6,459
1,271	Net Surplus	(632)	0	0	0

THE OFFICE FOR MĀORI CROWN RELATIONS — TE ARAWHITI

Vote Justice

Māori Crown Relations (multi-category appropriation)

What Te Arawhiti does

This appropriation supports the strengthening of the relationship between Māori and the Crown.

Contribution to strategic intentions

This appropriation contributes to our goals to resolve longstanding and contemporary issues, uphold the Crown's Treaty settlement commitments, actively support Crown agencies to engage effectively with Māori, put the Māori Crown relationship at the heart of policy development, lift public sector capability to work with Māori and broker Māori Crown partnerships. These goals support the Ministry of Justice's priority to honour our responsibilities to Māori. The provision of these services is intended to foster strong, ongoing and effective relationships with Māori.

Assessing Performance – Performance of the multi-category appropriation as a whole

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty of Waitangi Negotiations with the strengthening of the relationship between Māori and the Crown, as per the common satisfaction survey	8.5/10	At least 8/10	6/10	

Policy Advice – Māori Crown Relations

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti with the policy advice service, as per the common satisfaction survey (see Note 2)	8.6/10	At least 4/5	3.2/5	
An average score for policy advice papers that are assessed (see Note 1)	New measure	3.5/5	3.5/5	
Percentage of policy advice papers that are assessed score 3 or higher out of 5 (see Note 1)	New measure	80%	90%	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.
Percentage of policy advice papers that are assessed score 4 or higher out of 5 (see Note 1)	New measure	40%	20%	This is a new portfolio and we are continuing to further expand resourcing and capability.
Percentage of policy advice papers that are assessed score 2.5 or less out of 5 (see Note 1)	New measure	<20%	10%	

Note 1 - This indicator provides a standardised score for technical quality reviews of policy advice, which are undertaken by a third-party assessor. The review may include an assessment of clarity, accuracy, analytical rigour, fitness for purpose, and relevance.

Note 2 - The Ministerial Policy Satisfaction Survey is used by agencies to assess their minister's satisfaction with the services provided by the policy function. In 2018/19 the survey was measured out of 10. In 2019/20 the survey was reviewed by Department of the Prime Minister and Cabinet, and the targets were changed to be out of 5.

Services to Ministers

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti with ministerial services, as per the common satisfaction survey	9.0/10	At least 8.5/10	8	

Strengthening Crown Capability

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of agencies signing up to engagement classes	23	15	12	In 2018/19 Te Arawhiti delivered 23 engagement workshops to 14 central government agencies, in 2019/20 it delivered 15 workshops to 12 central government agencies. Te Arawhiti has now delivered a total of 38 engagement workshops to 20 out of 36 central government agencies. In 2020/21, Te Arawhiti's approach to the delivery of workshops has changed and will change how we measure - we will move from agencies to participants.
Number of engagement processes advised on	99	50	50	

Output class statement – Policy Advice–Māori Crown Relations

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
988	Crown	2,096	2,028	2,096	3,002
18	Departmental	36	0	0	0
4	Other	2	0	0	0
1,010	Total Revenue	2,134	2,028	2,096	3,002
954	Total Expenses	1,639	2,028	2,096	3,002
56	Net Surplus	495	0	0	0

Services to Ministers

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
329	Crown	698	676	698	998
6	Departmental	12	0	0	0
1	Other	1	0	0	0
336	Total Revenue	711	676	698	998
319	Total Expenses	546	676	698	998
17	Net Surplus	165	0	0	0

Strengthening Crown Capability

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
1,975	Crown	2,891	4,057	2,891	6,000
35	Departmental	73	0	0	0
9	Other	5	0	0	0
2,019	Total Revenue	2,969	4,057	2,891	6,000
1,908	Total Expenses	3,278	4,057	2,891	6,000
111	Net Surplus	(309)	0	0	0

MINISTRY OF JUSTICE

Vote Courts

Courts, Tribunals and Other Authorities Services, including the Collection and Enforcement of Fines and Civil Debts Services (multi-category appropriation)

What the ministry does

The Collection and Enforcement of Fines and Civil Debts Services category supports the purchase of collection and enforcement of fines and civil debts services.

The District Court Services category supports the provision of services in regard to the work of the District Court, including the Youth Court and Family Court.

The Senior Court Services category supports the provision of services in regard to the work of the Supreme Court, Court of Appeal, and High Court.

The Specialist Courts, Tribunals and Other Authorities Services category supports the provision of services in regard to the work of New Zealand's specialist courts, tribunals and authorities.

Contribution to strategic intentions

The purpose of this appropriation is to provide courts, tribunals and other authorities services, including the collection and enforcement of fines and civil debt services. It contributes to our priorities to maintain the integrity of the courts and tribunals, honour our responsibilities to Māori, and improve access to justice.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Satisfaction of court users with court services and facilities	82%	80%	82% (see Note 1)	
Percentage of juror survey responses that rate overall juror satisfaction as "satisfied" or better	90%	90%	Unable to measure	The juror satisfaction survey was not completed due to COVID-19. The survey was scheduled to be completed from May to June 2020. However, jury trials were suspended in March until 31 July 2020 due to COVID-19. The next juror satisfaction survey will be completed by June 2021.
Percentage of criminal trials - category 3 & 4 resolved within 12 months	86%	90%	83%	Serious harm cases are increasingly more complex and take longer to resolve. Since 2014, the time it takes for serious harm cases to be resolved in the District Court has been steadily increasing; in 2019/20, serious harm criminal cases required 2.3 more court events per case to resolve compared to 2014. COVID-19 has also contributed to this measure not being met, due to the reduced number of court events during lockdown and the suspension of over 400 jury trials.

Note 1 - The survey is conducted biennially. This result is from the 2018/19 survey; the next survey will be reported in 2020/21.

Collection and enforcement of fines and civil debts services

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Total amount of fines collected	\$190 million	\$165 million to \$185 million	\$198 million	
Percentage of court-imposed and infringement fines collected or placed under arrangement within four months	77%	80%	75%	During COVID-19 alert level 4 and 3 there were no proactive efforts to contact fines defaulters or follow up payments in breach, in line with an all-of-government approach to debt collection. Collections activity returned to normal at alert level 2.
Percentage of all civil enforcement application types processed in 3 days or less	92%	90%	81%	Judicial protocols limited the activities which could proceed in the civil jurisdictions during COVID-19 lockdown. Existing applications or those filed during the lockdown were not able to be processed within target timeframes.
Percentage of Offender Levy collected or placed under arrangement within four months	74%	75%	74%	
Percentage of debt that is under arrangement	47%	43%	42%	
Average speed to answer calls to Fines Contact Centre (mm:ss)	New measure	1:30	0:49	Calls are intended to be answered as quickly as possible, to give the best customer service to the caller. Focus on training, technical skills and better understanding of workflows has contributed to more effective management of call demand and customer service.

District Court Services

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Percentage of District Court Family - Care of Children Act applications resolved within 12 months	76%	75%	75%	
Percentage of category 2 cases resolved within 3 months	72%	70%	68%	
Number of District Court criminal cases (including youth) disposed	127,400	110,000-130,000	119,728	
Number of civil cases disposed	16,797	16,000-19,000	17,345	
Number of Family Court substantive applications disposed	59,717	55,000-69,000	54,394	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown.
Number of calls received by the 0800 victims of crime information line	31,540	23,000-25,000	28,003	This is a demand driven measure. A higher volume of calls was experienced by the victims of crime information line due to more visibility of the phone line.
Percentage of calls received by the 0800 victims of crime information line answered within 30 seconds	82%	85%	76%	High call volumes are increasing the response time for these calls.

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of victims supported by Sexual Violence Court Victims Advisors	1,388	1,100-1,400	1,402	
Average speed to answer calls to 0800 Courts (mm:ss)	New measure	1:30	0:52	Calls are intended to be answered as quickly as possible, to give the best customer service to the caller. Focus on training, technical skills and better understanding of workflows has contributed to more effective management of call demand and customer service.
Dissolution of marriage applications processed within 6 days	New measure	90%	90%	
Applications to commence civil proceedings processed within 6 days	New measure	90%	89%	

Senior Court Services

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of Supreme Court civil and criminal applications for leave to appeal and appeals disposed	134	70-200	149	
Number of Court of Appeal civil and criminal appeals disposed	632	570-730	615	
Number of High Court civil and criminal appeals disposed	1,442	1,200-1,500	1,583	
Number of High Court civil and criminal cases disposed	2,461	2,100-2,700	2,324	

Specialist Courts, Tribunals and Other Authorities Services

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Accident Compensation Appeals District Court Registry (ACA DCR)				
ACA DCR case disposal rate (number of cases disposed/ number of cases received)	85%	85%	113%	The ACA DCR received 15% fewer appeals in 2019/20 than in previous years. An increase in judicial sitting days meant that more cases were disposed.
Alcohol Regulatory Licensing Authority				
Percentage of appeals and enforcements resolved within 6 months	69%	75%	77%	
Coronial Services Unit				
Percentage of coronial cases on hand under 12 months old	53%	60%	48%	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown
Number of coronial cases disposed	1,726	3,100-3,300	2,943	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Disputes Tribunal				
Number of Disputes Tribunal claims disposed	12,006	12,800-14,000	10,144	Disputes claims are becoming more complex with significant legal elements being incorporated into claims. The Disputes Tribunal jurisdiction was extended in October 2019 from \$20k to \$30k, which has resulted in 666 new applications in the new range. COVID-19 contributed to this measure not being met, due to the reduced number of tribunal events during lockdown that were vacated and rescheduled.
Percentage of Disputes Tribunal claims disposed within 3 months	70%	75%	60%	Disputes claims are becoming more complex with significant legal elements being incorporated into claims. The Disputes Tribunal jurisdiction was extended in October 2019 from \$20k to \$30k, which has resulted in 666 new applications in the new range. COVID-19 contributed to this measure not being met, due to the reduced number of tribunal events during lockdown that were vacated and rescheduled.
Disputes Tribunal applications processed within 6 days	New measure	85%	76%	Judicial protocols limited the activities which could proceed in the civil jurisdiction during COVID-19 lockdown (including the Disputes Tribunal). Existing applications or those filed during the lockdown were not able to be processed within target timeframes.
Employment Court				
Number of Employment Court cases disposed	160	150-180	224	Hearing schedules were disrupted during COVID-19 alert level restrictions, which meant judges could focus on reserve decision work (where a judge reserves their decision to allow time to write and finalise their decision).
Percentage of Employment Court cases on hand under 12 months old	68%	75%	68%	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown.
Environment Court				
Number of Environment Court cases disposed	487	350-500	500	
Percentage of Environment Court cases on hand under 18 months old	85%	75%	60%	The Environment Court received a large number of plan review appeals and land valuation matters from the District Court; a number of these have gone to the High Court on appeal and can take up to 2 years to resolve. COVID-19 contributed to this measure not being met, due to the postponement of case hearings and mediations during lockdown.
Human Rights Review Tribunal				
Human Rights Review Tribunal case disposal rate (number of cases disposed/number of cases received)	122%	80%	113%	The Tribunal Powers and Procedures Legislation Act 2018 enabled the appointment of 5 additional deputy chairpersons in May 2019 to share the decision-making and decision writing duties of the tribunal, improving the rate at which the tribunal can consider and dispose of cases.
Immigration and Protection Tribunal				
Immigration and Protection Tribunal case disposal rate (number of cases disposed/number of cases received)	124%	90%	111%	The number of cases disposed exceeded the number of cases received in 2019/20, due to the decline in the number of new appeals associated with new immigration instructions (that have reduced the number of people who have grounds to appeal).
Legal Complaints Review Officer				
Legal Complaints Review Office case disposal rate (number of cases disposed/number of cases received)	151%	100%	188%	The removal of the statutory cap on the number of judicial officers in the LCRO has enabled the delivery of more decisions and disposal of cases.

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Māori Land Court				
Percentage of all Māori Land Court and Māori Appellate Court applications disposed within 12 months	83%	80%	68%	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown.
Number of Māori Land Court and Māori Appellate Court applications disposed	5,158	5,700-5,900	5,116	COVID-19 contributed to this measure not being met, due to the reduced number of court events during lockdown.
Tenancy Tribunal				
Number of Tenancy Tribunal applications resolved	16,331	18,300-20,200	12,761	The Tenancy Tribunal received fewer cases than anticipated in 2019/20 (13,225 cases) and therefore fewer applications were resolved. COVID-19 contributed to this measure not being met, due to the reduced number of tribunal events during lockdown that were vacated and rescheduled.
Waitangi Tribunal				
Percentage of new claims processed within 30 days of receipt	96%	90%	93%	
Percentage of urgent applications determined in 1 month of receipt of last submissions	83%	90%	77%	13 applications for urgent inquiry were decided in 2019/20; two were not completed within 30 days due to complex issues that they presented; one was not completed on time because of COVID-19.
Percentage of draft chapters completed within the timeframe set by the Tribunal panel and meets the Chief Historian's standard	100%	90%	91%	
Number of reports completed to the Chief Historian's standard and by agreed timeframes	New measure	5-10	7	

Collection and enforcement of Fines and Civil Debts Services

	Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
	51,199	Crown	52,363	54,091	52,363	54,791
	87	Departmental	227	550	660	543
	1,658	Other	1,524	3,999	4,496	4,496
	52,944	Total Revenue	54,114	58,640	57,519	59,830
	55,739	Total Expenses	57,470	58,640	57,519	59,830
	(2,795)	Net Surplus	(3,356)	0	0	0

District Court Services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
229,316	Crown	260,893	255,102	260,893	274,151
798	Departmental	880	1,519	1,949	1,408
18,190	Other	16,906	24,544	18,981	18,206
248,304	Total Revenue	278,679	281,165	281,823	293,765
249,538	Total Expenses	273,837	281,165	281,823	293,765
(1,234)	Net Surplus	4,842	0	0	0

Senior Courts Services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
63,854	Crown	75,266	64,616	75,266	76,477
233	Departmental	329	742	1,594	1,256
10,935	Other	10,307	10,221	10,221	10,221
75,022	Total Revenue	85,902	75,579	87,081	87,954
80,628	Total Expenses	87,894	75,579	87,081	87,954
(5,606)	Net Surplus	(1,992)	0	0	0

Specialist Courts, Tribunals and Other Authorities Services

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
78,309	Crown	86,416	80,696	86,416	89,161
222	Departmental	291	2,363	2,492	2,329
12,264	Other	10,637	6,274	12,653	12,753
90,795	Total Revenue	97,344	89,333	101,561	104,243
87,584	Total Expenses	98,892	89,411	101,598	104,180
3,211	Net Surplus	(1,548)	(78)	(37)	63

THE OFFICE FOR MĀORI CROWN RELATIONS — TE ARAWHITI

Vote Treaty Negotiations

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act 2011 (multi-category appropriation)

Note below

This appropriation covers the period from 1 July 2019 to 29 February 2020. This has been discontinued and replaced by Treaty Negotiations and Marine and Coastal Area Customary Interests appropriation.

What Te Arawhiti does

Policy Advice – Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act category is limited to the provision of advice to support decision-making by Ministers on government policy matters relating to Treaty Negotiations and the Marine and Coastal Area (Takutai Moana) Act 2011.

Representation – Waitangi Tribunal and Courts category is limited to Crown representation in the Waitangi Tribunal and in the Courts on matters concerning Treaty claims, and associated research into historical Treaty grievances to support representation.

The Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act category is limited to the negotiation and implementation of historical Treaty claims, and the administration and implementation of the Marine and Coastal Area (Takutai Moana) Act 2011.

Contribution to strategic intentions

The purpose of this appropriation is to support the Crown in the negotiation, administration and implementation of historic Treaty of Waitangi settlement claims, and the Marine and Coastal Area (Takutai Moana) Act 2011. This appropriation contributes to our goals to settle historical Treaty claims and engage with Māori on takutai moana and supports the Ministry of Justice's priority to honour our responsibilities to Māori. This is achieved through maintaining recent momentum and prioritising settlement legislation currently in the House through all stages.

Assessing Performance – Performance of the multi-category appropriation as a whole

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
The satisfaction of the Minister for Treaty of Waitangi Negotiations with progress towards negotiation milestones	6/10	At least 8/10	7/10	

Policy Advice – Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
The satisfaction of the Minister for Treaty of Waitangi Negotiations with the policy advice service, as per the common satisfaction survey (see Note 2)	8.9/10	At least 3.5/5	4.7/5	
An average score for policy advice papers that are assessed (see Note 1)	New measure	3.5/5	4.1/5	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
Percentage of policy advice papers that are assessed score 3 or higher out of 5 (see Note 1)	New measure	80%	100%	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.
Percentage of policy advice papers that are assessed score 4 or higher out of 5 (see Note 1)	New measure	40%	80%	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.
Percentage of policy advice papers that are assessed score 2.5 or less out of 5 (see Note 1)	New measure	<20%	0%	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.

Note 1 - This indicator provides a standardised score for technical quality reviews of policy advice, which are undertaken by a third party assessor. The review may include an assessment of clarity, accuracy, analytical rigour, fitness for purpose, and relevance.

Note 2 - The Ministerial Policy Satisfaction Survey is used by agencies to assess their minister's satisfaction with the services provided by the policy function. In 2018/19 the survey was measured out of 10. In 2019/20 the survey was reviewed by Department of the Prime Minister and Cabinet, and the targets were changed to be out of 5.

Representation – Waitangi Tribunal and Courts

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
The Crown is represented at 100% of current Waitangi Tribunal District inquiries	New measure	100%	100%	
Number of High Court cases at which the Crown is represented	6	3	5	The Budget actual reflects the continuous number of cases across the entire financial year, not just the stated time period.

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
Percentage of settlement date obligations met	100%	100%	100%	
Deeds of Mandate signed (see Note 1)	New measure	1	1	
Agreements in Principle signed (see Notes 1 and 2)	3	1	1	
Deeds of Settlement initialled (see Notes 1 and 3)	2	3	1	Two initialled deed of settlement milestones were moved from 2019/20 to out years. These negotiation milestones have been affected by the effort required to resolve overlapping interests.
Number of applications in formal engagement processes with the Crown regarding customary interests in the takutai moana	New measure	1	6	There were five groups (Ngāti Pahauwera, Ngāti Porou ki Hauraki, Ngāti Koata, Te Korowai o Ngāruahine and Te Uri o Hau) already in the Crown Engagement process, plus Ngā hapū o Ngāti Porou began formal engagement under their own legislation, during this period.

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
The Crown is represented at 100% of current High Court hearings in relation to takutai moana cases	New measure	100%	100%	

Note 1 - Te Arawhiti does not have full control over the achievement of these measures as it is partially reliant on claimant groups undertaking the work required by them to achieve a mandate to negotiate, broadly agree to the Crown's offer and move steadily towards the conclusion of negotiations.

Note 2 - An Agreement in Principle is agreed between the Crown and a claimant group. The document describes the broad outline of a settlement package and is signed by the claimant group and the Minister for Treaty of Waitangi Negotiations.

Note 3 - A Deed of Settlement is the complete, detailed and formal settlement agreement between the Crown and the claimant group.

Output Class Statement – Policy Advice – Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
1,116	Crown	788	1,116	788	0
49	Departmental	22	18	18	0
6	Other	2	2	2	0
1,171	Total Revenue	812	1,136	808	0
1,097	Total Expenses	808	1,136	808	0
74	Net Surplus	4	0	0	0

Representation - Waitangi Tribunal and Courts

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
3,232	Crown	2,236	3,094	2,236	0
12	Departmental	5	3	3	0
1	Other	0	2	2	0
3,245	Total Revenue	2,241	3,099	2,241	0
4,346	Total Expenses	2,241	3,099	2,241	0
(1,101)	Net Surplus	0	0	0	0

Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act

Actual 2019 \$000	Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
34,134	Crown	19,058	32,359	19,058	0
682	Departmental	683	503	609	0
162	Other	51	31	31	0
34,978	Total Revenue	19,792	32,893	19,698	0
31,647	Total Expenses	19,698	32,893	19,698	0
3,331	Net Surplus	94	0	0	0

Treaty Negotiations and Marine and Coastal Area Customary Interests

Note below

This appropriation covers the period from 1 March 2020 to 30 June 2020. This appropriation has been made to simplify the appropriation structure in line with the initial step of modernising the public finance system and to reflect a broader legislative mandate and scope from 1 March 2020.

What Te Arawhiti does

Policy Advice – Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act category is limited to the provision of advice to support decision-making by Ministers on government policy matters relating to Treaty Negotiations and the Marine and Coastal Area 512728(Takutai Moana) Act 2011.

Representation – Waitangi Tribunal and Courts category is limited to Crown representation in the Waitangi Tribunal and in the Courts on matters concerning Treaty claims, and associated research into historical Treaty grievances to support representation.

The Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act category is limited to the negotiation and implementation of historical Treaty claims, and the administration and implementation of the Marine and Coastal Area (Takutai Moana) Act 2011.

Contribution to strategic intentions

The purpose of this appropriation is to support the Crown in the negotiation, administration and implementation of historic Treaty of Waitangi settlement claims, and the Marine and Coastal Area (Takutai Moana) Act 2011. This appropriation contributes to our goals to settle historical Treaty claims and engage with Māori on takutai moana and supports the Ministry of Justice's priority to honour our responsibilities to Māori. This is achieved through maintaining recent momentum and prioritising settlement legislation currently in the House through all stages.

Assessing Performance

Performance measure	Actual 2018/19	Standard 1/3/2020 to 30/6/2020	Actual 1/3/2020 to 30/6/2020	Variance explanation
New measure	The satisfaction of the Minister for Treaty of Waitangi Negotiations with progress towards negotiation milestones	At least 8/10	7/10	

Performance measure	Actual 2018/19	Standard 1/3/2020 to 30/6/2020	Actual 1/3/2020 to 30/6/2020	Variance explanation
The satisfaction of the Minister for Treaty of Waitangi Negotiations with ministerial services, as per the common satisfaction survey	New measure	At least 8.5/10	10/10	
Quality of policy advice				
The satisfaction of the Minister for Treaty of Waitangi Negotiations with the policy advice service, as per the common satisfaction survey (see Note 5)	9.5/10	At least 3.5/5	4.7/5	
An average score for policy advice papers that are assessed (see Note 1)	New measure	3.5/5	4.1/5	
Percentage of policy advice papers that are assessed score 3 or higher out of 5 (see Note 1)	New measure	80%	100%	This is a reflection of Te Arawhiti's high performance and increase in resourcing and capability.
Percentage of policy advice papers that are assessed score 4 or higher out of 5 (see Note 1)	New measure	40%	40%	
Percentage of policy advice papers that are assessed score 2.5 or less out of 5 (see Note 1)	New measure	<20%	0%	
Representation - Waitangi Tribunal and Courts				
The Crown is represented at 100% of current Waitangi Tribunal District inquiries	New measure	100%	100%	
Number of High Court cases at which the Crown is represented	New measure	2	5	The Budget actual reflects the continuous number of cases across the entire financial year, not just the stated time period
Treaty Negotiations and the Marine and Coastal Area				
Percentage of settlement date obligations met	New measure	100%	100%	
Deeds of Mandate signed (see Note 2)	New measure	3	1	Two deed of mandate milestones were moved from 2019/20 to out years. These negotiation milestones have been affected by groups requiring more time to resolve mandate / large natural grouping issues.
Agreements in Principle signed (see Notes 2 and 3)	New measure	1	0	One signed agreement in principle milestone was moved from 2019/20 to out years. This negotiation milestone has been affected by the effort required to resolve overlapping interests.
Deeds of Settlement initialled (see Notes 2 and 4)	New measure	2	0	Two initialled deed of settlement milestones were moved from 2019/20 to out years. These negotiation milestones have been affected by the effort required to resolve overlapping interests.

Performance measure	Actual 2018/19	Standard	Actual	Variance explanation
		1/3/2020 to 30/6/2020	1/3/2020 to 30/6/2020	
Number of applications in formal engagement processes with the Crown regarding customary interests in the takutai moana	New measure	4	7	The current six applicant groups plus Te Whānau ā Apānui.
The Crown is represented at 100% of current High Court hearings in relation to takutai moana cases	New measure	100%	100%	

Note 1 - This indicator provides a standardised score for technical quality reviews of policy advice, which are undertaken by a third party assessor. The review may include an assessment of clarity, accuracy, analytical rigour, fitness for purpose, and relevance.

Note 2 - Te Arawhiti does not have full control over the achievement of these measures as it is partially reliant on claimant groups undertaking the work required by them to achieve a mandate to negotiate, broadly agree to the Crown's offer and move steadily towards the conclusion of negotiations.

Note 3 - An Agreement in Principle is agreed between the Crown and a claimant group. The document describes the broad outline of a settlement package and is signed by the claimant group and the Minister for Treaty of Waitangi Negotiations.

Note 4 - A Deed of Settlement is the complete, detailed and formal settlement agreement between the Crown and the claimant group.

Note 5 - The Ministerial Policy Satisfaction Survey is used by agencies to assess their minister's satisfaction with the services provided by the policy function. In 2018/19 the survey was measured out of 10. In 2019/20 the survey was reviewed by Department of the Prime Minister and Cabinet, and the targets were changed to be out of 5.

Strengthening Crown Capability

Actual 2019 \$000		Revenue	Actual 2020 \$000	Budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
0	Crown		16,507	0	16,507	38,705
0	Departmental		239	0	0	346
0	Other		61	0	0	35
0	Total Revenue		16,807	0	16,507	39,086
0	Total Expenses		13,946	0	16,507	39,086
0	Net Surplus		2,861	0	0	0

Our financial statements



Departmental statements

For the year ended 30 June 2020

Statement of comprehensive revenue and expense

For the year ended 30 June 2020

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
Revenue						
605,542	Crown		666,137	627,878	666,137	679,615
11,991	Department		12,647	15,708	18,714	16,235
46,932	Other revenue	2	43,284	49,218	49,863	49,188
664,465	Total revenue		722,068	692,804	734,714	745,038
Expenses						
320,364	Personnel costs	3	355,608	332,639	366,961	350,463
176,043	Operating costs	4	181,878	198,888	193,500	217,388
79,762	Capital charge	6	82,861	79,786	82,968	81,497
81,610	Depreciation, amortisation and impairment	8,9	92,751	81,569	91,322	95,627
657,779	Total expenses		713,098	692,882	734,751	744,975
6,686	Net surplus/(deficit)		8,970	(78)	(37)	63
Other comprehensive revenue and expense						
<i>Item that will not be reclassified to net surplus/(deficit)</i>						
49,734	Gain on property revaluations		76,952	-	-	-
49,734	Total other comprehensive revenue and expense		76,952	-	-	-
56,420	Total comprehensive revenue and expense		85,922	(78)	(37)	63

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2020

Actual 2019 \$000	Notes	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
Assets					
Current assets					
66,041		60,270	49,335	47,927	48,219
76,994	7	112,927	104,878	93,255	115,255
2,073		3,441	3,008	2,073	2,073
596		596	-	596	596
145,704		177,234	157,221	143,851	166,143
Non-current assets					
1,265,947	8	1,288,904	1,199,079	1,226,915	1,206,822
67,017	9	70,750	60,966	78,576	84,292
1,332,964		1,359,654	1,260,045	1,305,491	1,291,114
1,478,668		1,536,888	1,417,266	1,449,342	1,457,257
Liabilities					
Current liabilities					
43,731	10	42,203	48,142	43,731	43,731
27,071	11	31,979	16,830	29,911	28,876
7,614	12	4,222	9,693	5,000	5,000
6,665	13	9,040	-	-	-
85,081		87,444	74,665	78,642	77,607
Non-current liabilities					
8,303	11	9,367	7,966	8,303	8,303
1,260	12	1,160	-	-	-
9,563		10,527	7,966	8,303	8,303
94,644		97,971	82,631	86,945	85,910
1,384,024		1,438,917	1,334,635	1,362,397	1,371,347
Equity					
951,665	14	937,528	952,728	938,608	947,558
716	14	646	-	-	-
431,643	14	500,743	381,907	423,789	423,789
1,384,024		1,438,917	1,334,635	1,362,397	1,371,347
1,478,668		1,536,888	1,417,266	1,449,342	1,457,257

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the year ended 30 June 2020

Actual 2019 \$000	Notes	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
1,330,569		1,384,024	1,334,213	1,384,023	1,362,397
56,420		85,922	(78)	(37)	63
Owner transactions					
(6,665)	13	(9,040)	-	-	-
3,700		3,272	500	3,672	8,887
-		(25,261)	-	(25,261)	-
1,384,024	14	1,438,917	1,334,635	1,362,397	1,371,347

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Statement of cash flows

For the year ended 30 June 2020

Actual 2019 \$000		Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000	Unaudited forecast 2021 \$000
Cash flows from operating activities					
609,794	Receipts from the Crown	637,114	602,473	649,875	657,615
1,040	Receipts from other departments	889	2,059	5,102	3,304
59,730	Receipts from others	52,487	62,239	63,475	62,119
1,110	Goods and services tax (net)	(1,494)	1,535	-	-
(317,694)	Payments to employees	(345,693)	(331,189)	(364,121)	(351,498)
(176,998)	Payments to suppliers	(196,686)	(193,984)	(197,374)	(217,388)
(79,762)	Payment for capital charge	(82,861)	(79,786)	(82,968)	(81,497)
97,220	Net cash flows from operating activities	63,756	63,347	73,989	72,655
Cash flows from investing activities					
15	Receipts from sale of property, plant and equipment	25,265	-	25,262	-
(71,505)	Purchase of property, plant and equipment	(46,957)	(47,644)	(58,039)	(54,250)
(15,624)	Purchase of intangible assets	(19,181)	(16,700)	(31,071)	(27,000)
(87,114)	Net cash flows from investing activities	(40,873)	(64,344)	(63,848)	(81,250)
Cash flows from financing activities					
3,700	Capital contribution from the Crown	3,272	500	3,672	8,887
-	Capital withdrawal	(25,261)	-	(25,261)	-
-	Return of operating surplus	(6,665)	-	(6,666)	-
3,700	Net cash flows from financing activities	(28,654)	500	(28,255)	8,887
13,806	Net increase/(decrease) in cash held	(5,771)	(497)	(18,114)	292
52,235	Cash as at 1 July	66,041	49,832	66,041	47,927
66,041	Closing cash as at 30 June	60,270	49,335	47,927	48,219

The GST (net) component of operating activities reflects the net GST paid to and received from Inland Revenue. The GST (net) component has been presented on a net basis as the gross amounts do not provide meaningful information for financial reporting purposes.

Explanations of significant variances against budget are detailed in note 17.

The accompanying notes form part of these financial statements.

Reconciliation of net surplus/(deficit) to net cash flows from operating activities

Actual 2019 \$000		Actual 2020 \$000
6,686	Net surplus/(deficit)	8,970
Add/(less) non-cash items		
81,610	Depreciation, amortisation and impairment	92,727
81,610	Total non-cash items	92,727
Add/(less) items classified as investing and financing activities		
-	Loss/(gain) on disposal of assets	58
-	Total movement in investing and financing activities	58
Add/(less) movements in working capital items		
6,098	(Increase)/decrease in debtors and other receivables	(31,579)
935	(Increase)/decrease in prepayments	(1,368)
596	Increase/(decrease) in payables and deferred revenue	(7,531)
2,114	Increase/(decrease) in employee entitlements	5,971
(819)	Increase/(decrease) in provisions	(3,492)
8,924	Total movements in working capital	(37,999)
97,220	Net cash flows from operating activities	63,756

The accompanying notes form part of these financial statements.

Statement of commitments

As at 30 June 2020

Commitments

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant, and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date.

Cancellable capital commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are reported below at the lower of the remaining contractual commitment and the value of those penalty or exit costs (that is, the minimum future payments).

Non-cancellable operating lease commitments

The Ministry leases property in the normal course of its business.

The Ministry's non-cancellable operating leases have varying terms, escalation clauses, and renewal rights.

The majority of these leases are for premises that have a non-cancellable leasing period ranging from three to 34 years, with regular rent reviews.

There are no restrictions placed on the Ministry by any of its leasing arrangements.

The total of minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$1.747 million (2019: \$4.347 million).

Actual 2019 \$000		Actual 2020 \$000
Capital commitments		
1,194	Buildings	2,574
1,194	Total capital commitments	2,574
Operating leases as lessee		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
22,085	Not later than one year	20,083
69,326	Later than one year and not later than five years	63,156
40,321	Later than five years	110,736
131,732	Total non-cancellable operating lease commitments	193,975
132,926	Total commitments	196,549

The accompanying notes form part of these financial statements.

Statement of contingent liabilities and contingent assets

As at 30 June 2020

Quantifiable contingent liabilities

Actual 2019 \$000		Actual 2020 \$000
15	Personal grievances	30
-	Legal proceedings and disputes	147
15	Total contingent liabilities	177

Personal grievances

Personal grievances represent amounts claimed by employees for personal grievances cases.

Legal proceeding and disputes

Legal proceedings and disputes represent the amounts claimed by plaintiffs in relation to the performance of the Ministry's statutory role and estimated associated legal costs. The Ministry is currently disputing these claims.

Unquantifiable contingent liabilities

The Ministry has no unquantifiable contingent liabilities (2019: nil).

Contingent assets

The Ministry has no contingent assets (2019: nil).

The accompanying notes form part of these financial statements.

Notes to the financial statements

Note 1 Statement of accounting policies

Reporting entity

The Ministry of Justice (the Ministry) is a government department as defined by section 2 of the Public Finance Act 1989 (PFA). Office for Māori Crown relations -Te Arawhiti (Te Arawhiti) is a departmental agency as defined by section 2 of the PFA, which is hosted within the Ministry. Unless explicitly stated references to the Ministry covers both the Ministry and Te Arawhiti.

The Ministry is domiciled and operates in New Zealand. These financial statements have been prepared pursuant to section 45B of the PFA. The Ministry's ultimate parent is the Crown.

In addition, the Ministry has reported on Crown activities and trust monies that it administers in the non-departmental statements and schedules on pages 132 to 148.

The Ministry's primary objective is to provide services to the New Zealand public. The Ministry does not operate to make a financial return.

The Ministry has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The Ministry is responsible for the following core functions:

- the delivery of operational services, including court and tribunal-related services, collections and electoral services
- the negotiations for settling historical Treaty of Waitangi claims
- the provision of support to the Judiciary
- the provision of policy advice
- leadership of the justice sector

The Ministry administers these functions in three Votes: Justice, Courts, and Treaty Negotiations.

The financial statements of the Ministry are for the year ended 30 June 2020, and were authorised for issue by the Chief Executive on 30 November 2020.

Basis of preparation

The financial statements have been prepared on a going-concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of the Ministry have been prepared in accordance with the requirements of the PFA, which includes the requirement to comply with New Zealand generally accepted accounting practices (NZ GAAP) and Treasury instructions.

The financial statements have been prepared in accordance with and comply with Tier 1 PBE accounting standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Ministry is New Zealand dollars.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings and certain financial instruments at fair value.

Changes in accounting policies

There have been no changes in the Ministry's accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not adopted early

Standards and amendments, issued but not yet effective that have not been early adopted, and which are relevant to the Ministry are:

Amendments to Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide enhanced disclosure. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Ministry does not intend to early adopt the amendment.

Financial Instruments

The XRB issued PBE IPSAS 41 Financial Instruments in March 2019. This standard supersedes PBE IFRS 9 Financial Instruments, which was issued as an interim standard. It is effective for periods beginning on or after 1 January 2022. The Ministry has not assessed the effect of the new standard.

Service Performance Reporting

PBE FRS48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2021. The Ministry has not assessed how application of PBE FRS 48 will affect its statement of performance.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Revenue Crown

The Ministry is primarily funded from the Crown. Revenue from the Crown is measured based on the Ministry's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Acts for the financial year.

The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, the Ministry can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. The Ministry is only permitted to expend its cash and cash equivalents within the scope and limits of its appropriations.

Goods and services tax (GST)

The statement of financial position is exclusive of GST, except for debtors and other receivables and creditors and other payables, which are GST inclusive. All other statements are GST exclusive.

The amount of GST owed to or from the Inland Revenue Department at balance date, being the difference between output GST and input GST, is shown as a current asset or current liability as appropriate in the statement of financial position.

The amount of GST paid to, or received from, the Inland Revenue Department, including GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

Government departments are exempt from income tax as public authorities. Accordingly, no charge for income tax has been provided for.

Critical accounting estimates and assumptions

In preparing these financial statements the Ministry has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

- Estimating the fair value of land and buildings – see note 8.
- Assessing the useful lives of software – see note 9.
- Measuring long service leave and retirements gratuities – see note 11.

Budget and forecast figures

Basis of the budget and forecast figures

The 2020 budget figures are for the year ended 30 June 2020 and were published in the 2019 annual report. They are consistent with the Ministry's best estimate financial forecast information submitted to The Treasury for the Budget Economic and Fiscal Update (BEFU) for year ended 30 June 2020.

In addition, the financial statements also present the updated budget information for 2020 submitted to The Treasury for the Supplementary Estimates.

The 2021 forecast figures are for the year ending 30 June 2021, which are consistent with the best estimate financial forecast information submitted to The Treasury for the BEFU for the year ended 30 June 2021.

The forecast financial statements have been prepared as required by the PFA to communicate forecast financial information for accountability purposes and have been prepared in accordance with PBE FRS 42 Prospective Financial Statements and comply with PBE FRS 42.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The forecast financial statements were approved for issue by the Chief Executive on 3 April 2020. The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

While the Ministry regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2021 will not be published.

Significant assumptions used in preparing the forecast financials

The forecast figures contained in these financial statements reflect the Ministry's purpose and activities and are based on a number of assumptions on what may occur during the 2021 year. The forecast figures have been compiled on the basis of existing government policies and Ministerial expectations at the time the Budget was finalised.

The main assumptions, which were adopted as at 3 April 2020, were as follows:

- The Ministry's activities and output expectations will remain substantially the same as the previous year focusing on the Government's priorities.
- Personnel costs were based on over 3000 full-time equivalent staff, which takes into account staff turnover.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the Ministry's best estimate of future costs that will be incurred.
- Remuneration rates are based on current wages and salary costs, adjusted for anticipated remuneration changes.

- Due to uncertainty and volatility in the New Zealand property market it is difficult to accurately budget for movements in the value of Ministry property. It is therefore assumed, when preparing the forecast, that there will be no gain or loss from property revaluations.

- Estimated year-end information for 2020 was used as the opening position for the 2021 forecasts.

The actual financial results achieved for 30 June 2021 are likely to vary from the forecast information presented, and the variations may be material.

Since the approval of the forecasts, the only significant change or event that would have a material impact on the forecasts has been the revaluation of land and buildings at 30 June 2020. This resulted in a revaluation increase of approximately 4%.

Changes to disclosures

Some classification changes within notes have been made in 2020 compared to 2019. Where classification changes have been made the 2019 comparatives have also been restated. Changes include:

- Note 3 Personnel costs – contractor costs have been shown on a new line. Additional staff remuneration items paid through the payroll system, such as allowances and overtime, have been reclassified from other to salaries and wages.
- Note 8 Property, plant and equipment and Note 9 Intangibles – the work in progress (WIP) column has been removed. Movements in WIP are now shown in the relevant class of property, plant and equipment or intangibles.

Note 2 Other revenue

Other Revenue

Departmental and other revenues are from the supply of goods and services to other government departments and third parties. This revenue is exchange revenue whereby the Ministry receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services or use of assets) to another entity in exchange.

Revenue from filing and similar fees is recognised when the obligation to pay the fee is incurred. Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised evenly over the term of the lease as a reduction in total rental income.

Interest Revenue

Interest revenue is accrued using the effective interest rate method.

Actual 2019 \$000		Actual 2020 \$000
26,741	Filing fees	25,451
19,399	Other	17,474
792	Interest	359
46,932	Total other revenue	43,284

- Small balances that have not been assessed essential to the reader have been consolidated into other like balances. Some adjustments to descriptions have also been made.

Impact of COVID-19

On 11 March 2020 the World Health Organisation declared a global pandemic as a result of the outbreak and spread of COVID-19. Following this, on Wednesday 25 March 2020 the New Zealand Government raised its Alert Level to 4, full lockdown of non-essential services, for an initial four week period.

Due to the lockdown Ministry of Justice operations were affected. Access to courts was limited and jury trials suspended.

Note 17 includes commentary on major variances against budget, including significant variances as a result of COVID-19.

COVID-19 and its effect on the economy has the potential to affect the estimates and assumptions used in determining the carrying value of the Ministry's assets and liabilities. Note 8 Property, plant and equipment, includes additional commentary on the uncertainty in the carrying value of land and buildings due to COVID-19.

Note 3 Personnel costs

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Obligations for contributions to the State Sector Retirement Saving Schemes, KiwiSaver and the Government Superannuation Fund are accounted for as defined contribution schemes and are expensed in the surplus or deficit as incurred.

Actual 2019 \$000		Notes	Actual 2020 \$000
280,649	Salaries and wages		310,581
21,239	Contractors	5	19,587
8,242	Employer contributions to defined contribution plans		9,267
2,272	Increase/(decrease) in employee entitlements		8,004
7,962	Other		8,169
320,364	Total personnel costs		355,608

Note 4 Operating costs

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Other expenses

Other expenses are recognised as goods and services are received.

Actual 2019 \$000		Notes	Actual 2020 \$000
46,863	Computer and telecommunications		49,728
23,895	Property related costs		25,681
20,231	Professional services		21,773
18,151	Property operating lease expense		20,531
12,574	Maintenance of facilities		14,059
13,808	Staff and judicial travel		12,117
7,071	Printing, stationery and postage		6,846
7,108	Consultants	5	6,134
6,901	Jurors fees and expenses		5,586
5,466	Judicial library and information services		5,260
1,469	Ministry library and information services		1,463
480	Audit fees for financial statements audit		519

Actual 2019 \$000	Notes	Actual 2020 \$000
71	Allowance for credit losses on receivables	72
-	Loss on disposal of assets	34
11,955	Other operating costs	12,075
176,043	Total operating expenses	181,878

Note 5 Contractors and consultants

The Ministry uses contractors and consultants to provide backfill for vacant positions or cover short-term demand, where specialist skills or independent external advice are needed (such as for specific programmes or projects), and in periods of peak demand.

A contractor is a person who is not considered an employee, providing backfill or extra capacity in a role that exists within the Ministry or acts as an additional resource for a time-limited piece of work.

A consultant is a person or firm who is not considered a contractor or employee, engaged to perform a piece of work with a clearly defined scope and provide expertise, in a particular field, not readily available from within the Ministry.

Actual 2019 \$000	Notes	Actual 2020 \$000
Operating expense		
21,239	Contractors 3	19,587
7,108	Consultants 4	6,134
28,347	Total operating expense - contractors and consultants	25,721
Capital expense		
5,972	Contractors and consultants capitalised to assets	6,816
34,319	Total contractors and consultants	32,537

Note 6 Capital charge

The capital charge is recognised as an expense in the financial year to which the charge relates.

The Ministry pays a capital charge to the Crown on its equity (adjusted for memorandum accounts and the retention of \$500,000 of the 2013 surplus) as at 31 December and 30 June each year. The capital charge rate for the year ended 30 June 2020 was 6 % (2019: 6 %).

Note 7 Receivables

Short term receivables are recorded at the amount due, less an allowance for credit losses. The Ministry applies the simplified approach to providing for expected credit losses to receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Actual 2019 \$000		Actual 2020 \$000
71,410	Debtor Crown	104,787
6,097	Sundry receivables	8,716
(513)	Less: allowance for credit losses	(576)
5,584	Total sundry receivables	8,140
76,994	Total receivables	112,927
Total receivables comprise:		
5,584	Receivables from exchange transactions	8,140
71,410	Receivables from non-exchange transactions	104,787
76,994	Total Receivables	112,927

The allowance for credit losses was determined as follows:

Gross 2019 \$000	Life time expected credit loss 2019 \$000	Net 2019 \$000	Receivable days past due	Gross 2020 \$000	Life time expected credit loss 2020 \$000	Net 2020 \$000
74,120	-	74,120	Current	108,754	-	108,754
2,424	(3)	2,421	Receivables < 6 months	2,940	-	2,940
325	(3)	322	Receivables > 6 months but < 1 year	632	(29)	603
120	(56)	64	Receivables > 1 year but < 2 year	687	(87)	600
518	(451)	67	Receivables > 2 years	490	(460)	30
77,507	(513)	76,994	Total	113,503	(576)	112,927

The movement in the allowance for credit losses is as follows:

Actual 2019 \$000		Actual 2020 \$000
525	Balance at 1 July	513
119	Additional provisions made during the year	118
(37)	Less: reversal of prior year provision	(35)
(94)	Less: receivables written off during the year	(20)
513	Balance at 30 June	576

Note 8 Property, plant and equipment

Property, plant and equipment consist of the following asset classes: land, buildings, fitout/leasehold improvements, furniture and fittings, office equipment, computer equipment, computer equipment on finance lease and motor vehicles. Assets under construction are included in the relevant asset class.

Land is measured at fair value. Buildings, excluding assets under construction, are measured at fair value less accumulated depreciation and impairment losses. All other asset classes are measured at cost, less accumulated depreciation and impairment losses.

Asset revaluation

Land and buildings are revalued with sufficient regularity to ensure that the carrying amount does not differ materially from their fair value. Land and buildings are valued annually by a registered valuer. Land and buildings are inspected by the valuer on a rolling three yearly basis. For the remaining properties a desktop valuation is undertaken.

Land and building revaluation movements are accounted for on a class-of-asset basis. The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Accumulated depreciation at revaluation date is eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

Assets under construction are recognised at cost less impairment and are not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Individual assets are capitalised if their cost is \$5,000 or more. Grouped assets are capitalised if their cost is \$5,000 or more.

Disposal of property, plant and equipment

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the surplus or deficit. When a revalued asset is sold, the amount included in the property revaluation reserve in respect of the disposed asset is transferred to taxpayers' funds.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in the surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Asset class	Asset life (years)	Residual value
Buildings	Up to 100	Nil
Fit-out/leasehold improvements	Up to 25	Nil
Computer equipment	Up to 7	Nil
Furniture and fittings, office equipment	Up to 10	Nil
Motor vehicles	7	10 % of cost

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

The residual value and useful life of an asset is reviewed at each financial year end and adjusted, if applicable.

Impairment

The Ministry does not hold any cash-generating assets. Assets are considered cash-generating where their primary objective is to generate a commercial return.

The carrying amounts of property, plant and equipment and intangible assets are reviewed at least annually to determine if there is any indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. Losses resulting from impairment are reported in the surplus or deficit unless the asset is carried at a revalued amount, in which case any impairment loss is treated as a revaluation decrease.

	Land \$000	Buildings \$000	Fitout/ leasehold improvements \$000	Computer equipment \$000	Furniture and fittings, office equipment \$000	Motor vehicles \$000	Total \$000
Year ended 30 June 2020							
Cost	248,338	931,327	57,154	70,368	112,535	4,926	1,424,648
Accumulated depreciation	-	-	(46,570)	(46,867)	(61,752)	(3,512)	(158,701)
Opening net book value	248,338	931,327	10,584	23,501	50,783	1,414	1,265,947
Additions	-	29,993	500	9,123	9,058	-	48,674
Transfers	-	(27)	762	(4,611)	(554)	-	(4,430)
Revaluation	6,940	18,844	-	-	-	-	25,784
Disposals	(25,262)	-	-	-	-	(82)	(25,344)
Depreciation and impairment	-	(52,712)	(1,912)	(6,028)	(12,003)	(311)	(72,966)
Depreciation on disposals	-	-	-	-	-	71	71
Accumulated depreciation reversed on revaluation	-	51,168	-	-	-	-	51,168
Cost	230,016	980,137	58,416	74,880	121,039	4,844	1,469,332
Accumulated depreciation and impairment	-	(1,544)	(48,482)	(52,895)	(73,755)	(3,752)	(180,428)
Closing net book value	230,016	978,593	9,934	21,985	47,284	1,092	1,288,904
Includes assets under construction	-	32,628	500	1,704	2,713	-	37,545
Year ended 30 June 2019							
Cost	238,994	885,324	56,620	72,144	92,664	5,013	1,350,759
Accumulated depreciation	-	-	(44,851)	(42,275)	(50,993)	(3,222)	(141,341)
Opening net book value	238,994	885,324	11,769	29,869	41,671	1,791	1,209,418
Additions	-	49,859	534	-	19,871	47	70,311
Revaluation	9,344	(3,856)	-	-	-	-	5,488
Disposals	-	-	-	(1,532)	-	(134)	(1,666)
Other movements	-	-	-	(244)	-	-	(244)
Depreciation and impairment	-	(44,247)	(1,719)	(6,120)	(10,759)	(410)	(63,255)
Depreciation on disposals	-	-	-	1,528	-	120	1,648
Accumulated depreciation reversed on revaluation	-	44,247	-	-	-	-	44,247

	Land \$000	Buildings \$000	Fitout/ leasehold improvements \$000	Computer equipment \$000	Furniture and fittings, office equipment \$000	Motor vehicles \$000	Total \$000
Cost	248,338	931,327	57,154	70,368	112,535	4,926	1,424,648
Accumulated depreciation and impairment	-	-	(46,570)	(46,867)	(61,752)	(3,512)	(158,701)
Closing net book value	248,338	931,327	10,584	23,501	50,783	1,414	1,265,947
Includes assets under construction	-	26,402	145	5,843	4,455	47	36,892

There are no restrictions over the title of the Ministry's property, plant and equipment, nor are any of these assets pledged as security for liabilities.

The Ministry has assets valued at \$139.788 million listed under the Historic Places Trust Act 1993 (2019: \$131.822 million), which are included in the assets above.

Land at 46 Cameron Road and 26 McLean Street, Tauranga will be transferred upon enactment of a Treaty settlement expected in 2020.

Critical accounting estimates and assumptions

The land and buildings were valued at fair value as at 30 June 2020 by an independent valuers, Marvin Clough, AAPI, MPINZ, Technical Director - Valuations and Nick Funnell, AAPI, MPINZ, Registered Valuer of Beca Projects NZ Limited.

COVID-19

The valuer has explained that COVID-19 has increased the level of uncertainty in the valuation and as at the date of the valuation they consider that there is significant market uncertainty. The fair value of land and buildings may change significantly and unexpectedly over a relatively short period of time as a result of COVID-19 or other factors that are currently unknown or uncertain.

Land

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the unencumbered land value where there is a designation against the land or the use of the land is restricted because of reserve or endowment status.

These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

Restrictions on the Ministry's ability to sell land would normally not impair the value of the land because the Ministry has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

Buildings

The Ministry's non-specialised buildings are valued at fair value using market-based evidence. Market rents and capitalisation rate methodologies were applied in determining the fair value of buildings.

The Ministry's specialised buildings have been valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings. This approach is used for buildings which are deemed to be seldom traded on an open market or have a restricted market for the use of the asset.

Depreciated replacement cost is determined using a number of significant assumptions, including:

- The replacement asset is based on the replacement with modern equivalent assets with adjustments where appropriate for optimisation due to over-design or surplus capacity.
- The replacement cost is derived from recent construction contracts of similar assets and Property Institute of New Zealand cost information.
- The remaining useful life of assets is estimated.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Note 9 Intangible Assets

Intangible assets are initially recorded at cost. Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs that are directly associated with the development of software for internal use by the Ministry are recognised as an intangible asset.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs of software updates or upgrades are only capitalised when they increase the usefulness or value of the software. Costs associated with development and maintenance of the Ministry's website are recognised as an expense when incurred.

Intangible assets with finite lives are subsequently recorded at cost, less any amortisation and impairment losses. Amortisation is charged to the surplus or deficit on a straight-line basis over the useful life of the asset. Estimated useful lives are:

Asset category	Asset life (years)
Acquired software	Up to 7
Internally generated software	Up to 14

	Acquired Software \$000	Internally Generated Software \$000	Total \$000
Year ended 30 June 2020			
Cost	62,903	206,585	269,488
Accumulated amortisation	(38,411)	(164,060)	(202,471)
Opening net book value	24,492	42,525	67,017
Additions	8,289	10,821	19,110
Transfers	(494)	4,924	4,430
Disposals	(29)	(165)	(194)
Amortisation	(3,246)	(16,539)	(19,785)
Amortisation on disposals	26	146	172
Cost	70,669	222,165	292,834
Accumulated amortisation	(41,631)	(180,453)	(222,084)
Closing net book value	29,038	41,712	70,750
Includes assets under construction	11,631	11,460	23,091
Year ended 30 June 2019			
Cost	62,854	193,798	256,652
Accumulated amortisation	(37,019)	(148,106)	(185,125)
Opening net book value	25,835	45,692	71,527
Additions	1,040	12,805	13,845
Disposals	(991)	(18)	(1,009)
Amortisation	(2,383)	(15,972)	(18,355)
Amortisation on disposals	991	18	1,009
Cost	62,903	206,585	269,488
Accumulated amortisation	(38,411)	(164,060)	(202,471)
Closing net book value	24,492	42,525	67,017
Includes assets under construction	3,836	6,282	10,118

There are no restrictions over the title of the Ministry's intangible assets, nor are any intangible assets pledged as security for liabilities.

Critical accounting estimates and assumptions

The useful life of software is determined at the time the software is acquired and brought into use and is reviewed at each reporting date for appropriateness. For computer software licenses, the useful life represents management's view of the expected period over which the Ministry will receive benefits from the software, but not exceeding the licence term. For internally generated software developed by the Ministry, the useful life is based on historical experience with similar systems as well as anticipation of future events that may impact the useful life, such as changes in technology.

Note 10 Payables and deferred revenue

Short-term creditors and other payables are recorded at the amount payable.

Actual 2019 \$000		Actual 2020 \$000
Payables and deferred revenue under exchange transactions		
19,663	Creditors and other payables	15,838
20,101	Accrued expenses	19,949
411	Deferred revenue for cost recovered services	-
40,175	Total payables and deferred revenue under exchange transactions	35,787
Payables and deferred revenue under non-exchange transactions		
3,556	Taxes payable (eg GST)	6,416
43,731	Total payables and deferred income	42,203

Note 11 Employee entitlements

Short-term employee entitlements

Employee entitlements that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

The Ministry recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that the Ministry anticipates it will be used by staff to cover those future absences.

The Ministry recognises a liability and an expense for performance payments where it is contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Holidays Act 2003 remediation

In October 2019 all affected current Ministry employees received remediation payments under the Holiday Act 2003 for the period April 2009 to June 2018. The Ministry is performing remediation calculations for current employees for the period after June 2018 and for affected former Ministry employees for the period after April 2009. The provision at 30 June 2020 represents the Ministry's best estimate of the remaining remediation costs which are expected to be paid out in the 2021 financial year.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the reporting period in which the employee renders the related service, such as long service leave and retiring leave, are calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible to, the estimated future cash outflows for entitlements. The inflation factor is based on the expected long-term increase in remuneration for employees.

Presentation of employee entitlements

Vested and non-vested long service leave and retirement gratuities expected to be settled after 12 months of balance date are classified as a non-current liability. All other classifications of employee entitlements are classified as a current liability.

Actual 2019 \$000		Actual 2020 \$000
Current liabilities		
13,904	Annual leave	19,940
2,591	Salaries	5,089
2,823	Retirement and long-service leave	3,184
9	Sick leave	9
7,744	Other employee entitlements	3,757
27,071	Total current liabilities	31,979
Non-current liabilities		
8,303	Retirement and long-service leave	9,367
8,303	Total Non-current liabilities	9,367
35,374	Total provision for employee entitlements	41,346

Critical accounting estimates and assumptions

The present value of the retirement and long service leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability. Expected future payments are discounted using discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible to, the estimated future cash outflows. The discount rate used was 0.22 % with 1.83 % salary inflation for year one of the projection (2019: 1.26 % with 2.72 % salary inflation).

If the discount rate was 1 % lower from the Ministry's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$943,000 higher.

If the salary inflation factor was 1 % higher from the Ministry's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$917,000 higher.

The valuations of long service leave and retirement leave as at 30 June 2020 were conducted by an independent actuary, Simon Ferry, FIA FNZSA, of AON New Zealand.

Note 12 Provisions

The Ministry recognises a provision for future expenditure of uncertain amount and timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance cost.

Restructuring

A provision is recognised when an approved detailed formal plan for the restructuring has either been announced publicly to those affected, or for which implementation has already commenced.

	Make Good \$000	Restructuring \$000	Other Provision \$000	Total \$000
Year ended 30 June 2020				
Opening balance	2,746	564	5,564	8,874
Additional provisions made	693	25	2,351	3,069
Amount utilised	(276)	(45)	(5,911)	(6,232)
Unused provisions reversed	-	(329)	-	(329)
Closing balance	3,163	215	2,004	5,382
Current portion	2,003	215	2,004	4,222
Non-current portion	1,160	-	-	1,160
Year ended 30 June 2019				
Opening balance	2,776	764	6,153	9,693
Additional provisions made	270	180	1,500	1,950
Amount utilised	(55)	(181)	(2,089)	(2,325)
Unused provisions reversed	(245)	(199)	-	(444)
Closing balance	2,746	564	5,564	8,874
Current portion	1,486	564	5,564	7,614
Non-current portion	1,260	-	-	1,260

The make-good provision relates to contractual obligations resulting from the Ministry entering into lease contracts. The lease obligations require the Ministry to make good the condition of the land and buildings upon terminating the lease and vacating the premises. The Ministry has the option to renew these leases, which may change the timing of the expected cash outflows to make good the premises.

Restructuring provisions provide for the expected costs arising from the reorganisation within the Ministry. All these costs are expected to be expensed during 2020.

The other provision are costs associated with remediating and maintaining compliance with the Holidays Act 2003.

Note 13 Return of operating surplus

Actual 2019 \$000	Actual 2020 \$000
6,686 Net surplus/(deficit)	8,970
(21) (Surplus)/deficit of memorandum accounts	70
6,665 Total return of operating surplus	9,040

The net operating surplus from the delivery of outputs must be repaid by 31 October of each year.

In line with the extension to the statutory reporting deadline to 30 November 2020 due to COVID-19, the net operating surplus from the delivery of outputs will be made by 15 December 2020.

Note 14 Equity

Equity is the Crown's investment in the Ministry and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified as taxpayers' funds, memorandum accounts and property revaluation reserves.

Memorandum accounts

Memorandum accounts reflect the cumulative surplus/(deficit) on those departmental services provided that are intended to be fully cost recovered from third parties through fees, levies or charges. The balance of each memorandum account is expected to trend toward zero over time.

Property revaluation reserves

These reserves relate to the revaluation of land and buildings to fair value.

Capital management

The Ministry's capital is its equity, which comprises taxpayers' funds, memorandum accounts and revaluation reserves. Equity is represented by net assets.

The Ministry manages its revenue, expenses, assets, liabilities and general financial dealings prudently. The Ministry's equity is largely managed as a by-product of managing income, expenses, assets, liabilities and compliance with the government budget processes, Treasury's Instructions and the PFA.

The objective of managing the Ministry's equity is to ensure the Ministry effectively achieves the goals and objectives for which it has been established, whilst remaining a going concern.

Actual 2019 \$000	Actual 2020 \$000
Taxpayers' funds	
947,965 Balance at 1 July	951,665
6,686 Surplus/(deficit)	8,970
(6,665) Return of operating surplus to the Crown	(9,040)
3,700 Capital contribution from the Crown	3,272
- Capital withdrawal	(25,261)
(21) Transfer of memorandum account net (surplus)/deficit	70
- Transfer realised revaluation from property valuation reserves	7,852
951,665 Balance at 30 June	937,528
Memorandum accounts	
695 Balance at 1 July	716
21 Net memorandum account surplus/(deficit) for the year	(70)
716 Balance at 30 June	646
Property revaluation reserves	
381,909 Balance at 1 July	431,643
49,734 Revaluation gains	76,952
- Transfer realised revaluation to taxpayers' funds	(7,852)
431,643 Balance at 30 June	500,743

Actual 2019 \$000		Actual 2020 \$000
Property valuation reserves consist of:		
81,620	Land revaluation reserve	80,708
350,023	Buildings revaluation reserve	420,035
431,643	Total property valuation reserves	500,743
1,384,024	Total equity	1,438,917

Memorandum accounts

Actual 2019 \$000		Actual 2020 \$000
Second Hand Dealers and Pawnbrokers		
541	Balance at 1 July	519
167	Revenue	137
(189)	Expenses	(139)
(22)	Surplus/(deficit)	(2)
519	Balance at 30 June	517
Legal Complaints Review Officers		
154	Balance at 1 July	197
1,633	Revenue	1,763
(1,590)	Expenses	(1,831)
43	Surplus/(deficit)	(68)
197	Balance at 30 June	129

These memorandum accounts summarise financial information related to the accumulated surpluses and deficits incurred by the Ministry on a full cost recovery basis. The use of these accounts enables the Ministry to take a long-run perspective to fee setting and cost recovery. The balance of each memorandum account is expected to trend towards zero over a reasonable period of time, with interim deficits being met either from cash from the Ministry's statement of financial position, or by seeking approval for a capital contribution from the Crown. Capital contributions will be repaid to the Crown by way of cash payments throughout the memorandum account cycle.

The Second Hand Dealers and Pawnbrokers and Legal Complaints Review Officers memorandum accounts require separate recognition within the financial statements.

The Second Hand Dealers and Pawnbrokers account records the financial activities around the licensing of second hand dealers and pawnbrokers and the certification of certain employees of licence holders.

The Legal Complaints Review Officers (LCRO) account records the financial activities of the LCRO, which provides independent oversight and review of the decisions made by the standards committees of the New Zealand Law Society and the New Zealand Society of Conveyancers.

Note 15 Related party transactions and key management personnel

The Ministry is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Ministry would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

Actual 2019 \$000		Actual 2020 \$000
2,951	Remuneration	3,077
7.2	Full-time equivalent staff	8.0

The above key management personnel disclosure excludes the Minister of Justice, Minister for Courts, the Minister for Treaty of Waitangi Negotiations and the Minister for Māori Crown Relations: Te Arawhiti. The Ministers' remuneration and other benefits are not received only for their roles as members of key management personnel of the Ministry. The Ministers' remuneration and other benefits are set by the Remuneration Authority under the Members of Parliament (Remuneration and Services) Act 2013 and are paid under Permanent Legislative Authority, and not paid by the Ministry of Justice.

Note 16 Financial Instruments

Categories of financial instruments

The carrying amounts of financial assets and financial liabilities are as follows:

Actual 2019 \$000		Actual 2020 \$000
Financial assets measured at amortised cost		
66,041	Cash and cash equivalents	60,270
76,994	Debtors and other receivables	112,927
143,035	Total financial assets measured at amortised cost	173,197
Financial liabilities measured at amortised cost		
39,764	Payables (excluding deferred revenue and taxes payable)	35,787
39,764	Total financial liabilities measured at amortised cost	35,787

Fair Value

The fair value of financial assets and liabilities is equivalent to the carrying amount disclosed in the statement of financial position.

Financial Instrument risk

Market risk

Currency risk and interest rate risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Ministry has no exposure to these risks because it has no financial instruments measured in a foreign currency or issued at variable interest rates.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Ministry, causing the Ministry to incur a loss.

In the normal course of Ministry business, credit risk arises from receivables and deposits with banks.

The Ministry is permitted to deposit funds only with Westpac (Standard and Poor's credit rating of AA-), a registered bank. For its other financial instruments, the Ministry does not have significant concentrations of credit risk.

The Ministry's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

Liquidity risk

Liquidity risk is the risk that the Ministry will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with the expected cash drawdown as negotiated with the New Zealand Debt Management Office through Treasury. The Ministry maintains a target level of available cash to meet liquidity requirements.

The Ministry has financial liabilities of \$35.787 million payable within six months from balance date (2019: \$39.764 million). The carrying value equals the contractual cash flow for these liabilities.

Note 17 Explanation of major variances against budget

Explanations for major variances from the Ministry's original 2020 budget figures are as follows:

Statement of comprehensive revenue and expense

Crown Revenue was \$38.259 million higher than budgeted. This was due to approved increases in the Ministry's budget during the 2019/20 financial year. This includes the addressing the impacts of property revaluations and public provision of referendum-related information.

Personnel costs were \$22.969 million higher than budgeted. This was mainly due to approved increases in the Ministry's budget over the 2019/20 financial year for additional staff and salary increases. In addition, expenditure for annual leave was higher due to lower leave taken during the year due to COVID-19. Personnel costs were \$11.353 million lower than the supplementary estimate due to the timing of placements and changes to projects and work programmes.

Operating expenses were \$17.010 million lower than budgeted and \$11.622 million lower than the supplementary estimate. This was mainly due to changes in phasing of projects and work programmes. A number of under spends were anticipated and approvals in-principle were obtained to carry these forward to 2020/21.

Depreciation, amortisation and impairment expenses were \$11.182 million higher than budgeted. This was due to the budget being prepared before the results of the 2018/19 valuation were known and timing of asset additions.

Due to uncertainty and volatility in the New Zealand property market it is difficult to accurately budget for gains on property valuations. It is therefore assumed, when preparing the budget, that there will be no gain or loss from property revaluations.

Statement of financial position

Cash and cash equivalents were \$10.935 higher than budgeted. This primarily relates to the actual opening balance of cash and cash equivalents being higher than the budgeted balance due to timing of when the budget was prepared. Cash and cash equivalents were \$12.343 higher than the supplementary estimate. This was due to lower purchases of assets than estimated due to timing of projects and delays due to COVID-19. This was offset by a lower operating cashflow.

Receivables were \$19.672 million higher than the supplementary estimate. This is mainly due to higher Crown Debtor balance as at the 30 June than expected.

Property, plant and equipment was \$89.825 million higher than budgeted and \$61.989 higher than the supplementary estimate. This is due to the recognition of the unbudgeted increase in value from the revaluation of the Ministry's land and building assets and timing of asset additions and disposals.

Current employee entitlements were \$15.149 million higher than budgeted. Annual leave provision was higher than budget due to lower leave taken during the year as a result of COVID-19. The budget assumed remediation payments associated with the Holidays Act compliance would be completed during the year but are now expected to be finalised in the 2020/21 financial year.

Taxpayers' funds were \$15.200 lower than budgeted. This was mainly due to a capital withdrawal of \$25.261 million during the year as part of a capital to operating swap for assets sold and leased back as part of treaty settlements. This was offset by the property revaluation reserves transferred on sale of land of \$7.853 million.

Property revaluation reserves were \$118.836 higher than budgeted and \$76.954 higher than the supplementary estimate. The variances are due to the property valuations not being included in the budget and revaluation reserves transferred on sale of land.

Statement of cash flows

Variances in the statement of cash flows are in line with variances in the statement of comprehensive revenue and expense and statement of financial position as explained above.

Note 18 Summary Analysis of the Ministry and Te Arawhiti

On 18th September 2018, Cabinet approved the establishment of a new Crown Agency, Office for Māori Crown relations Te Arawhiti (Te Arawhiti) and the scope of the portfolio [CAB-18-MIN-0456]. The new Crown Agency was established on 1 January 2019 and is housed within the Ministry and brings together the Office of Treaty Settlements, the Marine and Coastal Area (Takutai Moana) Unit, the Post Settlement Commitments Unit and the Crown/Māori Relations Rōopu.

The Ministry's financial statements include Te Arawhiti. Te Arawhiti does not have any separately identifiable assets or liabilities. A reconciliation between the revenue and expenses of the Ministry and Te Arawhiti is shown below.

	Ministry Actual 2020 \$000	Te Arawhiti Actual 2020 \$000	Total Actual 2020 \$000
Revenue and expenses			
Revenue			
Crown	621,863	44,274	666,137
Department	11,576	1,071	12,647
Other revenue	43,162	122	43,284
Total revenue	676,601	45,467	722,068
Expenses			
Personnel costs	329,039	26,569	355,608
Operating costs	167,744	14,134	181,878
Capital charge	82,458	403	82,861
Depreciation, amortisation and impairment	91,675	1,076	92,751
Total expenses	670,916	42,182	713,098
Net surplus/(deficit)	5,685	3,285	8,970

Note 19 Events after balance date

There have been no significant events after the balance date.

Non-departmental statements and schedules

For the year ended 30 June 2020

The following non-departmental statements and schedules record the revenue, capital receipts, expenses, assets, liabilities, commitments, contingent liabilities, contingent assets, and trust accounts that the Ministry manages on behalf of the Crown.

Schedule of non-departmental revenue and receipts

For the year ended 30 June 2020

	Actual 2019 \$000	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000
121,342 Court fines		131,761	111,355	111,355
10,568 Community Law Centre receipts		6,954	8,804	8,804
9,304 Legal Aid Debt established		6,927	12,904	12,904
1,742 Recovery of judicial salaries		2,905	927	927
3,071 Offender levies		2,685	3,628	3,628
1,276 Family Court Cost Contribution Orders		810	6,459	6,459
725 Interest on treaty settlement prepaid lease		711	708	708
- Money forfeited to the Crown		8	200	200
4,437 Other revenue		10,360	9,374	9,374
152,465 Total revenue and receipts		163,121	154,359	154,359

Schedule of non-departmental capital receipts

No capital receipts were received by the Ministry on behalf of the Crown during the year ended 30 June 2020 (2019: nil).

Explanations of significant variances against budget are detailed in note 8.

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental expenses

For the year ended 30 June 2020

Actual 2019 \$000		Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000
143,148	Personnel - Judges'/Coroners' salaries and allowances	139,328	163,118	161,424
275,901	Crown expenditure Vote Justice	368,370	327,753	380,073
130,997	Crown expenditure Vote Courts	135,228	151,836	148,036
60,100	Crown expenditure Vote Treaty Negotiations	26,146	557,250	113,486
58,456	GST Expense	72,325	64,170	64,170
668,602	Total non-departmental expenditure	741,397	1,264,127	867,189

Further split of non-departmental expenses can be found in the 'Statement of budgeted and actual non-departmental expenses and capital expenditure incurred against appropriations' schedules on pages 150 to 157. Personnel - Judges'/Coroners' salaries and allowances are included in Vote Courts.

Explanations of significant variances against budget are detailed in note 8.

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental assets

As at 30 June 2020

Actual 2019 \$000		Notes	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000
Current assets					
62,213	Cash and cash equivalents		67,543	46,232	55,191
14,012	Legal Aid receivables	2	12,058	17,298	14,012
77,811	Fines and other receivables	3	74,575	97,502	77,335
154,036	Total current assets		154,176	161,032	146,538
Non-current assets					
39,866	Legal Aid receivables	2	34,553	38,356	39,866
85,835	Fines and other receivables	3	87,830	82,384	86,310
8,577	Assets held for Treaty of Waitangi settlements	4	8,577	8,577	8,577
134,278	Total non-current assets		130,960	129,317	134,753
288,314	Total non-departmental assets		285,136	290,349	281,291

In addition, the Ministry monitors six Crown entities. These are the Privacy Commissioner, Law Commission, Independent Police Conduct Authority, Human Rights Commission, Real Estate Agents Authority and Electoral Commission. The investment in these entities is consolidated in the Financial Statements of the Government on a line-by-line basis. The investment in these entities is not included in this schedule.

Explanations of significant variances against budget are detailed in note 8.

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental liabilities

As at 30 June 2020

Actual 2019 \$000	Notes	Actual 2020 \$000	Unaudited budget 2020 \$000	Unaudited supplementary estimate 2020 \$000
Current liabilities				
46,921	Treaty settlements payables	109,591	156,610	135,950
58,355	Creditors and other payables	5	62,483	58,774
48,733	Judges' entitlements	6	36,904	56,945
154,009	Total current liabilities	208,978	278,466	251,669
Non-current liabilities				
362,487	Treaty settlements payables		292,041	571,615
36,705	Judges' entitlements	6	39,904	34,443
399,192	Total non-current liabilities	331,945	606,058	306,512
553,201	Total non-departmental liabilities	540,923	884,524	558,181

Schedule of non-departmental commitments

As at 30 June 2020

The Ministry on behalf of the Crown has no non-cancellable capital or lease commitments (2019: nil).

Explanations of significant variances against budget are detailed in note 8.

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Schedule of non-departmental contingent liabilities and contingent assets

As at 30 June 2020

Actual 2019 \$000	Actual 2020 \$000	
741	Māori Land Court	1,175
741	Total quantifiable contingent liabilities	1,175

Māori Land Court contingent liabilities arise from orders made by the Court where any costs that arise from the order will be a charge against the Māori Land Court Special Aid Fund in terms of section 98 of the Te Ture Whenua Māori Act 1993.

Unquantifiable contingent liabilities

Vote Justice

Justices of the Peace, Community Magistrates and Disputes Tribunal Referees

Section 50 of the District Court Act 2016, Section 4F of the Justices of the Peace Act 1957, and Section 58 of the Disputes Tribunal Act 1988 require the Crown to indemnify Community Magistrates and Justices of the Peace, respectively, against damages or costs awarded against them as a result of them exceeding their jurisdiction, provided a High Court judge certifies that they have exceeded their jurisdiction in good faith and ought to be indemnified. Section 58 of the Disputes Tribunal Act 1988 confers a similar indemnity on Disputes Tribunal Referees.

Criminal Proceeds (Recovery) Act

The Ministry of Justice is responsible for administering the Criminal Proceeds (Recovery) Act 2009. The Act requires the Crown to give an undertaking as to damages or costs in relation to asset restraining orders. In the event that the Crown is found liable, payment may be required.

Vote Treaty Negotiations

Treaty of Waitangi claims

Under the Treaty of Waitangi Act 1975, any Māori may lodge certain claims relating to land or actions counter to the principles of the Treaty with the Waitangi Tribunal. Where the Tribunal finds a claim is well founded, it may recommend to the Crown that action be taken to compensate those affected. The Tribunal can make recommendations that are binding on the Crown with respect to land which has been transferred by the Crown to a State-owned Enterprise (SOE) or tertiary institution, or is subject to the Crown Forest Assets Act 1989.

On occasion, Māori claimants pursue the resolution of claims against the Crown through higher courts. Failure to successfully defend such actions may result in a liability for historical Treaty grievances in excess of that currently anticipated.

Treaty of Waitangi claims – settlement relativity payments

The Deeds of Settlement negotiated with Waikato-Tainui, and Ngāi Tahu include a relativity mechanism. The mechanism provides that, where the total redress amount for all historical Treaty settlements exceeds \$1 billion in 1994 present-value terms, the Crown is liable to make payments to maintain the real value of Waikato-Tainui's, and Ngāi Tahu's settlements as a proportion of all Treaty settlements. The agreed relativity proportions are 17 percent for Waikato-Tainui and approximately 16 percent for Ngāi Tahu.

As the relativity mechanism has been triggered additional costs are likely to be incurred, in future years, in accordance with the relativity mechanism as Treaty settlements are reached. However, no value can be placed on these at this point in time, as there is uncertainty as to when each negotiation will settle, and the value of any settlement when reached. There is also uncertainty on how various disputes concerning the interpretation of the mechanism will be resolved.

Contingent assets

The Ministry on behalf of the Crown has no contingent assets (2019: nil).

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Statement of trust monies

For the year ended 30 June 2020

The following trust money was administered on behalf of the Crown under Section 66 of the PFA. The transactions through these accounts and their balances are not included in the Ministry's annual financial statements.

	Court Law \$000	Fines \$000	Employment Court \$000	Māori Land Court \$000	Prisoners' and Victims' Claims \$000	Supreme Court \$000
Year ended 30 June 2020						
Opening cash balance	20,953	44,291	290	61	269	116
Contributions	26,490	230,217	288	59	582	136
Distributions	(26,341)	(237,750)	(297)		(353)	(90)
Closing cash balance	21,102	36,758	281	120	498	162
Year ended 30 June 2019						
Opening cash balance	9,993	46,149	174	42	147	86
Contributions	40,120	195,040	439	19	513	117
Distributions	(29,160)	(196,898)	(323)	-	(391)	(87)
Closing cash balance	20,953	44,291	290	61	269	116

Court law trust account

This trust account holds deposits made by individuals filing for action in the District Court, the High Court or the Court of Appeal. There are 56 individual Law Trust accounts, which are managed by the individual courts and collections offices.

Fines trust account

This trust account holds deposits for all fines collected and associated fees prior to disbursement back to the Crown and local authorities or victims. Fines collected are court-imposed (including reparations) and infringements collected on behalf of New Zealand Police, local authorities and other prosecuting agencies.

Employment court trust account

This trust account holds deposits as security for costs against outstanding proceedings, as required by the Employment Relations Authority and the Employment Court under the Employment Relations Act 2000.

Māori land court trust account

This trust account holds money for security for costs and for other matters associated with proceedings of the court.

Prisoners' and Victims' Claims Act trust account

This trust account is established under section 50 of the Prisoners' and Victims' Claims Act 2005. This account holds payments of compensation money.

Supreme court trust account

This trust account holds deposits made by individuals filing for action and to allow the Supreme Court to administer proceedings.

Other trust accounts

Legal complaints review trust account

This trust account holds levies received by the Ministry to reimburse the costs of the Legal Complaints Review process. This trust account has a nil balance (2019:nil).

Foreign currency trust accounts

These trust accounts, on instruction from court judges, hold deposits made from time to time where the final outcome of cases is yet to be determined. There is one trust account for US Dollars and one for Euros. Both trust accounts have a nil balance (2019:nil).

The accompanying notes form part of these statements and schedules.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2020.

Notes to the non-departmental financial statements and schedules

Note 1 Statement of significant accounting policies

Reporting entity

These non-departmental statements and schedules present financial information on public funds managed by the Ministry on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2020. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, refer to the Financial Statements of the Government for the year ended 30 June 2020.

Basis of preparation

The non-departmental statements and schedules have been prepared in accordance with the accounting policies of the Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental statements and schedules are consistent with New Zealand generally accepted accounting practice (tier 1 Public Benefit Entity (PBE) Accounting Standards) as appropriate for public benefit entities.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency is New Zealand dollars.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain financial instruments at fair value.

Changes in accounting policies

There have been no changes in accounting policies since the date of the last audited financial statements.

Standards issued and not yet effective and not adopted early

These are the same as disclosed in the departmental financial statements. This information can be found in Note 1 to the departmental financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate.

Significant accounting policies that do not relate to a specific note are outlined below.

Revenue from non-exchange transactions

Court fines and legal aid debt established

Revenue from fines is recognised when the notice of fine is issued. Revenue from legal aid is recognised when a case is finalised, and the amount to be recovered from the customer has been agreed.

Revenue is measured at fair value. Fair value is determined using a model that uses past experience to forecast the expected collectability and timing of receipts and discounts these to present value using an appropriate discount rate. The initial fair value write-down is netted off against the revenue recognised.

Community law centre receipts

In accordance with section 298 of the Lawyers and Conveyancers Act 2006 the New Zealand Law Society distributes interest on the Special Fund to the Ministry for the purpose of funding community law centres. Receipts are recognised as revenue upon entitlement.

Revenue from exchange transactions

All other revenue is deemed exchanged. Revenue is measured at fair value. The revenue recognition point is when the obligation to pay has been incurred.

Treaty settlement payables

Treaty settlement payables are recorded when a treaty settlement deed has been initialled. These are recorded at the amount payable. These are classified as non-exchange payables.

Goods and services tax (GST)

All items in the financial statements and schedules, including appropriation statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. In accordance with Treasury instructions, GST is returned on revenue received on behalf of the Crown, where applicable. However, no input tax deduction is claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense and eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Critical accounting estimates and assumptions

In preparing these financial schedules, the Ministry on behalf of the Crown has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. The estimates and assumptions that have a risk of causing an adjustment to the carrying amount of assets and liabilities within the next financial year are:

- Estimating the fair value of legal aid receivable – see note 2

- Estimating the allowance for credit losses for fines receivable – see note 3
- Valuation of legal aid accrual – see note 5
- Measuring retirement gratuities and sabbatical leave – see note 6.

- Note 2 Legal Aid receivables presentation has been updated to reflect the disclosure requirements of PBE IPSAS 30.
- Note 7 Financial instruments has been updated to reflect classification of financial instruments under PBE IFRS 9.

Budget figures

Basis of the budget figures

The 2020 budget figures are for the year ended 30 June 2020 and are consistent with the Ministry's best estimate financial forecast information submitted to The Treasury for the Budget Economic and Fiscal Update (BEFU) for the year ended 30 June 2020.

In addition, the financial statements also present the updated budget information for 2020 submitted to The Treasury for the Supplementary Estimates.

Changes to disclosures

Some classification changes within the statements, schedules, and notes have been made in 2020 compared to 2019. Where classification changes have been made the 2019 comparatives have also been restated. Changes include:

- Fines receivable and other receivables have been combined in the schedule of non-departmental assets. These have been combined as these items have the same accounting treatment. Relevant information on fines receivable has been shown in the note for fines and other receivables.

Impact of COVID-19

On 11 March 2020 the World Health Organisation declared a global pandemic as a result of the outbreak and spread of COVID-19. Following this, on Wednesday 25 March 2020 the New Zealand Government raised its Alert Level to 4, full lockdown of non-essential services, for an initial four week period.

Due to the lock down Ministry of Justice operations were affected. Access to courts was limited and jury trials suspended.

Note 8 includes commentary on major variances against budget, including significant variances as a result of COVID-19.

COVID-19 and its effect on the economy has the potential to affect the estimates and assumptions used in determining the carrying value of the Ministry's assets and liabilities. Note 2 Legal Aid receivables and note 3 Fines and other receivables, include additional commentary on the uncertainty in the carrying value of these assets.

Note 2 Legal Aid receivables

Legal aid receivables arise from granting of legal aid under the Legal Services Act. Legal aid receivables are designated at fair value through surplus or deficit under PBE IFRS 9 Financial Instruments.

The nominal balance of the receivable is the sum of all obligations that borrowers have including legal aid loan principal and interest. The carrying value represents the fair value of these receivables.

Actual 2019 \$000		Actual 2020 \$000
	Fair value	
56,690	Fair value at 1 July	53,878
32,360	Nominal value of new legal aid debt	39,515
(19,387)	Fair value write-down on new debt	(22,496)
(14,231)	Legal aid debt repaid	(12,912)
3,478	Time value of money adjustment	3,526
(5,032)	Fair value remeasurement	(14,900)
53,878	Fair value at 30 June	46,611

Actual 2019 \$000		Actual 2020 \$000
14,012	Current portion	12,058
39,866	Non-current portion	34,553
Fair value consists of:		
18,233	Secured	16,946
35,645	Unsecured	29,665
53,878	Fair value at 30 June	46,611
Nominal value		
160,153	Nominal value of legal aid debt	182,083

Critical accounting estimates and assumptions

The fair value of legal aid receivable has been determined on an actuarial basis by discounting the expected flow of repayments. The fair value of the legal aid receivable is dependent on ongoing repayment rates as well as the discount rate utilised in the valuation. This assessment takes into account whether the debt is secured against property and receipts to date against the debt.

The nominal value of legal aid receivable includes a small portion of accrued debt that has been estimated for open active cases.

There is significant uncertainty about the impact of a COVID-19 recession on repayment behaviour in the future. No explicit allowance has been made as part of the valuation due to the implications of COVID-19 on legal aid debtors or the economy as a whole. The Ministry has considered the nature of the legal aid debtors and compared repayment behaviours pre and post the COVID-19 lockdown. Nothing was identified at this stage that indicated that a change to the repayment assumption was required. However, there is still a level of uncertainty with this assumption.

The discount rate used was 6.65 % (2019: 5.88 %). The discount rate is made up of the 2 components, a risk-free rate and a risk premium rate. The risk-free rate of 0.65 % (2019: 1.38 %) is based on the 7-year government yield at 30 June 2020. The risk premium rate of 6.0 % (2019: 4.5 %) has been estimated by finding traded debt with a comparable default rate to the default rate of the outstanding debt, and determining a risk premium based on that debt.

If the discount rate was 1 % higher from the Ministry's estimates, with all other factors held constant, the carrying value of legal aid receivable would decrease by \$1.530 million (2019: \$1.780 million). If 1 % lower the carrying value would increase by \$1.650 million (2019: \$1.920 million).

If the repayment factors were 10 % lower from the Ministry's estimates, with all other factors held constant, the carrying value of legal aid receivable would decrease by \$4.220 million. If 10 % higher the carrying value would increase by \$4.130 million.

The fair value was calculated by Paul Rhodes, Actuary, FNZSA, FIAA, of PricewaterhouseCoopers as at 30 June 2020.

Note 3 Fines and other receivables

Short term receivables are recorded at the amount due, less an allowance for credit losses. The Ministry applies the simplified approach to providing for expected credit losses to receivables.

In measuring expected credit losses, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation.

Actual 2019 \$000		Actual 2020 \$000
365,008	Fines receivable	354,442
(229,008)	Less: Allowance for credit losses on fines receivable	(216,542)
136,000	Net fines receivables	137,900

Actual 2019 \$000		Actual 2020 \$000
12,201	Receivables from fines trust	9,064
18,953	Other receivables	18,856
(3,508)	Less: Allowance for credit losses on other receivables	(3,415)
163,646	Total fines and other receivables	162,405
77,811	Current portion	74,575
85,835	Non-current portion	87,830
Total receivables comprise:		
3,129	Receivables from exchange transactions	3,149
160,517	Receivables from non-exchange transactions	159,256
163,646	Total fines and other receivables	162,405

The allowance for credit losses was determined as follows:

Gross 2019 \$000	Life time expected credit loss 2019 \$000	Net 2019 \$000	Receivable days past due	Gross 2020 \$000	Life time expected credit loss 2020 \$000	Net 2020 \$000
35,992	(7,077)	28,915	Current	36,290	(8,924)	27,366
67,189	(41,987)	25,202	Receivables < 6 months	63,265	(38,604)	24,661
67,095	(41,987)	25,108	Receivables > 6 months but < 1 year	63,255	(38,604)	24,651
80,977	(50,584)	30,393	Receivables > 1 year but < 2 year	78,635	(47,851)	30,784
144,909	(90,881)	54,028	Receivables > 2 years	140,917	(85,974)	54,943
396,162	(232,516)	163,646	Total	382,362	(219,957)	162,405

The movement in the allowance for credit losses is as follows:

Fines receivable Actual 2019 \$000	Other receivables Actual 2019 \$000		Fines receivable Actual 2020 \$000	Other receivables Actual 2020 \$000
230,067	3,694	Balance at 1 July	229,008	3,508
68,586	542	Additional provisions made during the year	36,811	474
(22,252)	-	Less: reversal of prior year provision	(18,932)	-
(47,393)	(728)	Less: receivables written off during the year	(30,345)	(567)
229,008	3,508	Balance at 30 June	216,542	3,415

Critical accounting estimates and assumptions

The allowance for credit losses of fines receivable has been determined on an actuarial basis by discounting the expected flow of repayments. The credit losses of fines receivable is dependent on ongoing repayment rates as well as the discount rate utilised in the valuation.

There is significant uncertainty about the impact of a COVID-19 recession on repayment behaviour in the future. No explicit allowance has been made as part of the valuation due to the implications of COVID-19 on fines debtors or the economy as a whole. The Ministry has considered the nature of the fines debtors and compared repayment behaviours pre and post the COVID-19 lockdown. Nothing was identified at this stage that indicated that a change to the repayment assumption was required. However, there is still a level of uncertainty with this assumption.

The discount rate used was 5 % (2019: 6 %). The discount rate is made up of the 2 components of a risk-free rate and a risk premium rate. The risk-free rate of 0.3 % (2019: 1.8 %) is based on the 30-month spot rate as issued by Treasury. The risk premium rate of 4.7 % (2019: 4.0 %) reflecting traded risky debt with similar characteristics to the fines debt.

If the discount rate was 2 % higher from the Ministry's estimates, with all other factors held constant, the carrying value of fines receivable would decrease by \$5.000 million (2019: \$4.600 million). If 2 % lower the carrying value would increase by \$5.600 million (2019: \$5.100 million). If the repayment factors were 10 % lower from the Ministry's estimates, with all other factors held constant, the carrying value of fines receivable would decrease by \$11.000 million. If 10 % higher the carrying value would increase by \$10.400 million.

The allowance for credit losses was calculated by Paul Rhodes, Partner, FNZSA, FIA, of PricewaterhouseCoopers as at 30 June 2020.

Note 4 Assets held for Treaty of Waitangi settlements

The Minister for Treaty of Waitangi Negotiations, on behalf of the Crown, holds a proportion of shares in Kaweka Gwavas Forestry Company Limited and Patunamu Forest. The Crown proportion will be used to settle any outstanding well-founded claims to the Kaweka and Gwavas Crown Forest Licensed Lands and Patunamu Forest.

Note 5 Creditors and other payables

Short-term payables are recorded at the amount payable.

Actual 2019 \$000		Actual 2020 \$000
22,231	Legal aid accrual	26,268
25,784	Accrued expenses	24,374
7,332	Creditors	8,459
2,726	Taxes payable	3,106
282	Other payables	276
58,355	Total creditors and other payables	62,483
Total creditors and other payables comprise:		
55,629	Payables from exchange transactions	59,377
2,726	Payables from non-exchange transactions	3,106
58,355	Total creditors and other payables	62,483

Critical accounting estimates and assumptions

At each balance date, the Ministry uses an independently developed actuarial model to calculate the legal aid accrual figure for the three law types; criminal, family and civil. The assumptions adopted are as follows:

- The model excludes cases determined as inactive based on a probability mechanism that assesses the likelihood a case will have an additional claim.
- The cost of service still to be incurred is based on estimates of the total cost of the case (based on the law type, matter type and average case length) less invoices paid.

At each balance date, the Ministry also produces an accrual for legally aided cases before the Waitangi Tribunal. The unique nature of each individual Waitangi legal aid case means it is not possible to calculate this accrual using the actuarial model. The accrual for Waitangi legal aid is based on the average monthly invoice amount for active cases multiplied by the number of months since the last invoice was received.

Note 6 Judges' entitlements

Short-term entitlements

Judges' entitlements that are due to be settled within 12 months after the end of the period in which the judge renders the related service are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, retiring and sabbatical leave entitlements expected to be settled within 12 months.

Long-term entitlements

Judges' entitlements that are due to be settled beyond 12 months after the end of the reporting period in which the judge renders the related service, such as retiring and sabbatical leave entitlements, are calculated on an actuarial basis.

The calculations are based on:

- likely future entitlements accruing to judges', based on years of service, years to entitlement, the likelihood that judges' will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows.

Expected future payments are discounted using market yields on government bonds at balance date with terms to maturity that match, as closely as possible to, the estimated future cash outflows for entitlements. The inflation factor is based on the expected long-term increase in remuneration for judges'.

Presentation of judges' entitlements

Vested and non-vested retirement gratuities and sabbatical leave expected to be settled after 12 months of balance date are classified as a non-current liability. All other classifications of judges' entitlements are classified as a current liability.

Actual 2019 \$000		Actual 2020 \$000
Current liabilities		
42,521	Retiring and sabbatical leave	29,505
5,212	Annual leave	5,192
1,000	Salaries	2,207
48,733	Total current liabilities	36,904
Non-current liabilities		
36,705	Retiring and sabbatical leave	39,904
36,705	Total non-current liabilities	39,904
85,438	Total provision for judges' entitlements	76,808

Critical accounting estimates and assumptions

The present value of the retirement gratuities and sabbatical leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability.

Expected future payments are discounted using discount rates derived from the yield curve of New Zealand government bonds. The discount rates used have maturities that match, as closely as possible to the estimated future cash outflows. The discount rate used was 0.22 % with 1.83 % salary inflation for year 1 of the projection (2019: 1.26 % with 2.72 % salary inflation).

If the discount rate was 1% lower than the Ministry's estimates, with all other factors held constant, the carrying value of the liability would be an estimated \$3.178 million higher (2019: \$2.843 million higher).

If the salary inflation factor was 1 % higher than the Ministry's estimates, with all other factors held constant, the carrying amount of the liability would be an estimated \$3.095 million higher (2019: \$2.780 million higher).

The valuation of retirement gratuities and sabbatical leave was conducted by an independent actuary, Simon Ferry, FIA FNZSA, of AON New Zealand as at 30 June 2020.

Note 7 Financial instruments

Categories of financial instruments

The carrying amounts of financial assets and financial liabilities are as follows:

Actual 2019 \$000		Actual 2020 \$000
Financial assets measured at amortised cost		
62,213	Cash and cash equivalents	67,543
11,525	Other receivables ¹	11,864
8,577	Assets held for Treaty of Waitangi settlements	8,577
82,315	Total financial assets measured at amortised cost	87,984
Financial assets measured at fair value through surplus or deficit		
53,878	Legal Aid receivables	46,611
53,878	Total financial assets measured at fair value through surplus or deficit	46,611
Financial liabilities measured at amortised cost		
409,408	Treaty settlements payables	401,632
55,629	Creditors and other payables (excluding taxes payable)	59,377
465,037	Total financial liabilities measured at amortised cost	461,009

¹Other receivables excludes fines and receivables arising from the exercise of sovereign power as these items do not meet the definition of a financial instrument.

Fair Value

The fair value of financial assets and liabilities is equivalent to the carrying amount disclosed in the schedule of non-departmental assets and the schedule of non-departmental liabilities.

Fair value hierarchy

For those instruments recognised at fair value, fair values are determined according to the following hierarchy:

- Quoted market prices (level 1)
- Valuation techniques using observable inputs (level 2)
- Valuation techniques with significant non-observable inputs (level 3)

Legal aid receivables were valued at fair value using non-observable inputs (level 3).

There were no transfers between the different levels of the fair value hierarchy.

Financial Instrument risk

Market Risk

Currency risk and interest rate risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. The Ministry on behalf of the Crown has no exposure to these risks because it has no financial instruments measured in a foreign currency or issued at variable interest rates.

Credit risk

Credit risk is the risk that a third party will default on its obligation to the Ministry on behalf of the Crown, causing the Ministry on behalf of the Crown to incur a loss.

In the normal course of its business, the Ministry, on behalf of the Crown, incurs credit risk from receivables, including fines and legal aid receivables, and deposits with banks.

Funds must be deposited with Westpac, a registered bank.

The maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents, legal aid receivables, and fines and other receivables. There is collateral held as security for some legal aid receivables as shown in note 2. Other than Westpac bank, there are no significant concentrations of credit risk.

Liquidity risk

Liquidity risk is the risk that the Ministry on behalf of the Crown will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with the expected cash drawdowns as negotiated with the New Zealand Debt Management Office through Treasury. The Ministry maintains a target level of available cash to meet liquidity requirements.

Contractual maturity analysis of financial liabilities

At balance date, the remaining periods to the contractual maturity dates were less than 6 months for all creditors and other payables. The amounts, disclosed above, are the contractual undiscounted cash flows.

For treaty payables initial payments are made in line with the treaty settlement deed and final payments made on settlement date, as included in the relevant settlement legislation. As settlement legislation has not been enacted for all treaty payables at balance date, the below maturity analysis is based on average timeframes and the current status of the claim.

Carrying amount 2019 \$000	Expected cash flow 2019 \$000	Treaty payables	Carrying amount 2020 \$000	Expected cash flow 2020 \$000
46,501	46,697	Within 1 year	109,183	109,348
91,363	92,710	Between 1 year and 2 years	166,323	166,668
271,124	274,676	Greater than 2 years	125,718	125,741
408,988	414,083	Total	401,224	401,757

Note 8 Explanations of major variances against budget

Explanations for major variances from Ministry's non-departmental budget figures are as follows:

Schedule of revenue and schedule of expenses

Court fines was \$20.406 million higher than budgeted. The annual valuation of fines receivables resulted in a \$15.652 million fair value adjustment that is reflected in revenue. The remaining increase is due to higher fines activity.

Crown Personnel expenditure was \$23.790 million lower than budgeted. The annual valuation of judges' entitlements resulted in a \$9.817 reduction in the liability and resulting expenditure. The budget also reflected the maximum compliment of judicial and coronial appointments, while actual costs reflect the timing of retirements and appointment changes over the course of the financial year.

Crown Expenditure in Vote Justice was \$40.617 million higher than the main estimate budget. The increase includes an additional \$29.235 million approved for Electoral Services for the 2020 General Election and the provision of information to the public relating to the Cannabis Legalisation and Control Bill referendum and the End of Life Choice Act 2019 referendum. Remaining increase is mainly due to other increases approved through the supplementary estimates process.

Crown Expenditure in Vote Justice was \$11.703 million lower than the supplementary estimate. This was mainly due to lower legal aid expenditure of \$9.165 million. Legal aid expenditure is driven by demand from legal aid applicants. A decrease in applications occurred during the COVID-19 lockdown period.

Crown Expenditure in Vote Courts was \$16.608 million lower than the main estimate budget. The decrease was mainly due to:

- Lower Tribunal Related Fees and Expenses of \$7.014 million. This was due to delayed setup of the Canterbury Earthquake Insurance Tribunal and due to tribunal closures during the COVID-19 lockdown.
- Lower Court and Coroner Related Costs of \$5.187 million. Expenditure for this appropriation is driven by judicial decisions.

Crown expenditure in Vote Treaty Negotiations was \$531.104 million lower than the main estimate budget and \$87.340 million lower than the supplementary estimate. This was mainly due to lower than expected Treaty settlement expenses which, by their nature, are hard to predict with accuracy in terms of timing and amount.

Schedule of assets and schedule of liabilities

Cash and cash equivalents was \$21.311 million higher than budgeted and \$12.352 million higher than the supplementary estimate. This primarily reflects the higher revenue and lower expenditure as noted above. This was also offset by lower cash contributions from Treasury during the year than budgeted.

The total for fines and other receivables was \$17.481 million lower than budgeted. The actual figure for fines for 2020 is based on an independent valuation and reflected the reduction in fines in the latter part of the year due to COVID-19.

The total for Treaty settlement payables was \$326.593 million lower than budgeted. This is primarily due to lower than expected Treaty settlement expenses which by their nature, are hard to predict with accuracy in terms of timing and amount. The current and non-current split are based on average timeframes for settlements to occur and the current status of the claim.

Creditors and other payables was \$12.072 million lower than budgeted. This was due to the implementation of the government's initiative relating to prompt payment practices.

The total for judges' entitlements was \$16.842 million lower than the supplementary estimate. This was due to the annual valuation of judges' entitlements resulting in a reduction in the liability.

Note 9 Events after the Balance Date

There have been no significant events after the balance date.

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Ministry for the year ended 30 June 2020. They are prepared on a GST exclusive basis.

Statement of cost accounting policies

The Ministry derives the costs of outputs using the cost allocation system outlined below.

Direct costs are those costs that can be directly attributed to an output. Indirect costs are those that cannot be identified in an economically feasible manner to a specific output.

Direct costs are charged to output classes as and when they occur. Indirect costs are accumulated and allocated to output classes based on cost drivers, such as assessment of personnel time, building area occupied or asset utilisation, which reflect an appropriate measure of resource consumption usage. Costs identified to overhead areas are accumulated and allocated to output classes based on resource consumption usage, where possible (such as full-time equivalent staff numbers), or in proportion to the direct and indirect charges made to the output class.

There have been no changes in cost accounting policies, since the date of the last audited financial statements.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000	Expenditure including Remeasurements 2020 \$000	Remeasurements ^A 2020 \$000	Expenditure excluding Remeasurements 2020 \$000	Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
Vote Justice					
Departmental Output Expenses					
27,283	29,230	(23)	29,207	29,554	1
Administration of Legal Services					
150	892	-	892	911	1
Establishing the Criminal Cases Review Commission					
31,192	35,012	-	35,012	38,810	1
Justice and Emergency Agencies Property and Shared Services					
35,097	38,487	(21)	38,466	38,702	1
Public Defence Service					
-	2,792	-	2,792	3,960	1
Public Provision of Referendum-Related Information					
4,414	6,106	-	6,106	7,619	1
Reducing Family Violence and Sexual Violence					
15,733	14,441	(7)	14,434	15,428	1
Sector Leadership and Support					
113,869	126,960	(51)	126,909	134,984	
Total Departmental Output Expenses					
Departmental Capital Expenses					
87,129	66,138	-	66,138	89,110	1
Ministry of Justice - Capital Expenditure PLA					
87,129	66,138	-	66,138	89,110	
Total Departmental Capital Expenditure					

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000	Expenditure including Remeasurements 2020 \$000	Remeasurements ^A 2020 \$000	Expenditure excluding Remeasurements 2020 \$000	Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
Non-Departmental Output Expenses					
13,260	13,260	-	13,260	13,260	2
Community Law Centres					
11,387	12,710	-	12,710	15,431	2
Crime Prevention and Community Safety Programmes					
24,496	75,518	-	75,518	75,518	3
Electoral Services					
6,438	6,930	-	6,930	7,360	2
Family Dispute Resolution Services					
852	1,164	-	1,164	1,293	4
Inspector-General of Intelligence and Security					
179,620	192,533	-	192,533	201,698	2
Legal Aid					
2,627	2,627	-	2,627	2,627	5
Provision of Protective Fiduciary Services					
-	801	-	801	801	4
Services from the Criminal Cases Review Commission					
9,396	14,466	-	14,466	14,466	6
Services from the Human Rights Commission					
4,892	5,171	-	5,171	5,171	7
Services from the Independent Police Conduct Authority					
3,993	3,993	-	3,993	3,993	8
Services from the Law Commission					
4,970	5,708	-	5,708	5,708	9
Services from the Privacy Commissioner					
8,300	10,214	-	10,214	10,717	2
Support and Assistance provided by Victim Support to Victims of Crime					
270,231	345,095	-	345,095	358,043	
Total Non-Departmental Output Expenses					

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000	Expenditure including Remeasurements 2020 \$000	Remeasurements ^A 2020 \$000	Expenditure excluding Remeasurements 2020 \$000	Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
Non-Departmental Other Expenses					
-	13,306	(1,265)	12,041	9,531	4
-	-	-	-	689	4
634	440	-	440	644	4
5,036	6,784	-	6,784	10,066	2
5,670	20,530	(1,265)	19,265	20,930	
Non-Departmental Capital Expenditure					
-	1,689	-	1,689	1,689	4
-	1,689	-	1,689	1,689	
Multi-Category Expenses and Capital Expenditure					
29,216	25,552	(17)	25,535	26,807	1
22,011	18,514	(13)	18,501	20,443	
7,205	7,038	(4)	7,034	6,364	

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000	Expenditure including Remeasurements 2020 \$000	Remeasurements ^A 2020 \$000	Expenditure excluding Remeasurements 2020 \$000	Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
Māori Crown Relations - Te Arawhiti					
3,181	6,520	-	6,520	6,785	1
954	1,639	-	1,639	2,096	
319	546	-	546	698	
1,908	3,278	-	3,278	2,891	
-	592	-	592	630	
-	465	-	465	470	
32,397	32,072	(17)	32,055	33,592	
509,296	592,484	(1,333)	591,151	638,348	

^A A remeasurement is generally the movement in the value of an asset or liability that is outside the control of the Ministry as defined by the Public Finance Act 1989. Remeasurements do not require an appropriation. The remeasurements shown above are the result of changes to discount rates used in the valuation of the legal aid debt and valuation of employee entitlements.

^B This includes adjustments made in the supplementary estimates.

^C The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

1. The Ministry of Justice annual report.
2. Reported by the Minister of Justice in a report appended to the Ministry of Justice's annual report.
3. Electoral Commission annual report.
4. No reporting due to an exemption obtained under section 15D of the Public Finance Act.
5. Public Trust annual report.
6. Human Rights Commission annual report.
7. Independent Police Conduct Authority annual report.
8. Law Commission annual report.
9. Privacy Commissioner annual report.
10. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.
11. Reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's annual report.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000		Expenditure including Remeasurements 2020 \$000		Expenditure excluding Remeasurements 2020 \$000		Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
\$000	Appropriation title	\$000	Remeasurements ^A 2020 \$000	\$000	Remeasurements ^A 2020 \$000	\$000	
Vote Courts							
Non-Departmental Other Expenses							
4,253	Abortion Supervisory Committee - Certifying Consultants Fees	3,341	-	3,341	-	5,063	4
1	Assistance to Victims of Crime	35	-	35	-	40	4
1,176	Community Magistrates Salaries and Allowances PLA	1,245	-	1,245	-	1,449	4
5,960	Coroners Salaries and Allowances PLA	6,941	(16)	6,925	(16)	8,199	4
108,660	Court and Coroner Related Costs	112,861	-	112,861	-	117,348	10
71,024	District Court Judges' Salaries and Allowances PLA	63,690	(788)	62,902	(788)	76,820	4
13,314	District Court Part-time or Acting Judges' Salaries and Allowances	15,186	-	15,186	-	17,937	4
1,453	Employment Court Judges' Salaries and Allowances PLA	4,398	(29)	4,369	(29)	4,191	4
247	Impairment of Debt Established to Recognise Contributions towards Family Court Professional Services	200	-	200	-	1,292	4
-	Impairment of Fines Receivable	-	-	-	-	2,000	4
1,538	Judicial Review Costs	1,958	-	1,958	-	2,246	4
449	Justices of the Peace Association	449	-	449	-	450	4
4,971	Māori Land Court Judges' Salaries and Allowances PLA	8,099	(111)	7,988	(111)	6,007	4
72	Senior Courts Acting Judges' Salaries and Allowances PLA	60	-	60	-	330	4
41,807	Senior Courts Judges' Salaries and Allowances PLA	39,709	(410)	39,299	(410)	46,491	4
15,847	Tribunal Related Fees and Expenses	16,383	-	16,383	-	19,597	4
270,772	Total Non-Departmental Other Expenses	274,555	(1,354)	273,201	(1,354)	309,460	

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements 2019 \$000		Expenditure including Remeasurements 2020 \$000		Expenditure excluding Remeasurements 2020 \$000		Approved Appropriation ^B 2020 \$000	Location of end-of-year performance information ^C
\$000	Appropriation title	\$000	Remeasurements ^A 2020 \$000	\$000	Remeasurements ^A 2020 \$000	\$000	
Multi-Category Expenses and Capital Expenditure							
473,489	Courts, Tribunals and Other Authorities Services, including the Collection and Enforcement of Fines and Civil Debts Services MCA	518,405	(312)	518,093	(312)	528,021	1
	Departmental Output Expenses						
55,739	- Collection and Enforcement of Fines and Civil Debts Services	57,522	(52)	57,470	(52)	57,519	
249,538	- District Court Services	273,988	(151)	273,837	(151)	281,823	
80,628	- Senior Courts Services	87,936	(42)	87,894	(42)	87,081	
87,584	- Specialist Courts, Tribunals and Other Authorities Services	98,959	(67)	98,892	(67)	101,598	
473,489	Total Multi-Category Expenses and Capital Expenditure	518,405	(312)	518,093	(312)	528,021	
744,261	Total Vote Courts	792,960	(1,666)	791,294	(1,666)	837,481	

^A A remeasurement is generally the movement in the value of an asset or liability that is outside the control of the Ministry as defined by the Public Finance Act 1989. Remeasurements do not require an appropriation. The remeasurements shown above are the result of changes to discount rates used in the valuations of employee entitlements and judges' entitlements.

^B This includes adjustments made in the supplementary estimates.

^C The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

1. The Ministry of Justice annual report.
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3. Electoral Commission annual report.
4. No reporting due to an exemption obtained under section 15D of the Public Finance Act.
5. Public Trust annual report.
6. Human Rights Commission annual report.
7. Independent Police Conduct Authority annual report.
8. Law Commission annual report.
9. Privacy Commissioner annual report.
10. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.
11. Reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's annual report.

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements		Expenditure including Remeasurements		Expenditure excluding Remeasurements		Approved Appropriation	Location of end-of-year performance information
2019	2020	2020	2020	2020	2020	2020	
\$000	Appropriation title	\$000	\$000	\$000	\$000	\$000	information ^c
Vote Treaty Negotiations							
Māori Crown Relations - Te Arawhiti							
Departmental Output Expenses							
-	Treaty Negotiations and Marine and Coastal Area Customary Interests	13,972	(26)	13,946	16,507		1
-	Total Departmental Output Expenses	13,972	(26)	13,946	16,507		
Non-Departmental Other Expenses							
6,273	Claimant Funding	4,433	-	4,433	13,102		11
72	Contribution to Parihaka community engagement with the Crown support package	63	-	63	78		4
1,962	Contribution toward Determining Customary Interests in the Marine and Coastal Area	2,549	-	2,549	2,549		11
-	Crown Contribution to Facilitate the Transfer of Landcorp Assets to Ngati Kahungunu ki Wairarapa Tamaki nui-a-Rua	36	-	36	2,425		4
-	Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area	1,749	-	1,749	8,680		11
51,793	Historical Treaty of Waitangi Settlements (MYA Expense) ^o	17,316	-	17,316	350,000		4
-	Specific Redress Arrangements	-	-	-	15,000		4
60,100	Total Non-Departmental Other Expenses	26,146	-	26,146	391,834		
Non-Departmental Capital Expenditure							
2,466	Crown Share in Patunamu Forest Limited	-	-	-	-		
2,466	Total Non-Departmental Capital Expenditure	-	-	-	-		
Multi-Category Expenses and Capital Expenditure							
37,090	Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act MCA	22,747	-	22,747	22,747		1
	Departmental Output Expenses						

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

For the year ended 30 June 2020

Expenditure excluding Remeasurements		Expenditure including Remeasurements		Expenditure excluding Remeasurements		Approved Appropriation	Location of end-of-year performance information
2019	2020	2020	2020	2020	2020	2020	
\$000	Appropriation title	\$000	\$000	\$000	\$000	\$000	information ^c
1,097	- Policy Advice - Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	808	-	808	808		
4,346	- Representation - Waitangi Tribunal and Courts	2,241	-	2,241	2,241		
31,647	- Treaty Negotiations and Marine and Coastal Area (Takutai Moana) Act	19,698	-	19,698	19,698		
37,090	Total Multi-Category Expenses and Capital Expenditure	22,747	-	22,747	22,747		
97,190	Total Vote Treaty Negotiations	62,865	(26)	62,839	431,088		

^A A remeasurement is generally the movement in the value of an asset or liability that is outside the control of the Ministry as defined by the Public Finance Act 1989. Remeasurements do not require an appropriation. The remeasurements shown above are the result of changes to discount rates used in the valuation of employee entitlements.

^B This includes adjustments made in the supplementary estimates.

^C The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Ministry, as detailed below:

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8. Law Commission annual report.
9. Privacy Commissioner annual report.
10. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.
11. Reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's annual report.

^D Historical Treaty of Waitangi Settlements. This multi-year appropriation reflects the Crown's commitment to settling historical Treaty of Waitangi claims. The Supplementary Estimates for 2018/19 established the \$1,400 million for the period 30 June 2019 to 30 June 2023 and replaced the unexpended balances of the appropriation covering the period 30 June 2018 to 30 June 2022. Actual expenditure over the last five years was:

2019/20	2018/19	2017/18	2016/17	2015/16	Total
17,316	51,793	241,607	134,521	415,229	860,466

Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or other authority

For the year ended 30 June 2020

Appropriation title	Expenditure excluding Remeasurements 2020 \$000	Approved Appropriation ⁹ 2020 \$000	Unappropriated expenditure 2020 \$000
Vote Justice			
Non-Departmental Other Expenses			
Impairment of Legal Aid Debt	12,041	9,531	2,510

Expenses and capital expenditure incurred in excess of appropriation

The Ministry of Justice commissioned an independent actuarial valuation of Legal Aid Debt held at 30 June 2020. The resulting impairment of the debt value was greater than the appropriated impairment expense provided. Due to the timing around completion of the valuation, the Ministry was unable to seek additional authority for the expense.

This unappropriated expenditure will be included in the Appropriation (Confirmation and Validation) Act for validation by Parliament in compliance with section 26C of the Public Finance Act 1989.

Expenses and capital expenditure incurred without appropriation or outside scope or period of appropriation

There has been no expenses and capital expenditure incurred without appropriation or outside the scope or period of appropriation.

Statement of departmental capital injections

For the year ended 30 June 2020

Actual 2019 \$000	Appropriation title	Actual 2020 \$000	Approved Appropriation ⁹ 2020 \$000
Vote Justice			
3,700	Ministry of Justice - Capital Injection	3,272	3,672

Statement of departmental capital injections without, or in excess of, authority

For the year ended 30 June 2020

The Ministry has not received any capital injections during the year without, or in excess of, authority.

Additional performance information



Asset Performance Measures¹

ICT portfolio

Performance Measure	Treasury Performance Indicator	2018/19 Actual	2019/20 Target	2019/20 Actual	Variance Commentary
Asset Class: Software Application Services					
Availability over total business days (Note 1)	Utilisation	99.8%	99.5%	99.3%	
The number of Priority 1 incidents experienced in the core 14 applications (Note 2)	Condition	42	Decreasing Trend	55	
Software applications with a functionality rating of 'green' (Note 3)	Functionality	27%	30%	33%	
Asset Class: ICT Infrastructure Services					
Availability over total business days (Note 4)	Utilisation	99.9%	99.5%	99.7%	
The number of Priority 1 incidents experienced in the eight core ICT infrastructure (Note 5)	Condition	2	Decreasing trend	7	
Infrastructure with a functionality rating of 'green' (Note 6)	Functionality	42%	45%	33%	
Asset Class: Plant and Equipment					
Percentage of fixed AV Audio installations with a RAG rating of Amber or Green will be greater than	Condition	83%	80%	81%	

Note 1 - Due to the nature of the Ministry's ICT assets, where these need to be available but not necessarily utilised, the Ministry will use 'Availability' as a proxy for 'Utilisation.' Performance will be measured based on the availability of the following applications - Case Management System, Collect, Hub2, National Transcription Service (which includes Transcription File Manager, Transcription Service Manager and Automated Workflow Distributor), For the Record, Judicial Decision Interface, Jury Management System, eLibs, Māori Land Information System, Jukebox, E-mail, Ready Government Contact Centre, Financial Management Information System, Electronic Operating Model (iBench).

Note 2 - The 14 applications included in this measure are the Case Management System, Collect, Hub2, National Transcription Service, For the Record, Judicial Decision Interface, Jury Management System, eLibs, Māori Land Information System, Jukebox, E-mail, Ready Government Contact Centre, Financial Management Information System, Electronic Operating Model (iBench). Note that reporting on National Transcription Service includes Transcript Service Manager, Transcription File Manager and Automated Workflow Distributor systems. While reporting includes incidents for other systems as affecting 'NTS application availability', it does not always result in the National Transcription Service being unavailable. For example, an outage for AWD does not result in an outage for the National Transcription Service.

Note 3 - The 15 business applications included in this measure are Collect, National Transcription Service (which also includes Transcription File Manager, Transcription Service Manager, Automated Workflow Distributor), For the Record, Māori Land Information System, Hub, Case Management System, Rostering and Scheduling (component of CMS), Contact Centre Service, Judicial Decision Interface, the Ministry's website, Financial Management Information System, Electronic Operating Model (iBench), Office Productivity (Office 365, Word, Excel, Outlook) and Exchange (email and calendar server). The overall functionality of an application is based on three criterion - fitness-for-purpose (from an end-user perspective), support and maintenance, and security.

Note 4 - Due to the nature of the Ministry's ICT assets, where these need to be available but not necessarily utilised, the Ministry will use 'Availability' as a proxy for 'Utilisation.' Performance will be measured based on the availability of the following core ICT infrastructure - Infrastructure-as-a-Service, Network/ Domain Access Service, Voice over Internet Protocol Service, Web Service, Active Directory, Firewalls, File and Print, and Novell/ Microsoft Exchange services.

Note 5 - The eight core ICT infrastructure included in this performance measure are Infrastructure-as-a-Service, Network/ Domain Access Service, Voice over Internet Protocol Service, Web Service, Active Directory, Firewalls, File and Print, and Novell/ Microsoft Exchange services.

Note 6 - The 12 ICT infrastructure included in this performance measure are End User Device (ie physical end user devices desktops, laptops), Home Agent environment, Microsoft Desktop Operating System, iPads, Standard Operating Environment, Meeting Room Technology, Disaster Recovery for the Secure File Transfer Protocol, Regional Servers, Uninterrupted Power Supply, National Transcription Service Archive Server, PABX phone system and Network Switches. The overall functionality of an infrastructure is based on three criterion - fitness-for-purpose, support and maintenance, and security.

¹Note that reporting on National Transcription Service includes Transcript Service Manager, Transcription File Manager and Automated Workflow Distributor systems. While reporting includes incidents for other systems as affecting 'NTS application availability', it does not always result in the National Transcription Service being unavailable. For example, an outage for AWD does not result in an outage for the National Transcription Service.

Property measures

Property portfolio

Performance Measure	Treasury Performance Indicator	2018/19 Actual	2019/20 Target	2019/20 Actual	Variance Commentary
Courthouses available and suitable for use (Note 7)	Availability	99.9%	99.5%	94%	
The average Asset Condition Rating of the assets on a site compared to the baseline Asset Condition Rating of those assets	Condition	1.9%	Less than 2% compared to the baseline condition rating based on the project deterioration curve of the associated assets	1.82%	
Maintenance of Critical Assets - available at all times (Note 8)	Functionality	95.6%	95% across critical assets (specified sites)	71%	
Offices using > 89% of footprint (Note 9)	Utilisation	Achieved	89% across all offices	88%	

Note 7 - Excluded from this dataset were closures due to natural events beyond control; ie flooding, failure of service providers ie power outage.

Note 8 - Critical Assets across the Property portfolio have been defined as;

- Building Management Systems
- Chilled Water Systems
- Condenser Water systems
- Gas Flooding Systems
- Heating Systems
- Lifts
- Power Conditioning
- Power Generation
- Switchboards and Miniature Circuit Breakers)

Note 9 - Offices considered in this calculation consist of

- National Office
- Ellerslie Contact Centre
- Hamilton Data Capture
- Gilmer Terrace Contact Centre
- Assumed ratio of 14sqm per FTE

The Asset Performance measures and results are being reported in line with Cabinet Circular CO (19) 6: Investment Management and Asset Performance in the State Services rather than the Public Finance Act 1989 and are therefore not subject to audit.

Official Correspondence

For the year ended 30 June 2020

Performance Measure	2018/19 Actual	2019/20 Target	2019/20 Actual
Number of ministerial correspondence replies drafted	775	N/A	1,350
Percentage of draft replies to ministerial correspondence submitted to Ministers within required timeframes	86%	95%	95%
Number of Official Information Act 1982 requests responded to	793	N/A	1048
Percentage of replies to Official Information Act 1982 requests completed within statutory timeframes*	92%	100%	96%
Number of replies drafted in response to parliamentary questions	879	N/A	837
Percentage of draft replies to parliamentary questions submitted to Ministers within required timeframes	96%	100%	96%

Note: 2019/20 results are not directly comparable with previous years because previous results included the Office of Māori Crown Relations – Te Arawhiti, which is now a separate departmental agency, hosted by the Ministry of Justice. There was also a significant reduction in the number of OIA requests received during the COVID-19 lockdown, whilst restricted access to the Ministry's National Office affected timeliness.

*Note that OIA responses includes only Ministry OIA responses, not Ministers' OIA responses.

Note: These measures are excluded from the Audit opinion.

Report on our Approved Information Sharing Agreement (AISA)

Report on our Approved Information Sharing Agreement (AISA) with Stats NZ

Scope of the information shared

This AISA came into force on the 27th of April 2017. In the period from commencement until 30th June 2020 the Ministry shared information about 7,571,347 criminal charges. This represents all the criminal charges finalised in New Zealand from January 1992 to December 2019 and includes information about 1,234,560 personal identities and 20,019 organisations.

Benefits of the information sharing

The information sharing is delivering significant benefits. So far, access to the court charges information has been requested by 67 different research projects, which are listed below:

- MAA2012-10 Measuring cohort participation, completion and outcomes to inform performance measures for tertiary education
- MAA2012-15 IDI Migration Research Programme
- MAA2012-16 Firm Performance, Productivity, Innovation & Skills
- MAA2013-11 Associations between justice sector outcomes and other indicators
- MAA2013-16 Citizen pathways through human services
- MAA2014-11 Investing in Better Outcomes
- MAA2015-36 Investment Approach to Justice
- MAA 2015-38 Education journeys
- MAA2015-49 Families and Whānau Wellbeing Research Programme
- MAA2016-04 An Economic Analysis of Post-Tertiary Outcomes in New Zealand Using Linked Administrative Data
- MAA2016-05 Health pathways and outcomes
- MAA2016-15 Supporting the Social Investment Unit
- MAA2016-15-1 Supporting the Social Investment Unit 2
- MAA2016-18 Adding colour to the Investment Approach
- MAA2016-23 Vulnerable Children Investment Approach Microdata Project
- MAA2016-40 Quantifying the size and characteristics of the transient population in New Zealand
- MAA2016-46 Housing First
- MAA2016-57 Investigating the characteristics and outcomes for students who received ORRS/ORS funding at school
- MAA2016-61 Characteristics, Pathways and Services Used by Injury Clients
- MAA2017-08 Promoting health and wellbeing
- MAA2017-16 What happens to young people with mental health conditions – evidence from the New Zealand Data Infrastructure?
- MAA2017-25 Raraunga a iwi (Iwi Data Project)
- MAA2017-31 Tertiary graduate outcomes 3 and 5 years' post-graduation
- MAA2017-60 Education system performance for pre-school and school-age children
- MAA2017-69 Māori and the New Zealand justice system
- MAA2017-72 Tamaki Regeneration
- MAA2017-74 Violent crime: Identifying risk factors using an offender-focused approach

- MAA2018-05 Mental Health & Addiction Quality Improvement Programme
- MAA2018-08 Improving the prediction of cardiovascular events and health costs using machine learning and detailed datasets
- MAA2018-09 Explaining Ethnic Differences in Student Success at University in New Zealand
- MAA2018-15 A small segment of the population with large economic burden: Testing variation in the model using the IDI
- MAA2018-21 Main precursors of major mental health events – an evidence based approach
- MAA2018-38 Measuring the wellbeing of Ngāi Tahu Whanui
- MAA2018-48 Modelling Social Outcomes
- MAA2018-54 An Empirical Investigation of the New Zealand Crime Curve
- MAA2018-56 In-work poverty
- MAA2018-59 Using big data to create measures of social vulnerability
- MAA2018-63 Analysis for Pathways to First Episode Psychosis and Outcomes in Māori - Project One
- MAA2018-66 Neighbourhood Exposure Effect on Intergenerational Mobility
- MAA2018-72 The intergenerational effects of parental incarceration
- MAA2018-75 Outcomes for New Zealand prisoners with serious mental illness or addictions: a feasibility study
- MAA2018-80 Are child safety seats effective at reducing traffic fatalities and injuries?
- MAA2018-82 Developing homelessness as an Official Statistic
- MAA2018-83 Understanding characteristics of Housing New Zealand tenant and household member population.
- MAA2018-84 Improving outcomes for young adults through effective service delivery
- MAA2018-86 Characteristics of different subpopulations experiencing injury and their access to ACC services
- MAA2018-87 Evaluating the Family Start Programme
- MAA2019-05 Student pathways and outcomes
- MAA2019-14 Impact of head injury on economic outcomes
- MAA2019-25 Causes and consequences of criminal activities in New Zealand
- MAA2019-32 Hutt City Housing Needs Assessment
- MAA2019-34 Predicting suicide and self-harm risk in linked administrative data
- MAA2019-40 Kāinga Whānau Ora: A framework for improving whānau wellbeing
- MAA2019-52 Modernising mental health legislation in New Zealand
- MAA2019-58 The impacts of sinking lid policies on gambling behaviour in New Zealand
- MAA2019-60 Examining the circumstances of “hard to reach” communities and their whānau/families.
- MAA2019-61 Impacts of Sexual Harm on Health and Wellbeing Outcomes
- MAA2019-65 Turning the tap on the prison pipeline – an investigation into child and youth offending
- MAA2019-71 He Ture Kia Tika: Let the Law be Right
- MAA2019-79 Neurodevelopmental impairment in the Justice Sector
- MAA2019-85 Equity Index of socioeconomic disadvantage in education
- MAA2019-91 The expression, experience and transcendence of low-skill in Aotearoa New Zealand
- MAA2019-93 Examining the social origins of school exclusions, and the associated social costs
- MAA2019-96 Long-term impact of traumatic brain injury
- MAA2019-100 Returns to secondary and tertiary education in New Zealand: An analysis

- MAA2019-101 High use of health and social services: Intergenerational transmission and implications for population mortality
- MAA2020-11 Predicting diabetes complications risks and costs using machine learning with equity analysis
- MAA2020-17 Health outcomes after release from prison for Māori
- MAA2020-35 Māori Student Transitions

More detailed information about these research projects is available at <https://cdm20045.contentdm.oclc.org/digital/>

Many reports and research outputs have been produced by these projects. However, most have been developed for internal agency purposes and are not available to the public. The Ministry is aware of the following outputs that were published by the projects listed above in the 2019/20 fiscal year:

- Clustering of health, crime and social-welfare inequality in 4 million citizens from two nations
- Neurodevelopmental impairment in the justice sector
- Impacts of sexual harm on health and wellbeing outcomes
- Causes and consequences of criminal activities in New Zealand
- A policy evaluation of home detention sentencing: evidence from New Zealand

Assurance

The agreement is operating effectively. No complaints have been received about alleged interference with privacy. There have been no alleged privacy breaches. No amendments have been required to the agreement since it was approved.

Report on our Approved Information Sharing Agreement (AISA) with Crown Law

Scope of the information shared

The AISA came into force on the 15th of September 2017. In the period from commencement to 30th June 2020 the Ministry shared information on 1,699,767 criminal charges and 990,959 criminal cases with the Crown Law Office. This includes details of criminal cases from 1 July 2013 on and appeals from 1 January 2009 on.

Benefits of the information sharing

The information is being used to assist in maintaining an efficient and effective criminal justice system, to improve the quality of public prosecutions, and to manage the budget for Crown prosecutions.

Assurance

The agreement is operating effectively. Other than a disruption due to the COVID-19 response, expanded on below, no significant difficulties have been experienced. No complaints have been received. No additional safeguards have been required to protect the privacy of individuals. No amendments have been required to the agreement since it was approved.

Crown law have requested an additional field (prosecuting agency for each charge) be included in the dataset of charges. This request is allowed for within the agreement and the appropriate steps to allow this change are being worked through.

Crown Law also requested updates of explanatory reference data on offence codes and courts which the Ministry supplied.

Disruption due to COVID-19 response.

During the months of April, May and June 2020, precautions and restrictions imposed as part of the COVID-19 response alert levels 4 and 3, meant exchange of the data could not happen as usual. Data is transferred via an Ironkey and is exchanged in person. An alternative method was agreed upon which met privacy and security standards. This alternative method involved the exchange of the data using encrypted files sent using Government SEEmail with the password shared separately via a different medium. Once both Ministry and Crown Law contacts regained access to their respective offices transfer of the data returned to the usual in-person exchange via Ironkey.

Minister of Justice's reports on non-departmental appropriations – B.14 (Vote: Justice)

For the year ended 30 June 2020

The following pages of this document meet the requirement, set out in the supporting information to the 2019/20 Estimates or 2019/20 Supplementary Estimates, for information on certain non-departmental appropriations to be reported by the Minister of Justice.

Although the reports are presented in the same document as the Ministry of Justice Annual Report, they do not form part of the Ministry of Justice Annual Report for the year ended 30 June 2020 (including reporting by the Ministry of Justice on appropriations for that year).

Where appropriate, an explanation is provided for service performance negative variances of more than 5%. Where there is a range for a standard, a variance explanation is provided for results outside the forecast range. Where appropriate, an explanation has been provided for positive variances of more than 10%.

Vote Justice

Community Law Centres

Scope of appropriation

This appropriation is limited to funding programmes to support Community Law Centres.

Contribution to strategic intentions

This appropriation is intended to achieve accessible justice services and a trusted justice system by delivering community legal services to people who lack sufficient means to pay for legal services and, where possible, to prevent problems from escalating to the courts and other parts of the justice system. It contributes to our priorities to maintain the integrity of the courts and tribunals, honour our responsibilities to Māori, and improve access to justice.

Description of activities

The Ministry contracted with community law centres to deliver community legal services to people who lack sufficient means to pay for legal services. These services included legal representation, legal assistance, legal advice provided to people on a case-by-case basis, legal information, and law-related education sessions.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of individual clients assisted with legal advice, assistance and representation	44,865	46,000-51,000	46,196	
Percentage of casework clients who report that the service given to them has helped them understand their options	99%	90%	97%	
Number of participants in law-related education sessions	29,961	30,000-35,000	20,725	Community Law Centres were unable to hold law-related education sessions in their communities because of restrictions on gatherings during COVID-19.
Percentage of law-related education sessions delivered to local Māori, rōpū, hapū and iwi and community groups or providers who aim to support and develop Māori	47%	45%	55%	During COVID-19 Alert Levels 3 and 4, Community Law Centre's were unable to hold LRE sessions because of the restrictions on gatherings. With fewer law-related education sessions overall, the proportion of sessions delivered to Māori is higher than usual.
Percentage of cases resolved within each financial year	77%	70-80%	96%	The higher percentage of cases resolved reflects the impact of COVID-19. More people cannot afford to withdraw their legal matters or find alternate ways of resolving issues, and more people are facing financial hardship (and are more likely to be accepted as Community Law Centre (CLC) clients). CLCs continued to resolve outstanding matters during COVID-19.

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
13,260	13,260	13,260	15,307

Crime Prevention and Community Safety Programmes

Scope of appropriation

This appropriation is limited to the funding of programmes delivered by non-government organisations and local government agencies to prevent and reduce crime.

Contribution to strategic intentions

The services and activities provided under this category contribute to our priority to improve access to justice. The intended impact of these services and activities is that local authorities and communities are engaged in programmes that focus on reducing crime through preventative measures, and on increasing community safety.

Description of activities

This non-departmental category covers co-ordinating and delivering a range of crime prevention initiatives and programmes in partnership with local communities, and the delivery of restorative justice services. The programmes and services are contracted by the Ministry of Justice and are purchased from territorial authorities and other selected service providers.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Percentage of Harmful Digital Communication complaints resolved by the Approved Agency (see Note 1)	65%	65%	59%	The number of complaints where physical or emotional safety concerns were reported has increased 26%; where protecting the identity of the victim is more important than seeking resolution with the perpetrator. Delays can occur when the provider isn't able to make contact or receive a response to a complaint from the online source/producer.
Percentage of victims satisfied with their overall experience of restorative justice before, during and after the conference, as measured through the victim satisfaction survey (see Note 2)	84%	75%	84% (see Note 2)	

Note 1 - The "Approved Agency", appointed under the Harmful Digital Communications Act 2015 resolves complaints about harmful digital communications

Note 2 - The survey is conducted biennially. This result is from the 2018/19 survey; the next survey will be reported in 2020/21.

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
11,387	12,710	16,181	15,954

Family Dispute Resolution Services

Scope of appropriation

This appropriation is limited to approved family dispute resolution services.

Contribution to strategic intentions

The services and activities provided under this category contribute to our priority to improve access to justice. We do this by providing effective support and services for separating families and, where possible, to prevent problems from escalating to the courts.

Description of activities

The services and activities under this category cover the provision of family dispute resolution mediation service. The services are contracted by the Ministry of Justice from approved providers.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of participants completing Parenting through Separation	5,207	4,800-5,200	4,678	The level of attendance was lower than anticipated due to COVID-19.
Percentage of Family Dispute Resolution participants reaching an agreement on completion of mediation (includes partial and full)	79%	80%	80%	

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
6,438	6,930	7,360	7,360

Legal Aid

Scope of appropriation

This appropriation is limited to the payments of legal aid to approved providers.

Contribution to strategic intentions

The services and activities provided under this category contribute to accessible justice services and a trusted justice system. The intended impact of these services and activities is that people who have a need for legal services, and cannot pay for them, are able to access legal advice and representation. It contributes to our priority to improve access to justice.

Description of activities

The services and activities under this category cover the provision of legal advice and representation to people that are unable to pay for these services, and:

- are facing criminal charges, or
- have a civil legal problem or family dispute (including family matters) that may go to court, or
- are involved in Waitangi Tribunal proceedings.

The services are contracted by the Ministry of Justice from approved private providers.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of criminal cases granted (excluding the Public Defence Service)	43,011	44,000	44,005	
Number of family cases granted	17,485	17,000-19,000	18,126	
Number of civil cases granted	1,467	1,100-1,600	1,323	

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
179,620	192,533	191,602	205,674

Support and Assistance provided by Victim Support to Victims of Crime

Scope of appropriation

This appropriation is limited to the purchase of services from the New Zealand Council of Victim Support Groups ("Victim Support") for the provision of services to victims of crime and trauma. This covers personalised support services (covering 24 hour emergency support and follow up support through the criminal justice system) and the administration of the Victim Assistance Schemes (covering counselling for families of homicide victims, and financial assistance to help victims).

Contribution to strategic intentions

The services and activities provided under this category contribute to our priorities to lead the transformation of the criminal justice system and improving access to justice. The intended impact of these services and activities is that victims of crime are supported by information and financial assistance.

Description of activities

Victim Support provides services to victims of crime. Victim Support workers are available 24 hours a day, 365 days a year, via an 0800 number or by direct contact from referrers (usually New Zealand Police). Services offered include psychological first aid at the time of crisis and ongoing emotional and practical assistance, help dealing with the justice system, financial assistance and referral to other services.

Other Victim Support services include the administration of Victim Assistance Scheme. The scheme provides grants to victims of serious crime and trauma to reduce the financial burden on victims and increase victims' participation in the justice system. Grants are available to contribute to counselling, travelling to court, and emergency needs, including replacing or repairing belongings.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Total number of victims supported	33,503	22,000-28,000	37,529	This is a demand driven measure. There was an overall increase in victimisations reported by police. The number of non-police referrals to Victim Support has also increased, particularly in quarter 4, reflecting higher volumes of family violence referrals during and after COVID-19 lockdown.
Percentage of victims of serious crime 'agreeing' or 'strongly agreeing' that Victim Support made a positive difference on one or more of four pre-determined impacts ('felt listened to', 'less stressed', 'more in control', 'more confident')	92%	90%	87%	
Percentage of victims rating the support provided by Victim Support as being either 'helpful' or 'very helpful'	90%	90%	88%	

Actual 30 June 2019 \$000		Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
8,300	Support and assistance provided by Victim Support to Victims of Crime	10,214	9,446	9,544

Victims' Services

Scope of appropriation

This appropriation is limited to the provision of funding for entitlements and services for victims of crime.

Contribution to strategic intentions

The services and activities provided under this category contribute to our priority to address family violence and sexual violence and lead the transformation of the criminal justice system. The intended impact of these services and activities is that the victims of crime are supported with the provision of information and financial assistance.

Description of activities

The Victims' Services appropriation was established to channel revenue from the Offender Levy to victims of serious crime through specific services and financial assistance grants. Financial assistance grants are intended to lessen the financial impact on victims as they participate in the criminal justice system. The appropriation also funds specific services supporting victims of homicide, sexual violence, and domestic violence.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of victims who received grants	3,219	2,500-3,500	3,280	
Number of high-risk primary victims of family violence who have received a National Home Safety Service home safety upgrade	New measure	400	519	The programme is oversubscribed with a large volume of victim referrals that enter the service.
Percentage of National Home Safety Service clients reporting no further family violence at the point of service conclusion	83%	85%	93%	

Actual 30 June 2019 \$000		Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
5,034	Victims' Services	6,784	5,849	8,499

Minister for Courts' reports on non-departmental appropriations – B.14 (Vote: Courts)

For the year ended 30 June 2020

The following pages of this document meet the requirement, set out in the supporting information to the 2019/20 Estimates or 2019/20 Supplementary Estimates, for information on certain non-departmental appropriations to be reported by the Minister for Courts.

Although the reports are presented in the same document as the Ministry of Justice Annual Report, they do not form part of the Ministry of Justice Annual Report for the year ended 30 June 2020 (including reporting by the Ministry of Justice on appropriations for that year).

Vote Courts

Court and Coroner Related Costs

Scope of appropriation

This appropriation is limited to funding professional and administrative services provided to or directed by courts and coroners, including costs that are required by legislation and costs incurred by Visiting Justices.

Contribution to strategic intentions

The services and activities provided under this category contribute to our priorities to address family violence and sexual violence, maintain the integrity of the courts and tribunals, and improve access to justice. This appropriation is intended to provide effective professional and administrative services to ensure that court users receive appropriate support and representation, and the judiciary have sufficient information to proceed with cases.

Description of activities

This appropriation funds a number of activities, including:

Children Young Persons and Their Families Professional Services include appointments of lawyers to represent the views of the children or to assist the Court, often when the natural parents are unrepresented, and specialist report writers, e.g. for psychological/psychiatric reports.

Domestic Violence Professional Services include Stopping Violence programmes with referrals from both the Criminal and Family Courts.

Family Court Professional Services include Court-appointed lawyers to represent a child so their views are heard; Lawyer to assist the court and provide mediation services; Counselling to help resolve relationship or guardianship disputes; and Specialist report writers (psychologists) to provide written reports for the court.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Children Young Persons and Their Families Professional Services: Number of service provision appointments (see Note 1)	5,166	4,800-5,300	4,806	
Family Court Professional Services: Number of service provision appointments (see Note 2)	13,707	12,000-15,000	13,236	
Percentage of people who started a non-violence programme who completed the programme	70%	70%	71%	

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of safety planning services delivered to protected persons/victims	6,115	6,000-7,000	5,787	During COVID-19 lockdown, there were lower numbers of new safety programme referrals made. This could be attributed to the lower number of protection orders filed and granted.

Note 1 - The services are demand driven and dependent on the type of cases before the court. The services are judicially ordered.

Note 2 - The services provided include court appointed counsel, such as lawyer for child, lawyer to assist the court and specialist report writers. These services are demand driven and professional service providers are engaged when the Judge determines there is a need. An application can have more than one type of service provision appointment.

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
108,660	112,861	118,048	121,006

Minister for Treaty of Waitangi Negotiations reports on non-departmental appropriations – B.14 (Vote: Treaty Negotiations)

For the year ended 30 June 2020

The following pages of this document meet the requirement, set out in the supporting information to the 2019/20 Estimates or 2019/20 Supplementary Estimates, for information on certain non-departmental appropriations to be reported by the Minister for Treaty of Waitangi Negotiations.

Although the reports are presented in the same document as the Ministry of Justice Annual Report, they do not form part of the Ministry of Justice Annual Report for the year ended 30 June 2020 (including reporting by the Ministry of Justice on appropriations for that year).

Where appropriate, an explanation is provided for service performance negative variances of more than 5%. Where there is a range for a standard, a variance explanation is provided for results outside the forecast range. Where appropriate, an explanation has been provided for positive variances of more than 10%.

Vote Treaty Negotiations

Claimant Funding

Scope of appropriation

This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.

Contribution to strategic intentions

The services and activities provided under this appropriation contribute to our goals to settle historical Treaty claims and supports the Ministry of Justice's priority to honour our responsibilities to Māori.

Description of activities

Claimant funding provides a financial contribution to mandated groups towards the cost of negotiating and settling historical Treaty of Waitangi claims. Payments can also be made in certain circumstances to groups seeking a mandate.

Assessing Performance

Performance measure	Actual 2018/19	Standard 2019/20	Actual 2019/20	Variance explanation
Number of claimant groups funded (see Note 1)	49	40	23	Claimant funding payments are limited to active negotiations groups
Percentage of payments made to groups within 10 working days of approval of claim	80%	95%	97%	

Note 1 - Claimant groups can lodge an application for funding at any stage of the negotiation and settlement process. The amount of funding they may receive depends on the size of the claimant group and the complexity of the claim.

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
6,273	4,433	8,102	8,102

Contribution Toward Determining Customary Interests in the Marine and Coastal Area

Note below

This appropriation covers the period from 1 July 2019 to 29 Feb 2020. This appropriation has been discontinued and replaced with Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area to reflect a broader legislative scope.

Scope of appropriation

This appropriation is limited to providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011.

Contribution to strategic intentions

This appropriation is intended to achieve an effective process for providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011. The services and activities provided under this appropriation contribute to our goals to engage with Māori on takutai moana and supports the Ministry of Justice's priority to honour our responsibilities to Māori.

Description of activities

This appropriation contributes to the costs of engagement with the Crown or High Court under the Marine and Coastal Area (Takutai Moana) Act 2011. Financial help is tailored to the individual circumstances of each group taking into account the type of rights applied for, the size of the applicant group and the size and complexity of the application area. Maximum amounts of financial help are available for specified costs tagged to milestones. It does not cover all costs.

Assessing Performance

Performance measure	Actual 2018/19	Standard 1/7/2019 to 29/2/2020	Actual 1/7/2019 to 29/2/2020	Variance explanation
Percentage of funding payments made to groups within 10 days of approval of claim	62%	95%	100%	

Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
1,962	2,549	10,450	

Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area

Note below

This appropriation covers the period from 1 March 2020 to 30 June 2020. This is a new appropriation that replaced Contribution Toward Determining Customary Interests in the Marine and Coastal Area to reflect a broader legislative scope.

Scope of appropriation

This appropriation is limited to providing financial assistance to applicant groups to investigate their customary interests in the marine and coastal area.

Contribution to strategic intentions

This appropriation is intended to achieve an effective process for providing financial assistance for the investigation of applicant groups' customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011. It contributes to our goal to improve justice outcomes for Māori.

Description of activities

This appropriation contributes to the costs of engagement with the Crown or High Court under the Marine and Coastal Area (Takutai Moana) Act 2011. Financial help is tailored to the individual circumstances of each group taking into account the type of rights applied for, the size of the applicant group and the size and complexity of the application area. Maximum amounts of financial help are available for specified costs tagged to milestones. It does not cover all costs.

Assessing Performance

Performance measure	Actual 2018/19	Standard 1/3/2020 to 30/6/2020	Actual 1/3/2020 to 30/6/2020	Variance explanation
Percentage of funding payments made to groups within 10 days of approval of claim	New measure	95%	100%	

	Actual 30 June 2019 \$000	Actual 30 June 2020 \$000	Unaudited budget 2020 \$000	Unaudited forecast 2021 \$000
0 Contribution Toward Determining Customary Interests in the Marine and Coastal Area		1,749	0	10,450

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This annual report is presented to the House of Representatives in accordance with section 44(1) of the Public Finance Act 1989.

Reports on non-departmental appropriations by the Minister of Justice, Minister for Courts, and Minister for Treaty of Waitangi Negotiations are presented to the House of Representatives in accordance with section 19B of the Public Finance Act 1989.