



# Te Tāhū o te Ture Annual Report

1 July 2021 - 30 June 2022

Including the Annual Report for Te Arawhiti,  
The Office for Māori Crown Relations

And Ministers' reports on Non-Departmental Appropriations: Minister of Justice (Vote Justice), Minister for Courts (Vote Courts),  
Minister for Treaty of Waitangi Negotiations and Minister for Māori Crown Relations: Te Arawhiti (Vote Te Arawhiti)

*Te Tāhū o te Ture is the Māori name for the Ministry of Justice bestowed to our Ministry by respected kaumātua Tā John Clarke. Tāhū is the ridge pole that is the main support structure of a wharenui 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 New Zealand. Te 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 for Courts.*

## **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 2021/22 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.

ISSN 1178-2730 (PRINT) | ISSN 1178-2749 (ONLINE)

2022 © Crown Copyright



This work is licensed under a Creative Commons Attribution 4.0 International Licence. You are free to copy, distribute and adapt the work, as long as you attribute the work to the Ministry of Justice and follow any other licence terms. To see a copy of this licence, visit [creativecommons.org/licenses/by/4.0](https://creativecommons.org/licenses/by/4.0)

This annual report is presented to the House of Representatives in accordance with section 44(1) of the Public Finance Act 1989.



MINISTRY OF  
**JUSTICE**  
*Tāhū o te Ture*

# Te Tāhū o te Ture **Annual Report**

1 July 2021 - 30 June 2022

Including the Annual Report for Te Arawhiti,  
The Office for Māori Crown Relations

And Ministers' reports on Non-Departmental Appropriations: Minister of Justice (Vote Justice), Minister for Courts (Vote Courts),  
Minister for Treaty of Waitangi Negotiations and Minister for Māori Crown Relations: Te Arawhiti (Vote Te Arawhiti)

# Contents

<b>Introduction from the Secretary for Justice</b>	<b>05</b>
<b>At a glance: Our key achievements in 2021/22</b>	<b>06</b>
<b>Section One: Who we are and what we do</b>	<b>07</b>
Our context: understanding the value of the law and the justice system	08
Our mahi	10
Operating in a COVID-19 climate	11
Tūmatakahuki - our strategy	14
Valuing inclusion and diversity	15
<b>Section Two: Our key achievements</b>	<b>20</b>
Our enduring priorities	21
Our transformational priorities	31
Managing our corporate responsibilities	36
<b>Te Arawhiti Annual Report Narrative</b>	<b>39</b>
Statement of responsibility	69
<b>Section Three: Reporting on financial and performance information</b>	<b>70</b>
Statement of responsibility	71
Independent Auditor's report	72
Risk and Assurance Committee report for the Period of 1 July 2021 to 30 June 2022	75
Reporting against appropriations	76
Our financial statements	97
Additional performance information	153
<b>Appendix: What has been achieved with non-departmental appropriations</b>	<b>165</b>

# Introduction from the Secretary for Justice



**Three years on, the COVID-19 pandemic continued to cast a heavy shadow and further exacerbated court delays, which we acknowledge impacted on all court participants, especially victims. The good news is it didn't define our 2021/22 year.**

There is much to celebrate, and thank kaimahi for, as we continue to work towards providing a better justice system for all. As well as specifically tackling the COVID-19 related court backlog, we worked on several fronts and with many partners to address these issues. This includes the judicially sponsored, cross-agency Criminal Process Improvement Programme (CPIP), where good progress is being made. By the end of the financial year we were facing fewer active court cases than before the pandemic.

We introduced a Victims Framework across the Ministry to help ensure our projects prioritise victims and their need for safety, respect, information and accountability. Meeting these needs will help build trust and confidence in the justice system, encouraging those hesitant to report incidents and giving them confidence their voice is heard. We will build on this momentum with sector partners to further improve outcomes for victims, a key government priority.

The year also saw us bringing to life Te Ao Mārama, a judicially-led vision aimed at improving the experience of, and achieving better outcomes for, all who participate in the District Court system. The Innovative Courts building programme complements Te Ao Mārama by creating new facilities that better reflect the needs of a modern Aotearoa. New court buildings are in the design phase in both Tauranga and Whanganui.

The disruption of COVID-19 lockdowns, combined with the impact of illness and absenteeism, put a lot of stress on our staff and those we work with. I am proud to say we adapted and continued to deliver. Working with and in support of the Judiciary, and alongside our many sector partners, we have maintained safe public access to the courts and tribunals and continued to deliver justice services.

We continue to implement the recommendations of the Te Korowai Ture ā-Whānau report on the Family Court. This includes developing improved resources and the nationwide introduction of Kaiārahi (Family Court Navigators) to support victim and participant whānau in their engagement with the Court.

In Budget 2022 the Government announced implementation of Te Au Reka, a new digital case management system for the courts. This multi-year project (rolling out first in the Family Court) will enable us to greatly enhance the efficiency and effectiveness of the whole court system.

On the Policy front, the year included significant work towards the Three Strikes Legislation Repeal Act 2022, Sexual Violence Legislation Act 2021, Conversion Practices Prohibition Legislation Act 2021, Counter-Terrorism Legislation Act 2021, and COVID-19 Response (Courts Safety) Legislation Act 2022. We continue to support the Government's broader legislative programme through our advice on the human rights and constitutional implications of legislative proposals.

Across all our work we aim for a fairer, safer Aotearoa, and to build trust and confidence in the rule of law, but cannot do this alone. Working in support of the judiciary and in partnership with other agencies, iwi, and communities, we are better placed to serve. Significant cross-sector COVID-19 collaboration further strengthened these relationships.

We worked closely and collaboratively with the National Iwi Chairs Forum and Ināia Tonu Nei on justice sector reform. We are seeing positive outcomes already from the whānau-centred Whakaorangia te Mana Tangata initiative funded in Budget 2021.

Cross-sector work is also underway to implement Te Aorerekura, Aotearoa's first National Strategy for the Elimination of Family Violence and Sexual Violence. We are proud to host Te Puna Aonui, the inter-departmental executive board charged with coordinating Te Aorerekura.

The Justice Cluster established ahead of Budget 2022 builds on existing collaboration under the Justice Sector Leadership Board, and further enables us to pursue stronger relationships as a priority. Together, we have been able to tell a stronger story of system-wide change and identify areas of historic under-investment. This resulted in increased Ministry funding over three years in Budget 2022.

In June 2022 we welcomed the new Minister of Justice, Hon Kiritapu Allan, to work alongside the Minister for Courts, Hon Aupito William Sio and the Minister for Prevention of Family and Sexual Violence, Hon Marama Davidson. I acknowledge with appreciation Hon Kris Faafoi and Hon Willie Jackson for their now concluded contribution to the Justice and Associate Justice portfolios.

Importantly, we also look inwards. Te Tāhū o te Ture has focused on supporting and guiding kaimahi through the pandemic, investing in their health, wellbeing and professional development. We have strengthened our capability in Te Ao Māori. We have made progress in ongoing work to close the gender pay gap and in achieving our overall wellbeing aims of enabling our people to succeed and making the Ministry a great place to be.

Ngā mihi nui ki a koutou – thank you to everyone who has been a part of our year's work or contributed to our plans for a better justice future for all. In particular, thanks to our kaimahi. I am grateful every day for their effort, integrity, and commitment to serving the people of Aotearoa New Zealand.

**Andrew Kibblewhite**  
Secretary for Justice  
Pou Whakarae mō te Ture

<sup>1</sup>In November 2020, the Chief District Court Judge, Judge Heemi Taumaunu, announced Te Ao Mārama, the District Court Heads of Bench vision for change for the District Court. This vision has been developed as the District Court's response to longstanding intergenerational calls for change to the justice system and District Court. Our progress with implementing this model is detailed on page 21.

# At a glance

## Our key achievements in 2021/22

### We kept the courts operational, as an essential service, during the COVID-19 waves:

- since February 2022, the Omicron outbreak has led to more than 1,300 employees testing positive for COVID-19, and caused others to go into self-isolation, but our courts performed better than those in other countries. By April 2022, the number of court events were on track to exceed 91% of pre-pandemic levels, and by the end of June were up to 95%
- our comprehensive approach to protecting our people and those seeking access to justice included:
  - › legislative and corporate policy changes
  - › becoming a workplace vaccinator
  - › the use of rapid antigen tests (RATs) in the courts for jury trials, judicial officers and frontline staff
  - › supplying personal protective equipment (PPE) for use at all Ministry sites
  - › working with the Judiciary and regularly engaging with the Public Service Association, Health & Safety representatives and the sector to learn and improve our services in courts and keep people safe.
  - › By the end of 2021/22 we had fewer court cases than what we had at the start of the pandemic and our courts were performing better than those of other countries.

### We set ourselves up to further support and protect our people with a strategy to guide the Ministry's approach to, and investment in, staff health and wellbeing.

Through our work with the Judiciary good progress was made with implementing the Te Ao Mārama vision to other courtrooms, to ensure these can better serve the community. We have also launched the Young Adult List in Gisborne and Hamilton and implemented the Whakaorangia te Mana Tangata initiative in Kaitiāia.

### We led the policy work for several major legislative changes, including:

- Sexual Violence Legislation Act 2021
- Conversion Practices Prohibition Legislation Act 2021
- COVID-19 Response (Courts Safety) Legislation Act 2022

### Our Justice Sector relationships grew even stronger:

- we helped transition the Joint Venture Business Unit – Family Violence and Sexual Violence into an Interdepartmental Executive Board (Te Puna Aonui) to provide a whole-of-government approach to family violence and sexual violence issues
- we have worked closely with our Justice sector partners – Ara Poutama Aotearoa – Department of Corrections, Crown Law Office, Ngā Pirihimana o Aotearoa – New Zealand Police and Te Tari Hara Tāware – Serious Fraud Office – to pilot a new approach to the Budget process, a Cluster. The Cluster shares key priority areas and strategic outcomes with the objective of increasing collaboration across public service agencies, improving value for money, and strengthening delivery of the Government's wellbeing priorities.

### We led a review of the arrangements to support the sector, leading to the establishment of a dedicated Sector Directorate with a focus on bringing justice sector agencies together to transform the justice system for the benefit of all New Zealanders.

We set the foundations, including funding in principle, for a digital case management system (Te Au Reka) to proactively manage cases and ensure effort is invested in actions that help progress cases, support resolution and minimise harm.

We developed a Victims Framework to ensure that victims remain a focus when carrying out our work. The Framework provides activities, resources and templates that will assist our project teams to identify and address the justice needs of victims in their work, and to report on the benefits for victims.

# Section One

Who we are and what we do



## Our context: understanding the value of the law and the justice system

Aotearoa New Zealand's institutional and constitutional arrangements underpin our way of life. They include the principles that govern relationships between private citizens (for example, property rights) and relationships between citizens and the State (for example, voting, limitations on enforcement powers).

Of particular importance are the rules and conventions governing the State's core powers and obligations, including who can exercise those powers and how. Key elements of our arrangements are:

- Te Tiriti o Waitangi – the Treaty of Waitangi – one of Aotearoa New Zealand's founding documents and a core part of our constitutional arrangements
- representative democracy
- open and accountable government and justice
- the rule of law, which means that everybody – including the government – must obey the law (including the separation of powers and judicial independence)
- judicial independence and the separation of powers - an essential part of the rule of law. It means that judges can exercise their functions without fear or favour and people can have confidence that justice will be done in the courts
- protection of human rights.

Against this backdrop of constitutional arrangements, our Ministry's role is to serve the government, and the public service, to make decisions in ways that are regarded as legitimate by communities across Aotearoa. Legitimacy comes from decision-making that is consistent with New Zealand's constitutional arrangements and our constitutional values (for example, fairness and equality). Our advice:

- allows people to maintain confidence in institutions' long-term decision-making
- enables institutions to weather short-term shocks and crises (for example, fraud by an official, or a state of emergency) without a significant loss of public confidence
- allows people to delegate decision-making on big policy matters to elected representatives, enabling them to focus on matters of more immediate concern
- allows people to entrust enforcement officers with intrusive powers (for example, entry, search and seizure)
- gives people confidence to trade with each other without taking measures to protect their property

- gives foreign markets confidence in New Zealand, which supports a strong, stable economy.

**Click here to learn more about these principles:**

<https://bit.ly/3p7rLsx>

Te Tāhū o te Ture – Ministry of Justice contributes to this legitimacy by providing advice on New Zealand's constitutional system, including the laws and practices relating to the exercise of public power by state institutions. For example, we:

- provide advice on other agencies' policy work, including the Offence and Penalty vetting process to ensure policies are consistent with constitutional norms
- provide constitutional advice to wider government
- ensure proposed legislation meets the requirements of the New Zealand Bill of Rights Act 1990 (NZBORA), and advise the Attorney-General whether Bills are consistent with the Act
- monitor constitutional bodies, such as the Privacy Commissioner and the Human Rights Commission to maintain public trust in the rule of law
- monitor the Electoral Commission to support its delivery of elections.

Our position at the centre of the three branches of the State (the Executive, the Legislature and the Judiciary) gives us a shared perspective on the rules and conventions governing the State's core powers and obligations, including who can exercise that power and how. As a result, we're uniquely placed to advise government on constitutional arrangements. We are also well placed to maintain and build a trustworthy justice system that people can turn to and rely upon to get their justice issues resolved. The Judiciary is responsible for decisions on cases and for the orderly and efficient conduct of business of the courts.

We provide administrative support for courts. Together we maintain the integrity of the courts and tribunals. The Ministry's role sees us:

- being accountable to the Ministers for Justice and the Courts
- being accountable for the expenditure of public funds needed to administer justice in the courts
- enabling access to justice
- enhancing the efficiency and effectiveness of the courts
- looking after court safety and participants in court proceedings.



## The justice sector

The justice sector is made up of:

- **Te Tāhū o te Ture – Ministry of Justice**
- **Ara Poutama Aotearoa – Department of Corrections**
- **Ngā Pirihimana o Aotearoa – New Zealand Police**
- **Oranga Tamariki – Ministry for Children**
- **Te Tari Ture o te Karauna – Crown Law Office**
- **Te Tari Hara Tāware – Serious Fraud Office.**

We work closely with our sector partners to deliver quality services to participants in the justice system. We do this through our leadership of, and participation in, sector and inter-agency initiatives aimed at protecting and supporting New Zealanders, and reducing crime, victimisation and harm.

This includes supporting the Justice Sector Leadership Board (JSLB), comprised of justice sector chief executives and chaired by our Chief Executive in his role as Secretary for Justice. The Board, along with associated committees (also supported by our Ministry), is responsible for coordinating major change programmes across the justice sector, improving services and managing investment to achieve collective goals expressed in its Strategic Plan.

The JSLB has considerable ambitions for continued transformation across the sector. To support these ambitions, the JSLB decided to establish a Sector Directorate, following a review and after consultation with our Sector Group. This consisted of transitioning elements of our Ministry's Sector Group into a new organisational structure with a new operating model solely focused on supporting the JSLB.

The new Sector Directorate was launched in April 2022, providing support and leadership with a clearer focus and better-defined functions to lead a 'sector-first' approach. The directorate looks to strengthen the justice sector's ability to collaborate and hone strategy, performance and investment; this includes leading the Justice Budget Cluster work and working towards the first justice sector Long Term Insights Briefing<sup>2</sup>.

Another important way we influence sector performance is by monitoring a series of outcome-orientated indicators. These are not an indication of our Ministry's performance alone, but rather a point of reference for guiding the sector's priorities and areas of focus. The end-of-year results for these measures are provided on page 154 of this report.

**Click here to read more about the Justice sector:**  
<https://bit.ly/3BRwDcE>

<sup>2</sup>Long-term Insights Briefings are a government initiative requiring agencies to develop and share insights on trends, risks and opportunities in order to identify and explore the issues that matter for the future wellbeing of the people of New Zealand.

# Our mahi



We deliver change to achieve Ministry objectives which involves commissioning, designing and improving our services.



We host the Joint Venture Business Unit and are part of the Joint Venture, Family Violence Sexual Violence.



We supported 43,407 victims in 2021/22.



We contract with over 2,400 individual providers (lawyers and employment advocates) to provide legal aid services to support people moving through the justice system.



We support the judiciary to deliver court services for the Supreme Court, Court of Appeal, High Court, District Court and Specialist Courts. We also provide support to 27 tribunals in New Zealand.



We monitor the performance of seven Crown Entities.



We carry out criminal conviction history checks. We processed 443,794 requests in 2021/22.



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



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



We collect fines, reparations, infringements, and civil and legal aid debt. We collected over \$165.5M in fines in 2021/22.



We support and manage the Public Defence Service (PDS) - New Zealand's largest criminal law practice.



We publish the New Zealand Crime and Victims Survey and other justice sector data.

# Operating in a COVID-19 climate

---

The changing nature of COVID-19 in 2021/22 meant ongoing and significant disruption to the courts and wider justice system. We worked closely with the Judiciary, legal profession, Public Service Association and our own health and safety representatives to assess the risks of exposure to, and infection from the Delta and Omicron variants.

These collaborative efforts meant Court business continued throughout each wave of the pandemic. This was as the judiciary and court staff built on previous protocols and experience in operating in this environment, and with the benefit of the Ministry's increased investment in technology, Personal Protective Equipment (PPE) and other measures to support the courts.

---

## Keeping courts operational

### Partnering with the judiciary

Underpinning our efforts to keep courts accessible and safe was the development of the COVID-19 Response (Courts Safety) Legislation Act 2022, which made temporary changes to remove legal barriers preventing the judiciary and our Ministry from managing COVID-19-related health and safety risks. This supplemented and supported judicial and Ministry powers to set requirements relating to court entry and selecting and managing juries. The legislation was developed in close consultation with the judiciary, and carefully balanced safety and fundamental rights.

Following the passage of the COVID-19 (Courts Safety) Legislation Act, we continued working with the judiciary to update and develop judicial protocols setting out how different types of proceedings would take place under each traffic light setting. This collaboration has helped us complete an increasing number of court events since the arrival of COVID-19:

- during the first COVID-19 Alert Level 4 period only 32 percent of normal court events were able to be completed
- during the Delta Alert Level 4 period in late 2021, court events completed increased to 40 percent
- during the most recent Omicron Red settings, the High Court, District Court and Youth Court combined completed 91 percent of the court events they normally would. By April 2022, the number of court events were on track to exceed 91% of pre-pandemic levels, and by the end of June were up to 95%.

### Keeping staff & occupants safe

Vaccination policies for staff and third-party visitors to Ministry sites. The Court protocols and vaccination policies were implemented mid 2021/22, along with other measures that included:

- developing and distributing instructional videos to assist jurors in undertaking self-administered testing
- requesting additional rapid antigen tests (RATs) following concerns about international supply

- tracking the use of these tests weekly to inform our awareness of where demand for them was greatest
- becoming a workplace vaccinator
- distributing laptops to facilitate more remote working for our staff.

Throughout the pandemic the Ministry took steps to protect staff and occupants when using courtrooms, jury rooms and other physical working environments by:

- assessing the air quality of many of our owned sites as well as some leased sites
- distributing and installing air purifiers across many of our court facilities to help improve the quality of the air in our jury retiring rooms, secure witness interview rooms and other small, high-use rooms
- supplying PPE equipment for use by our staff while onsite.

### Increasing remote participation at court events during COVID-19

We worked with sector partners and the judiciary through the Remote Courts programme to ensure more court events could take place remotely during the red and orange traffic light settings. This programme:

- supported the judiciary by:
  - › introducing a process for capturing judicial decisions via a judicial electronic stamp
  - › supporting the judiciary's Remote Judges Pilot, which enabled hearings to be conducted without a judge physically present in the courtroom
  - › keeping judges informed about, and trained on, the technology options available for supporting remote hearings.

- supported lawyers by:
  - › expanding their ability to take instructions via audio visual link for their clients in custody
  - › publishing information for lawyers and other external participants on how to attend hearings remotely, including running a remote court 'email helpdesk'.

The programme also:

- provided transcription and MS Teams training to over 440 court staff, allowing them to support remote hearings
- deployed changes to File and Pay to increase electronic document filings and payments, with over 70 percent of filing fees now paid through File and Pay, reducing the need to enter the court to file documents or pay fees.

Innovations of this nature ensured the High Court and District Court enabled more court events to proceed and more jury trials to be resolved.

By the end of 2021/22 we had fewer court cases than we had at the start of the pandemic and our courts were performing better than those of other countries. We had also secured an extension of the \$50M COVID-19 Recovery budget bid approved in 2020 to assist in addressing the impacts of COVID-19. Five District Court judges and four acting High Court judges have been appointed to assist in reducing the COVID-19-related caseload. Funding for associated support staff and for the other justice sector agencies was also included.

### Supporting the Government's response to COVID-19

#### Protecting New Zealand's human rights and constitutional settings

Our contribution to the Government's COVID-19 response included careful scrutiny of the policy and legal settings relevant to mitigating the impact of the pandemic. We ensured any changes were consistent with New Zealand's human rights and constitutional settings and were proportionate responses to the situation faced. Our aim was to promote public confidence in the legitimacy of the COVID-19 response, and in the ability of New Zealand's constitution to protect its people in such extraordinary times.

#### Providing a contingent workforce

In late 2020, Manatū Hauora - Ministry of Health approached us for assistance in establishing a contingent workforce in the event of a resurgence of COVID-19. We agreed to provide up to 80 staff to form a contingent workforce, formalising this agreement with a memorandum of understanding which was activated in 2021/22.

From September to December 2021, 60 of our staff were trained by Manatū Hauora - Ministry of Health to assist with contact tracing and to process border exemption applications for personal movement. These applications are made by individuals who wish to travel between regions with differing alert levels. During this time, we had up to 35 of our people assigned daily to process border exemption applications, which required them to make recommendations to grant or decline applications.

The number of court events completed have increased under RED setting protocols

National total, rolling weekly completed court events (excl. Papers and Not Required)



This includes events in the High Court, District Court and Youth Court where event status is complete (excl. dealt with on paper event types). The latest data in this series is for 1 May 2022.

Over 10,000 applications were processed by this contingent workforce and Manatū Hauora - Ministry of Health staff. Our people demonstrated their ability to adapt to new roles and situations with urgency, working collaboratively with Manatū Hauora - Ministry of Health to help protect Aotearoa New Zealand from COVID-19. The memorandum of understanding is in place until 31 December 2022 and can be utilised if required.

### **Responding to change**

As we progressed through 2021/22, it became clear that the pandemic was having an even greater impact than in previous years; higher numbers of staff were testing positive, taking sick leave and going into self-isolation. Even so, our approach to mitigating against, and adapting to the changing nature of COVID-19 ensured people in New Zealand could keep accessing justice.

We will continue working closely with the judiciary, Heads of Bench and our justice sector partners on initiatives to help address pressures as they arise across all jurisdictions.

### **Implementing the COVID-19 Protection Framework (CPF)**

The Government replaced the original COVID-19 alert levels with sets of rules for different traffic light settings known as the COVID-19 Protection Framework to manage life with Omicron and to reduce the impact of outbreaks.

Our initial risk assessment work meant we were well placed to implement the framework across our Ministry and in particular the Courts of New Zealand<sup>3</sup>; we met the Government's criteria for being considered a 'critical service'<sup>4</sup> and were therefore eligible for the Government's Close Contact Exemption Scheme, which allowed critical workers to continue working if they were a close contact of someone with COVID-19. With rapid antigen tests (RATs) forming part of Aotearoa New Zealand's response to Omicron at Phases 2 and 3, we took steps to make sure these tests could be accessed as easily and as safely as possible by our people.

---

<sup>3</sup>For the Courts, this included critical court staff, judicial officers, members of the legal profession and any other party or participant that must be on-site to maintain services.

<sup>4</sup>These services included, but were not limited to: key public services such as health and emergency services; and social welfare.

# Tūmatakahuki - our strategy

Our strategy is named Tūmatakahuki – within the whare, the stories and the identity of the iwi are shown through the carvings, the kōwhaiwhai patterns and the tukutuku panels. Tūmatakahuki is the first binding stitch that begins the tukutuku panel weaving.

Our strategy – sets out ambitions and priorities for delivering on our strategic intentions in three areas:

## Our purpose

Our purpose is working together for a fair and safe Aotearoa New Zealand. This guides what we do every day.

## Our priorities

Our enduring priorities are the areas that will remain fundamentally important to the Ministry over the long term, while our transformational opportunities reflect the shorter-term opportunities and challenges we face to make Aotearoa New Zealand a better place for everyone.

Focusing on our culture as a ministry is equally important to us. It is key to us that our people are proud to work at Te Tāhū o te Ture - Ministry of Justice, and that they are given the tools they need to succeed. Our commitment to honour our responsibilities to Māori is not just about those projects that directly contribute to this priority, we see this as a commitment across everything we do.

This report presents our achievements and progress across these priorities in 2021/22.

## Our values

Our values underpin everything we do – the actions we take, the decisions we make and the relationships we build. Our success is not just about what we do; it is about how we do it – with respect, integrity, service and excellence.

Click here to learn more: <https://bit.ly/3f1X0mU>



# Valuing inclusion and diversity

We want Te Tāhū o te Ture – Ministry of Justice to be a place where our people feel connected, valued and part of a strong and positive culture. We encourage our people to reach their potential and to play their part in our Ministry’s successes. We want our Ministry to be a place where our people can come to work feeling safe and supported to be themselves.

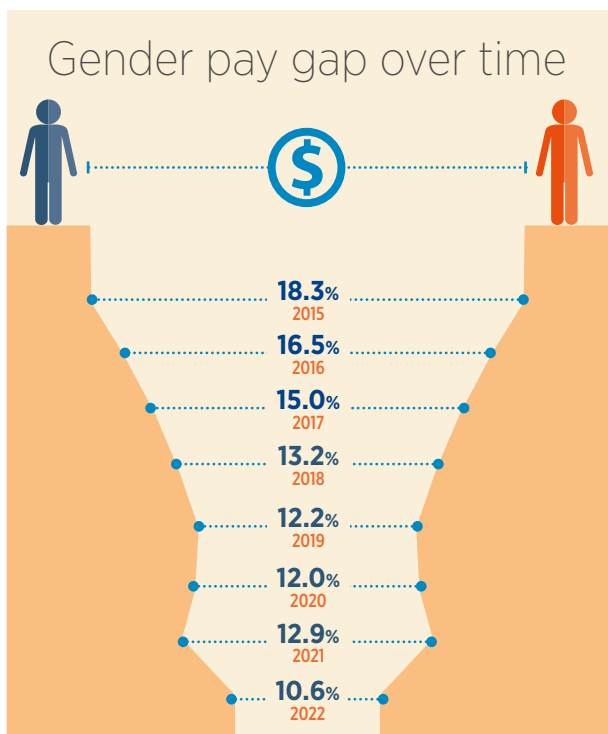
Our culture and capability priorities represent what we’re focusing on to ensure we have the people, capability and infrastructure we need to deliver improved outcomes for all New Zealanders.

## Making our Ministry a great place to be

### Achieving equal pay: closing our gender pay gap

The gender pay gap (GPG) is a high-level indicator of the difference between women and men’s earnings, driven by deeply embedded views, values and behaviours. Closing our GPG is a long-term priority, and we remain committed to making progress – as we work on this with our people, the Public Service Association (PSA) and Te Kawa Mataaho Public Service Commission.

By the end of 2021/22 our average GPG was 10.6 percent.<sup>5</sup> This is a decrease of 2.3 percentage points over the last financial year:



Our actions this year that supported this decrease included:

- conducting a review of our salary data using Regression Analysis to check for any gender or ethnicity bias across our salary bands
- an Equal Pay review of employee data to ensure any other areas of bias could be corrected

- a review of our HR and remuneration policies
- continued support and guidance for our managers when using our starting salary guidance.

The results of our regression and equal pay analysis saw equal pay increases for 37 employees across the Ministry, comprising 24 (65 percent) females and 13 (35 percent) males. The Gender Action Plan also includes the progress we made in 2021/22 against the Government’s actions and milestones:

- as of 30 June 2022, 54.2 percent of senior leaders (defined as tiers two and three) at our Ministry are women, and 60.4 percent of leadership roles below tiers two and three are held by women
- more women employees are seeking out leadership development advice aligned to their career development goals, such as requests for information and resources, courses, and specific career opportunities.

Learn more about our 2021/22 Action Plan here:

<https://bit.ly/3Ej1wYT>

### Growing our people networks

Our People Networks are an integral part of the Ministry’s focus on inclusion and diversity. In the past year we have seen increased network engagement and active membership has increased to 2,359 members across all networks. These networks provide valuable subject matter expertise and their collaboration ensures that our people initiatives are inclusive and represent all voices of our people. We are supporting eight employee networks in total:

- Pasefika Network
- Te Hono - Māori Network
- Ethnic Network
- Climate and Environment Network
- Women’s Network
- Tātou Tātou Rainbow Network
- Young Professionals Network
- Disability Network.

<sup>5</sup>The figures on this graph include Te Arawhiti.

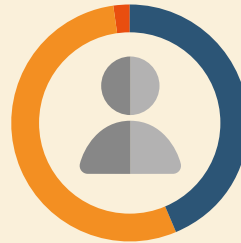
# OUR PEOPLE

## Gender (overall)



**31.0%** Male  
**68.1%** Female  
**0.2%** Gender diverse  
**0.7%** Unknown

## Gender (senior management)



**43.8%** Male  
**54.2%** Female  
**0.0%** Gender diverse  
**2.1%** Unknown

**66.1%** of our people work in Operations and Service Delivery (OSD)

Total number of OSD employees **2,886**

**4,365**

people at our Ministry

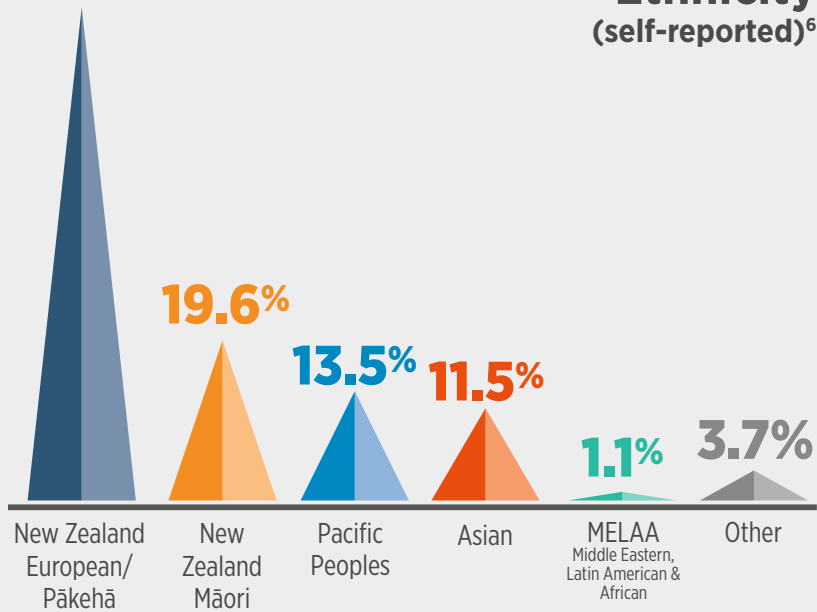


FTE (full-time equivalent)

**4,233**

**60.2%**

## Ethnicity (self-reported)<sup>6</sup>



## Breakdown of length of service



### Years

**0-1** 1,044 **23.9%**

**1-2** 543 **12.4%**

**2-5** 1,080 **24.7%**

**5-10** 586 **13.4%**

**10+** 1,112 **25.5%**

<sup>6</sup>People may self-report more than one ethnicity.



## Supporting a positive workplace

In 2021/22, our commitment to build a workplace culture that promotes respect, inclusion and diversity saw us:

- take a stand against bullying with over 280 employees participated in Pink Shirt Day<sup>7</sup> 2022 to celebrate diversity and kindness in workplaces
- sponsoring the Rangitahi Māori Emerging Leaders Programme and participating in the Mentor and Mentee sponsorship of the Public Service Pacific Mentoring Programme
- establishing eLearning on addressing, understanding and managing bias.

## Kaimahi Māori regional wānangaseries

Kaimahi Māori regional wānanga are a kaupapa Māori approach to supporting the personal, professional, and cultural development of kaimahi Māori. These wānanga provide a space for kaimahi Māori to deepen and broaden their understanding of te reo, tikanga and concepts of te ao Māori, and build connections with each other and the communities they live and work in.

The outbreak of Omicron in 2021/22 resulted in postponements and eventually some cancellations. The two regional wānanga were held in Te Tairāwhiti and Waiariki in May and June 2022. Over 80 kaimahi Māori attended across the two wānanga. We are committed to delivering these important opportunities to support kaimahi Māori development and wellbeing, and are planning further wānanga in the years ahead.

## Enabling our people to succeed

### Recognising diversity in our growing Court Security Officer roles

We know that a diverse cohort of Court Security Officers (CSOs) is best placed to engage with the broad range of New Zealanders who enter New Zealand's courtrooms every day. This is influencing our approach to recruitment as well as the way we train our new staff to challenge the 'tough guy' stereotype of security roles.

Coming to court is not something people usually look forward to doing, so our focus on recruiting CSOs has a primary focus on applicants with good communication and interaction skills. In addition to learning the requirements of, and their obligations under, the Court Security Act these skills are developed further, with new recruits being taught how to engage and communicate with people from all walks of life while ensuring courtrooms are spaces where everyone is kept as safe and well as possible.

This approach to recruitment is helping us reach a more diverse talent pool; since introducing this approach, the number of women in these roles has gone from 16 percent in 2019 to 20-25 percent by the end of 2021/22. We have also seen a steady increase in the number of Pacific Peoples in these roles (21 percent in 2018, growing to 27.5 percent by the end of 2021/2022). We expect to see similar successes moving forward, as we aim to attract and retain a diverse cohort of CSOs to ensure they reflect the communities they serve.

## Developing future leaders

### Developing our kaimahi into future leaders

The Emerging Leaders Programme (the Programme) is an internal leadership programme aimed at developing our staff into future leaders. The Programme is targeted at frontline staff that have never held a formal leadership role but have a desire and the potential to step up. It is an essential part of developing a high-performing and capable workforce by offering development opportunities for our people to build their leadership capability and prepare themselves for leadership roles.

A pilot of the Programme was run in 2020 with 11 staff participating. The pilot was extremely successful, with 10 out of the 11 participants obtaining leadership roles. There are 10 participants in the current Programme, which will finish in October 2022. The Programme runs over 10-months and is currently open to staff within the National Service Delivery group. Moving forward, we hope to expand the Programme to include more areas across the Ministry so that more staff have the opportunity to develop into future leaders.

### Developing rangatahi Māori into leadership

Te Kawa Mataaho's (Public Service Commission) Rangatahi Māori Emerging Leaders Programme provides our rangatahi with opportunities to develop skills and confidence to support the move into leadership and governance roles in the future. It is offered to 30 candidates across the public sector agencies (indicative age 18 to 28 years) who are:

- early in their career (started within the last five years)
- wanting to develop their leadership skills
- aspiring to lead and/or serve within the public service and their communities.

The programme runs for a year and includes quarterly three-day development wānanga. This is the first year we have participated in this programme and have three rangatahi taking part.

**“As a rangatahi wahine Māori working in the public sector as a lawyer It's been a joy to meet thriving rangatahi Māori working in the public sector as my work is very much focused on our people”** - Te Tāhū o te Ture - Ministry of Justice attendee

<sup>7</sup>Pink Shirt Day is led by the Mental Health Foundation with support from InsideOUT, the Peace Foundation, New Zealand Post Primary Teachers' Association (PPTA), Te Kaha O Te Rangatahi Indigenous Youth Hub, Te Kāhui Tika Tangata - the Human Rights Commission, Bullying-Free NZ Week, Cook Islands Development Agency.

We recognise we need to significantly lift our organisational cultural capability in te ao Māori. This will enable us to undertake the critical shifts needed to effectively partner with Māori, understand the impact of the justice system on Māori and ultimately improve justice outcomes for Māori (as victims, offenders and whānau) and all New Zealanders.

### Improving our staff's cultural capability

#### Te Kokenga

Te Kokenga is our multi-year programme that focuses on lifting our staff's cultural capability. Key achievements of this programme in 2021/22 included:

- 254 kaimahi (all staff, including leaders) enrolling in Rea Wānanga, an online te reo and tikanga programme
- the re-establishment of a waiata group with waiata being held every Friday in our National Office in Wellington
- 507 staff participating in a Wall Walk<sup>8</sup> to increase their knowledge of racial equity and institutional racism and the relationship between Māori and the justice system over 170 years
- the provision of Te Kaihautū (the host), a programme developed in partnership with the Te Kawa Mataaho Public Service Commission to help transition staff into people leadership roles. By the end of 2021/22, 26 staff were enrolled in two cohorts of this eight-month programme, which has te reo Māori and tikanga embedded throughout and covers our responsibilities as a Treaty partner
- our Chief Executive receiving coaching through Te Puna Whakaora, a coaching programme designed to empower executive leaders to authentically exemplify the principles intended in Te Tiriti o Waitangi. Our Strategic Leadership team will receive this coaching from 2022/23.

### Building cultural capability on the front line

#### Te Waharoa

Te Waharoa is a cultural capability framework created for our Health, Safety and Security (HSS) staff to build their cultural capability, particularly with regard to:

- the daily use and correct pronunciation of te reo Māori
- understanding tikanga, the Treaty of Waitangi and the history of Aotearoa New Zealand
- treating all those entering the court with respect, regardless of who they are and why they may be there.

This framework utilises the tools available through Te Kokenga and aligns with the Te Ao Mārama model (see page 21 or Te Ao Mārama model), as it seeks to improve the participants' experience of the courts. Providing training through this framework to all CSOs saw us deliver Level One training to 266 HSS staff in 2021/22 and a Level Two training package will be rolled out in 2022/23.

The hard work of our Health, Safety and Security team to develop this framework was recognised in 2021/22, with the team participating as a finalist for the Emerging Māori HR award for the Mana Tāngata<sup>9</sup> awards. These awards are designed to celebrate and recognise the important work being undertaken by individuals, teams and organisations of bringing a Te Ao Māori lens to their work.

## Using evidence and insights to deliver better services and outcomes

### New Zealand Crime and Victims Survey

One of the key levers for justice sector transformation is the New Zealand Crime and Victims Survey (NZCVS). This is the only comprehensive source of data about victims of crime, and as such is a valuable resource for understanding the nature and level of victimisation in Aotearoa and the effectiveness of government policies on crime.

In 2021/22 we published the results from the fourth cycle of this survey, which found that younger adults and those living in more deprived areas experience higher risk of victimisation as compared with average adults. Findings like this support a focus on improving wellbeing to reduce the size of crime and victimisation in Aotearoa New Zealand. Other key findings included:

- about 35 percent of females and 12 percent of males had experienced sexual assault in their lifetime. The proportion of those who experienced sexual assault was higher in young people, with 18 percent of adults aged 15-19 already victimised in their lifetime
- disabled adults were more likely to experience crime across personal offences and household offences after accounting for older age distribution
- 18 percent of adults experienced harm in the previous 12 months because of a partner, ex-partner, family or whānau members' controlling behaviour
- the overall victimisation level has remained stable before and during the COVID-19 pandemic.

The NZCVS findings provide government agencies with a nationally-representative picture of the experience of crime in New Zealand for those aged 15 years and over. In 2021/22, the value of the survey was recognised further through its inclusion in the Data Investment Plan – an ongoing initiative launched by Statistics New Zealand to set priorities for Government data over a ten-year period. It was then chosen as one of the 30 Data Investment Plan initiatives needed within one to three years to be considered by the New Zealand Treasury for the 2023 Budget. Additional funding was secured for the NZCVS in Budget 2022.

<sup>8</sup>The Wall Walk is an interactive, half day workshop on the history of Māori-Crown relations that helps explain why Māori are represented in criminal justice statistics to the extent they are today. The workshop provides critical knowledge for public servants - particularly those working in the Justice sector, as it illustrates the relationship between Māori and the Justice system over the past 170 years.

<sup>9</sup>These awards are awarded by the Human Resources Institute of New Zealand and recognise the important work being undertaken by individuals, teams and organisations of bringing a Te Ao Māori lens to their mahi.

## Justice Sector Projections 2021

In 2021/22 we delivered 'Justice Sector Projections 2021' to provide key insights into the future resourcing of courts and prison capacity planning. The 2021 projections noted significantly fewer people are coming into prison as the justice sector takes an increasingly cooperative approach and focuses on therapeutic solutions to preventing and responding to the harmful effects of crime.

This trend is likely to continue as justice sector agencies continue to implement legislative, policy and operational changes – the progress we have made with these changes is detailed in this annual report and includes:

- our continued implementation of the judiciary's Te Ao Mārama model across New Zealand's courtrooms (page 21)
- progressing our assigned obligations in the Government's Child and Youth Wellbeing Strategy (page 28)
- implementing the Criminal Process Improvement Programme to simplify and enhance the efficiency of processes within the criminal jurisdiction of the Criminal Court (page 23).

In 2021/22 we published our most recent statistics on criminal charges and convictions from 2011/2012 to 2020/2021. These statistics contain details on people going through the courts or accessing justice service.

## Suicide webtool collaboration with Manatū Hauora - Ministry of Health

We know that New Zealanders need access to accurate and detailed data to understand trends and inform research and decision-making. In 2021/22, we supported the Chief Coroner and collaborated with Manatū Hauora - Ministry of Health to make an interactive dataset containing suicide statistics available to all New Zealanders.

Data about suicides in New Zealand is available in two different ways: as provisional statistics, which are published by the Chief Coroner annually, and include deaths which are suspected to be suicides but are awaiting the Coroner's findings; and confirmed suicides, which are published by Manatū Hauora - Ministry of Health, and reflect only those deaths which the Coroner has confirmed to be suicides. Manatū Hauora - Ministry of Health usually needs to wait two or three years before they can publish confirmed statistics, to make sure that most coronial investigations for that year have been completed.

In 2021/22, the Chief Coroner and Manatū Hauora - Ministry of Health launched a new webtool so that New Zealanders can, for the first time, see provisional and confirmed suicide statistics in one place. As well as being an interactive and easy-to-use platform, the webtool allows for side-by-side comparisons that make it easy to see how the two datasets trend over time.

Click here to access and learn more about the tool:  
<https://bit.ly/3pbAmdK>

## Engaging with and listening to communities

### Responding to the needs of disabled people

New Zealand is a signatory of the United Nations Convention on the Rights of Persons with Disabilities (Disability Convention), and is committed to ensuring disabled peoples' full and equal enjoyment of all human rights and fundamental freedoms.

In March and April 2022 the Ministry participated, along with other government agencies and representatives, in a Domestic Forum of the Independent Monitoring Mechanism (IMM, representatives of the Office of the Ombudsman, the Disability Human Rights Commissioner and the Disabled People's Organisations Coalition), to investigate the Government's progress in implementing the Disability Convention.

Our Ministry answered questions from the IMM on the theme of Equality, Non-discrimination, and Access to Justice. The Forum also heard from disabled people on their experiences with the broader justice system, including human rights.

The Domestic Forum was a valuable and compelling opportunity for the Ministry to hear directly from disabled people on their lived experiences and to better understand their needs and aspirations.

### Supporting the Chief Victims Advisor

Our Ministry supports the mahi of the Chief Victims Advisor, Dr Kim McGregor. The Chief Victims Advisor is an independent 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 our Ministry, Dr McGregor:

- provided 'That's a lie: Sexual violence misconceptions, accusations of lying, and other tactics in the cross-examination of child and adolescent sexual violence complainants' and 'Witness familiarisation' research reports, and a range of other advice to the Minister of Justice on improving the justice system for victims
- advised the Justice Sector Leadership Board about the need for victims-focused leadership across the justice system which resulted in the development of the Victims Operating Model
- was appointed to the Innovative Court Design Portfolio Advisory Board to provide a victims' lens on court designs and the judicially-led working group to improve Family Court processes for those reporting family violence and sexual violence
- worked with the judiciary on ensuring victims' needs are considered in Te Ao Mārama and the Criminal Process Improvement Programme
- met with a range of key stakeholders concerned with victims' issues to explore opportunities to improve outcomes for victims of crime
- worked with justice sector agencies on:
  - › communications to victims during lockdown
  - › the development and pilot of the Victim Notification App
  - › gaps in the implementation of victims' rights across agencies.

# Section Two

Our key achievements



# Our enduring priorities

## Honouring our responsibilities to Māori

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 are progressing an engagement approach with Māori in the justice system 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.

Our strategic partnerships with Māori contribute to the patchwork of interwoven governance and advisory relationships at all levels across the justice sector.

Honouring our responsibilities to Māori is both a standalone priority in Tūmatakahuki and a commitment that underpins all that we do. Our progress with responding to this commitment in 2021/22 is detailed throughout this report.

## Achieving better outcomes for Māori by partnering with Māori

### National Iwi Chairs Forum (Pou Tikanga)

The Forum hosts hui four times a year at different marae throughout Aotearoa. The Forum regularly invites Crown representatives, Members of Parliament and stakeholder and community groups to present at hui on projects and issues that concern iwi.

A Statement of Engagement between the Crown and the Forum sets out five Pou: Pou Tikanga, Pou Tangata, Pou Tahua, Pou Taiao and Pou Take Āhuarangi. Pou Tikanga has a focus on the justice sector and human rights. Te Tāhū o te Ture - Ministry of Justice provides advice to the Minister of Justice as the Lead Minister for Pou Tikanga. Professor Margaret Mutu (Ngāti Kahu, Te Rarawa, Ngāti Whātua) is the Pou Tikanga Chair. We work closely with the Pou Tikanga Lead Technical Advisor, Te Huia Bill Hamilton (Ngāti Kahungunu, Ngā Rauru, Ngāti Raukawa).

### Ināia Tonu Nei<sup>10</sup>

Since 2020, the Joint Sector Leadership Board has worked closely with Ināia Tonu Nei, a group of Māori leaders who had convened and supported the 2019 hui Māori, held in Rotorua. In 2021/22 Ināia Tonu Nei and the Justice Sector Leadership Board held four wānanga to discuss mutual interests.

## Te Ao Mārama

In November 2020, the Chief District Court Judge, Judge Heemi Taumaunu, announced Te Ao Mārama, his vision for change for the District Court. The vision is about an enlightened world where all people can come to court to seek justice and be seen, understood and meaningfully participate. The change Te Ao Mārama creates will see the District Court become more equitable, people-centred, and better serving of its communities.

An example of our Ministry's work in this area is supporting the District Court's vision to be a place where all people may seek justice, regardless of their means or abilities, their ethnicity, language or culture, and who they are or where they are from.

The vision will be implemented by incorporating best practice lessons from the existing specialist Courts (for example, from Rangatahi, Matariki, Young Adult List Porirua, and Family Violence Courts) throughout the District Court, along with new processes and approaches.

To meet the needs of local iwi and communities, the Te Ao Mārama vision will be grown locally in each court, with a number of national initiatives. This will be achieved by drawing on the strengths of iwi and iwi organisations, including Tāngata Whaikaha Māori and by engaging with local communities. Some examples of best practices outlined by the District Court Heads of Bench in the Te Ao Mārama vision include:

- greater use of tikanga and te reo Māori as appropriate
- improving the information available to judges
- encouraging active 'solution-focused' judging
- using plain language and reducing formalities in the court
- improving community involvement, interagency coordination and wraparound services for participants.

Our progress with implementing this model across our courtrooms and through initiatives that align with this vision are presented throughout this report.

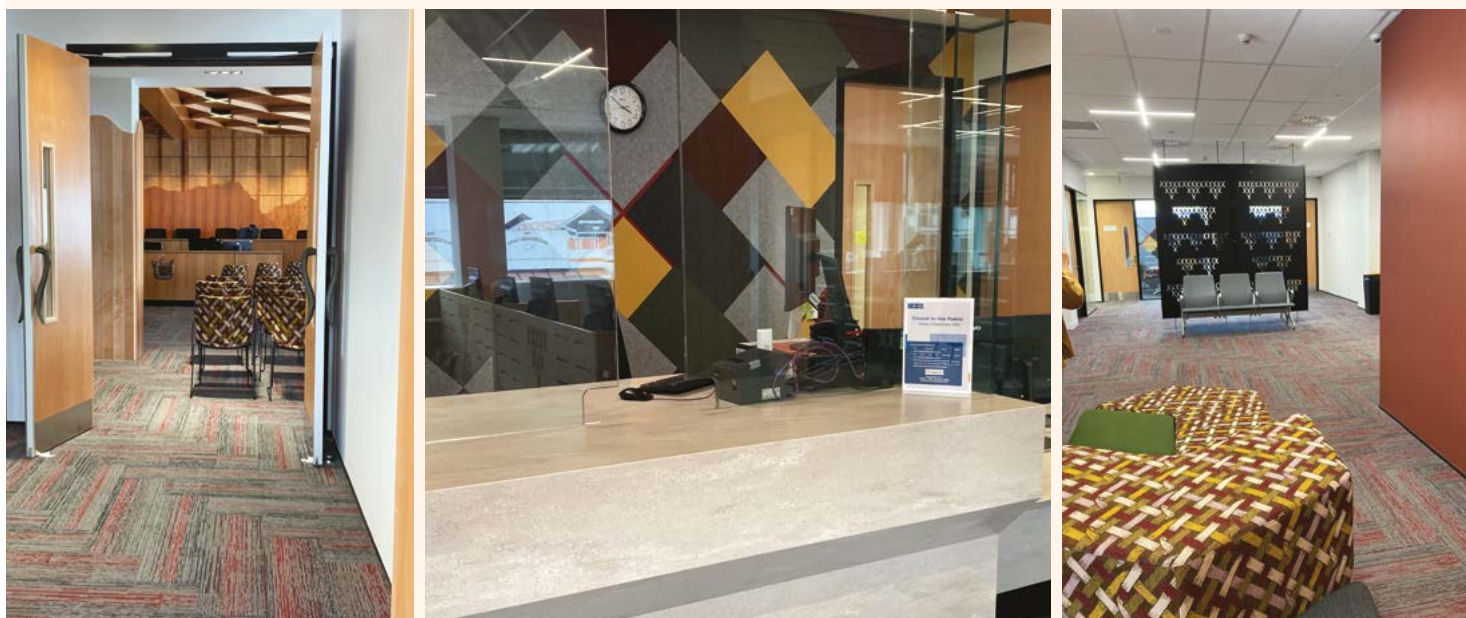
<sup>10</sup>Ināia Tonu Nei is a name shared by a kaupapa, a 2019 hui on Māori justice issues (Hui Māori), a report that emerged from that hui (Ināia Tonu Nei: Hui Māori), and a group of Māori leaders advocating for more effective justice in Aotearoa New Zealand.

## Case study: Māori-led design with mana whenua<sup>11</sup> - Whangārei Māori Land Court

The Māori Land Court is a judicial forum that enables owners of Māori land, their whānau, and their hapū, to promote the retention and use of Māori land. It facilitates the occupation, development and use of that land. There are seven regional Māori land courts in New Zealand.

In 2021/22, Whangārei Māori Land Court was relocated, redesigned and refurbished. To ensure the space would resonate with mana whenua, New Zealand design company GHDWoodhead worked with mana whenua to develop this vision into a built form. This approach was centred on the recognised Te Aranga principles of mahi toi ahi kā, tohu and whakapapa. Details include patterns reflecting the story of Reipae and Reitu. According to legend, Reipae and Reitu twin sisters from the Waikato region. These young, high-born women came from a powerful tribe and are recognised as influential in the naming of Whangārei). Also acknowledged in the details are the three principal maunga around the city, in native timbers.

The redesigned courthouse was completed in February 2022 and will be formally opened in 2022/23. It is a significant move to a purpose-built environment that is more fitting for its participants, staff, and a new mediation service. Further additions are planned for the Whangārei Māori Land Court including an additional flexible courtroom to accommodate the needs of coroners.



### Whakaorangia te Mana Tangata

The Whakaorangia te Mana Tangata initiative was established in 2021/22 with the aim of contributing to better justice and wellbeing outcomes for whānau Māori, including reducing sentences of imprisonment and reoffending. We are working collaboratively with local iwi or iwi mandated service providers to design and deliver a service that supports offenders, victims and whānau through the court process.

The initiative also contributes to the realisation of the Te Ao Mārama vision for the District Court, with services designed to meet local needs and find local solutions. These services are founded on local relationships:

- iwi mandated service providers identify any factors contributing to offending and work with offenders, victims and whānau to understand their needs and circumstances

- they connect whānau to the appropriate services to address those needs and, where necessary, assist in the creation and implementation of a support plan with the whānau
- information is provided to the Court about the circumstances and the support available to address identified needs
- victims and whānau, are included and supported to ensure their views and needs are addressed.

Our progress with implementing this initiative is detailed on page 32 of this report.

<sup>11</sup>Customary authority exercised by an iwi or hapū in an identified area.

## Maintaining the integrity of the courts and tribunals

A strong and effective justice system ensures laws are upheld, which allows people to live their lives confident that they are safe and their rights will be protected. It is therefore vital that New Zealanders have full trust in our institutions. We aim to maintain and build that trust by enabling our 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 are improving how we manage our operations, using data and information more effectively and successfully managing facilities and security. Across all this, we work closely with the Judiciary through the courts to serve communities across Aotearoa New Zealand.

### Supporting Victims

Meeting victims' justice needs is a key focus of the Ministry and a government priority. We have made progress to improve outcomes for victims in 2021/22 and will continue to build on this momentum with our sector partners.

#### Improving our delivery of reparations to victims

In 2019, we piloted a programme that focused on proactively contacting victims of crime where reparation had been collected but could not be paid due to a lack of contact or banking details.

As a direct result of this work, \$5.1M was paid to victims in the first year of the pilot. A further \$6M was set to be automatically paid to victims once reparation was collected to ensure they received it promptly.

Following the success of the pilot, this process was permanently implemented in January 2021 and we continue to proactively contact victims to ensure reparation can be paid out. By the end of 2021/22, over \$24M in reparation had been collected and been paid to over 36,000 victims.

#### Prioritising victims in our work

We have introduced the Victims Framework to identify how our projects are prioritising victims' safety, respect, information, and need for accountability. Meeting these needs will build the public's trust and confidence in the justice system by encouraging those who are hesitant to report incidents feel more comfortable having their voice heard. Work has begun on implementing the framework across the ministry with a toolkit for staff.

### Partnering with Victim Support

Victim Support provides a free, nationwide support service for people affected by crime, trauma, and suicide in New Zealand. In 2021/22 we worked closely with this community organisation to support 43,407 victims navigate easily through the justice system.

Victim Support is also responsible for administering the Victim Assistance Scheme on our behalf. This scheme supports victims of serious crime, including whānau bereaved by homicide and sexual violence survivors by covering some of the costs related to the crime, the justice process, and recovery.

### Championing the voices of victims

Meeting the needs of victims and championing the voices of victims is a priority for our Ministry and the Justice Sector as a whole. We have a range of services in the community, from having a network of specialist victim advisors across courts, to operating the victim's information website. Over the last two decades, we have increased our awareness of, and responsiveness to victims. This has been driven by calls from the public and successive governments for victims to be treated better by the justice system.

### Addressing courtroom backlogs

The Criminal Process Improvement Programme (CPIP) was established in late 2020 to improve systems and processes to reduce unnecessary court events and to support the realisation of Te Ao Mārama. The objective is to establish best practice to increase meaningful events in the Criminal Justice system that will improve the timeliness of cases and reduce the:

- average time (days) to disposal
- number of events that do not proceed on the day
- average number of events for a case from start to end
- number of days in custody spent waiting for an outcome.

There are around 60 solutions in the CPIP Programme, and 33 of these had been tested by the end of 2021/22.

# Our people, our taonga: Kaimahi serving Aotearoa

## Court Victim Advisors (CVAs)



### Meet Helen

Helen (middle) is a registered Social Worker and has been a CVA since mid-2007. She works with victims of crime from all levels of offending.

Helen's oral and written communication skills help victims express their views in their own words, and recognise their right to self-determination.

A highlight of Helen's role is introducing new Christchurch-based Police recruits to the Courthouse and being able to help support victims through the justice process.

82 Advisors  
located in 32  
District Courts

In 2021/22, our CVAs continued to operate under COVID-19 settings, providing a consistent level of access to justice for victims of crime across Aotearoa, regardless of which District Court a participant is getting support from.

## Registry Contact Centre Staff



### Meet Finn

Finn has been a Registry Contact Centre staff member since late November 2021.

A typical day for Finn involves answering calls from the public on anything from courthouse opening hours to complex legal queries. His goal is to provide the information these callers need.

45 staff  
located in two  
contact centres  
in Auckland and  
Wellington

In 2021/22, changing court protocols and increased call volumes throughout COVID-19 saw our Registry Contact Centre Staff responding to an increased need for court participants to be kept informed and provided with up-to-date guidance and support.

## Collections Registry Officers



### Meet Bernsten

Bernsten has been a Collections Registry Officer for three years, setting up sustainable arrangements that meet the needs of the Registry's clients and the Ministry.

No day is the same for Bernsten as he works with the Police, Corrections and various employers to ensure the needs of the Crown are met.

Bernsten's role is mostly over the phone, allowing him to use and develop his ability as an active listener and skilled negotiator in intense situations.

176 Officers  
located in  
Wellington  
and Auckland  
and online (via  
remote working)

In 2021/22, Collections Registry Officers supported Manatū Hauora - Ministry of Health with the processing of border exemptions and contact tracing. Some were also able to work flexibly from home to deliver services, ensuring participants were still be able to contact our ministry and speak to someone.

## Bailiffs



### Meet Erin

As a Bailiff, Erin's role involves calling on individuals or companies who have unpaid debt to negotiate an appropriate outcome which can range from paying the debt in full, to creating a payment plan, or seizing property.

Her role allows her to meet people from all walks of life and help them to resolve difficult situations. A particular highlight is when people express their gratitude for her work.

36 Bailiffs  
located across  
Aotearoa  
New Zealand

In 2021/22, our Bailiffs supported Court Security Officers in courts impacted by lockdown restrictions and court protocols. Ensuring the safety of all who enter the courts is a priority.

## Legal Aid Debt Officers



### Meet Jaanvi

As a Legal Aid Debt Officer, Jaanvi collects unpaid legal aid debt, and advises recipients of legal aid on the options for resolving their debt.

She enjoys working with her supportive team and having the opportunity to assist recipients of legal aid by helping them navigate towards a positive end result.

23 Officers  
located in  
Wellington

In 2021/22, on top of carrying out their normal duties, our Legal Aid Debt Officers supported multiple areas of our Ministry impacted by lockdown restrictions and protocols, for example by taking Registry Contact Centre calls.



## Our people, our taonga: Meet Sino



Our Court Security Managers ensure our courts are safe for everyone to access. It is a challenging frontline role that requires a high level of trust within the team and attention to detail to ensure people accessing the courts are safe.

Sino is a Court Security Manager at the Hastings District Court, looking after Waipukurau and Wairoa District Courts as well. Sino has been with Te Tāhū o te Ture – Ministry of Justice for six years, starting as a Court Security Officer.

Watching his team succeed and achieve their individual goals is the most rewarding part of his job. Sino fosters their success through morning discussions of their daily tasks and encourages constant communication for his team to reach their full potential. As a Court Security Manager, he also proactively discusses how he can help his team reach their goals and what those may look like.

Sino strengthens his team's success by offering his support after an incident. Sino ensures he takes time off the floor with the officers involved to check in on their welfare and to discuss the situation and response. This provides an opportunity for constructive feedback regarding what was done well or could be done differently. Sino talks through these situations with the whole team, so everyone is aware of what happened, the outcome and can contribute their feedback, fostering a culture of learning and continuous improvement.

Communication remains paramount with Sino's wider relationships. He keeps in close contact with his Regional Security Manager by catching up daily to share information on what may be happening in other parts of the region, how it could affect the courts he oversees and where help might be needed. This allows for information sharing and reflection to help each part of the region keep their courts safe and operational. Some of Sino's team are in the Nelson District Court helping out.

COVID-19 and its subsequent challenges reinforced the need for strong communication and adaptability. Sino has experienced very testing circumstances in his career. He had to adapt his usual way of working to new circumstances to ensure courts are safe places for everyone. Sino was deployed to Christchurch for the Mosque shooter sentencing event as a Section Commander. His section responded to duress alarms and securing an entrance which did not have an x-ray machine.

This was a challenge for Sino as there was a lot of reliance on court security to ensure everyone was safe and felt safe. This included extra training like learning about Muslim culture and speaking to people in their own language to help calm the large number of victims and whānau members that attended the difficult and high-risk hearing. Sino was also called down to Wellington during the protests earlier this year, ensuring the courts in Wellington were secured and remained as operational as possible in a COVID-19 environment.

These are prominent memories in Sino's career, as he views them as opportunities to grow in his role. Adapting to new circumstances while respecting how quickly they can change are vital in these situations and it is extremely important for him to acknowledge the trust his colleagues and New Zealanders have in him during these vulnerable times.

## Responding to increased demand for coronial services

### Reducing natural cause deaths being referred to the coroner

Coroners are independent judicial officers who investigate unexpected, violent, or suspicious deaths to determine their causes and provide recommendations on how similar deaths may be prevented in future. There are over 6,000 active cases in the coronial system. On average, coroner's findings are issued within 12 to 16 months, but some families wait years until receiving the coroner's findings about the death of their loved one, which adds to the grief and stress they are already facing.

We are implementing a range of interventions to enable coroners to close cases sooner and give families the closure they need. To free up coroners' capacity, we are reducing the high volume of simple natural cause deaths within the coronial jurisdiction by:

- decreasing unnecessary coronial referrals from health professionals by digitising the form that doctors use to refer a case to the coroner and ensuring doctors have guidance on when coronial referrals are necessary, and when they are not. This initiative is expected to be complete in 2022/23
- ensuring only those natural cause deaths that require coronial investigation are accepted into jurisdiction by appointing medical professionals to new clinical advice roles within the coronial service. The clinical advisors will help coroners determine whether to accept a referral. These new clinical advisor roles are expected to be in place in 2022/23.

These interventions will prevent families and whānau from unnecessarily engaging with the Coronial Services and decrease the time it takes for families and whānau to receive coronial findings when a coronial investigation is required.

### Improving the coronial experience for whānau

The coronial work programme is focused on improving the coronial experience for whānau and reducing the time a case spends in the jurisdiction. The scope of the current programme is looking at internal processes and capabilities, IT systems, improving our cultural capability, and supporting our coroners with more information for decision-making. Areas of focus include:

- ensuring whānau cultural priorities are recognised and understood by creating a robust educational framework that explores the practical application of tikanga Māori in coronial services, so that staff and first responder groups feel supported and equipped to respond to whānau in a culturally safe way
- optimising processes for case management and national standardisation. This will allow coroners to receive more consistent information for decision-making and subsequently making Justice services more consistent nationwide
- implementing operational performance metrics to enable greater quality of information management and visibility of caseloads to support coronial administration

- implementing new roles to support the Coroners and for triaging referrals to increase coroners' capacity to enable a reduction in the time it takes families and whānau to receive coronial findings. It will also support families and whānau from unnecessarily engaging with Coronial Services due to a reduction in referrals and subsequently accepted cases.

Some key achievements this year include the:

- production of a video for the public describing what to expect in the first 48 hours when they engage with the coronial process
- development of Quality Assurance framework for managers
- delivery of online and facilitated training to staff on tikanga practices.

### Supporting the Masjidain attack coronial inquiry

We are continuing to support the coronial process for the 15 March 2019 Christchurch masjidain attack to ensure families and victims receive the support they need. In 2021/22 we provided administrative and logistical support for the inquiry including:

- funding six lawyers to represent the families, victims, and witnesses through the early stages of the coronial investigation when legal aid was not available
- providing communication resources to ensure effective communication with families, victims, and interested parties, including translating all significant communications into eight languages
- livestreaming the February 2022 hearing on the scope of the inquiry
- working with Victim Support to organise Victim Assistance Scheme grants and support for families, victims, and witnesses
- providing cultural support and advice to the Coroner and the Ministry.

## Providing sector leadership and policy stewardship

We lead an integrated justice sector through strong sector governance, shared ambition and knowledge. Everyone has a stake in our justice system, and we all benefit when it works effectively. To ensure its effectiveness, we work closely with our justice sector partners – Ngā Pirihimana o Aotearoa - New Zealand Police, Ara Poutama Aotearoa - Department of Corrections, Oranga Tamariki - Ministry for Children, Te Tari Ture o te Karauna - Crown Law Office and Te Tari Hara Tāware - Serious Fraud Office – to make Aotearoa New Zealand safer and to deliver accessible justice services and better outcomes for all New Zealanders.

We also work with our ministers and across the wider 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, while also maintaining the 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.

## Leading across the public service

### Modernising investment in the justice sector

New Zealand's public finance system has a high level of transparency and accountability by international standards, but there are opportunities to create a more modern, agile, flexible, innovative and joined-up public sector through its reform. The Justice Cluster is one example; as part of Budget 2022, the pilot provides a different approach to Budgets with a view to:

- increasing collaboration across public service agencies
- improving value for money
- strengthening delivery of the Government's wellbeing priorities.

In 2021/22, we participated in the pilot that saw five Justice agencies (Te Tāhū o te Ture - Ministry of Justice, Ara Poutama Aotearoa – Department of Corrections, Ngā Pirihiimana o Aotearoa - New Zealand Police, Te Tari Ture o te Karauna – Crown Law Office, and Te Tari Hara Tāware – Serious Fraud Office) working together to agree:

- cluster level priorities that take account of wider Government priorities
- a multi-year funding path that covered cost pressures and new spending.

### Eliminating racism

Eliminating racism is a shared priority for the Crown and Pou Tikanga. In 2021/22, we worked together to develop a process for a draft national action plan against racism. This work is underpinned by Te Tiriti o Waitangi and international human rights standards, in recognition of the Crown's responsibility as a Te Tiriti partner and our international human rights obligations. We are also partnering with the Human Rights Commission, government agencies, community leaders and academics to ensure the process is inclusive and encourages participation from a wide range of communities, groups and sectors.

### Progressing Government priorities through policy

In order to safely guide New Zealand through the pandemic and build a better future, the government is focused on keeping New Zealanders safe from COVID-19; accelerating our economic recovery; and laying the foundations for the future. We contribute to these priorities through the provision of access to justice, as well as a comprehensive programme of policy work that delivered and progressed several pieces of legislation in 2021/22:

### Progressing electoral law reform

In July 2021, Cabinet agreed that the government's electoral work programme would include targeted changes to support the 2023 General Election. These targeted changes included removing restrictions on the Māori Electoral Option, improving the transparency of political donations, and the eligibility of overseas voters.

#### *Electoral (Māori Electoral Option) Legislation Bill*

Between June and August 2021, we spoke with Māori individuals, Māori advocacy, legal and representative groups, and academics with an interest in changes to the Māori Electoral Option, to hear their views about options for change.

On 9 June 2022, the government announced plans to change the Māori Electoral Option and introduce a 'continuous option' that would allow Māori voters to move between the Māori Roll and the General Roll any time (with an exception for by-elections). The Electoral (Māori Electoral Option) Legislation Bill was introduced on 21 June 2022 and is expected to be enacted by the end of the year.

This change is set to allow Māori voters to move rolls prior to the 2023 General Election which would not be possible under the status quo.

#### *Electoral Amendment Bill*

We led public consultation on potential reforms to the donations rule in December 2021/January 2022, as well as targeted engagement with key stakeholders, including party secretaries, and academics.

On 27 June 2022 the government announced changes to the rules for political donations which will enhance the transparency of political donations, to make it easier to see where political parties and candidates get their funding from. The government also announced temporary changes to the overseas voter eligibility rules in response to COVID-19 travel restrictions preventing New Zealand citizens and permanent residents from returning to New Zealand.

#### *Independent review of electoral law*

In July 2021, Cabinet agreed to bring forward a wider review of electoral law to be undertaken by an independent panel. The review's terms of reference consist of:

- the overall design of the legislative framework for the electoral system
- maintaining a fit-for-purpose electoral regime for voters, parties and candidates
- considering previous recommendations from Electoral Commission reports and Justice Committee Inquiries, including recommendations from the Electoral Commission's 2012 report on suggested improvements to the MMP voting system
- the length of the parliamentary term.

The review panel was announced on 24 May 2022. We provide secretariat support to the review panel and are also responsible for establishing an external interview panel to interview and assess shortlisted candidates for the independent panel.

### Conversion Practices Prohibition legislation passed

Conversion practices infringe on rights and freedoms of rainbow communities, particularly their freedom to express who they are. Conversion practices do not work and can cause serious and sometimes life-altering harm.

In 2021/22 parliament passed the Conversion Practices Prohibition Act (the Act), which reached Royal Assent on 18 February 2022. The purpose of the Act is to prevent harm caused by conversion practices which seek to change or suppress a person's sexual orientation, gender identity, or gender expression. The Act:

- introduced new criminal offences for carrying out conversion practices
- amended the Human Rights Act 1993 to make performing or arranging conversion practices unlawful.

We were responsible for ensuring 'conversion practices' were clearly defined from the outset and worked closely with the public and through a select committee process to inform the Bill's development and to ensure the ban would work as intended.

### Three Strikes law repeal introduced to parliament

The Sentencing and Parole Reform Act 2010 created what is commonly known as the Three Strikes law, which is intended to deter repeat offenders with the threat of progressively longer mandatory prison terms, and to penalise those who continued to re-offend through a three-stage process.

Evidence has shown that this regime has had little impact on deterring offending and reducing serious crime rates and is inconsistent with Section 9 of the New Zealand's Bill of Rights Act<sup>12</sup>.

In 2021/22 we progressed a bill designed to repeal elements of the Three Strikes law, successfully concluding public consultation to inform its development and achieving its second reading in parliament. The Bill passed its final reading stages before becoming an Act in 2022/23.

### Our contribution to the Government's Child and Youth Wellbeing Strategy

New Zealand's first Child and Youth Wellbeing Strategy sets out a shared understanding of what is important for child and youth wellbeing, what government is doing and how others can help.

When tamariki, rangatahi and their whānau face adversity, deprivation and stress, which compromises their wellbeing and life opportunities, we too often see the effects of that in the justice system, with 80 percent of those in the Youth Court having experienced family violence. The trauma of family violence and sexual violence is also evident among wider court users and in our prison population.

Law and policy form part of the ecosystem that supports families and whānau to nurture their tamariki and rangatahi. Many of the initiatives below contribute to the Strategy. Our focus in 2021/22 has been on continuing to implement key recommendations of Te Korowai Ture ā-Whānau, published in 2019 and promoting the Strategy within other agencies. In 2021/22 this saw us:

- supporting the passage of the Family Court (Supporting Children in Court) Act 2021
- completing the recruitment of Kaiārahi-Family Court navigators to provide information about the resolution and support options available to caregivers and whānau who are considering applying to the Family Court
- working with the judiciary to develop a new role, the Family Court Associate, to undertake more straightforward judicial tasks in the Family Court to support faster resolution of cases.

**Click here to learn more about the Government's Child and Youth Wellbeing Strategy:** <https://bit.ly/3p1bkOq>

### Adoption law reform

The Government is seeking feedback on options for creating a new adoption system, with a view to ensuring that the rights, best interests, and wellbeing of children are at the heart of our adoption law.

In 2021/22 we completed the first round of engagement with the public, which sought peoples' views on current adoption laws and ideas for how the law could be reformed. We heard from over 270 people and organisations, and met with over 25 individuals and groups. The views shared through this consultation indicate most people agreed that the Adoption Act 1955 is out of date and needs to change. In June 2022 to August 2022, a second round of engagement took place, which will inform the development of final policy proposals for adoption law reform. This may include refining, changing or adding to the options set out in the discussion document.

These options are the focus of a second round of engagement from June to August 2022, which will inform the development of final policy proposals for adoption law reform.

### Tackling gang harm and organised crime

We have collaborated with Ngā Pirihiimana o Aotearoa - New Zealand Police and Te Manatū Waka - Ministry of Transport to design a package of proposals that will help us better respond to harmful gang activity. These include:

- new targeted police warrant and search powers during a gang conflict
- expanding the range of offences that leads to impounding cars, motorbikes and other vehicles

<sup>12</sup>The New Zealand Bill of Rights Act 1990 is a statute of the Parliament of New Zealand setting out the rights and fundamental freedoms of anyone subject to New Zealand law as a bill of rights. It is part of New Zealand's constitution; Section 9 of the Act states that everyone has the right not to be subjected to torture or to cruel, degrading, or disproportionately severe treatment or punishment.

- up to five years' imprisonment for a new offence of discharging a gun with intent to intimidate
- police to be able to seize cash over \$10,000 when found in suspicious circumstances
- watches, jewelry, precious metals and stones, motor vehicles and watercraft added to list of high value goods prohibited for sale for cash over certain amounts.

We have also progressed amendments to the Criminal Proceeds (Recovery) Act 2009 to make it easier to secure the seizure and forfeiture of illicit assets, including the assets of those associated with organised criminal groups.

These build on the current multi-faceted response to gang harm across the justice sector, which combines enforcement action that targets drug supply and other unlawful behaviour with prevention work that builds the resilience of whānau and rangatahi.

### **Comprehensive review of anti-money laundering laws completed**

A report was delivered to the Minister of Justice and makes over 200 recommendations which, if adopted and progressed, would help ensure New Zealand's regime is the best it can be. This review was conducted in close collaboration with partner agencies as well as the private sector, and the recommendations in the report reflect a consensus view across both the public and private sector.

### **Improving expenditure and investment in the justice sector**

One of the ways we help improve expenditure and investment in the justice sector is by administering contestable, cross-agency funds such as the Proceeds of Crime Fund (PoCF). The PoCF uses monies forfeited to the Crown under the Criminal Proceeds (Recovery) Act 2009 to fund initiatives from eligible public service departments that:

- address the harm caused by organised crime and drug-related harm
- test innovative solutions to complex issues relating to crime-related harm
- enable agencies to build an evidence-based case of what works in addressing crime-related harm.

We have administered the PoCF since 2019, the PoCF have undertaken in 39 initiatives totalling \$102.939M. Of this amount \$42.011M (17 initiatives) were funded in the 2021/22 financial year.

### **Periodic review of the Intelligence and Security Act 2017**

The Intelligence and Security Act 2017 sets out the objectives, functions, powers and duties of the intelligence and security agencies, the New Zealand Security Intelligence Service (NZSIS) and the Government Communications Security Bureau (GCSB). Section 235 of the Intelligence and Security Act 2017 requires that the Act and the intelligence and security agencies be reviewed every five to seven years.

The periodic review of the Intelligence and Security Act 2017 and the intelligence and security agencies is underway, with our Ministry having a statutory responsibility to provide the review with administrative, secretarial and other support necessary to conduct the review. The review Report will be presented to Parliament in 2022/23.

#### **The review's progress to date**

On 2 March 2022, the Prime Minister notified in the Gazette the appointment of the Honourable Sir Terence Arnold KNZM and Matanuku Mahuika as the Act's reviewers, and the appointment of Dr Penelope Ridings MNZM as a special advisor. Since then, the reviewers have made progress on understanding how the Act works and the nature and extent of perceived problems with it from a range of perspectives. In particular they have:

- engaged with the intelligence and security agencies, current and former members of the agencies' oversight bodies, other government departments, and Crown entities
- connected with Māori, faith-based and other interest groups, entities subject to specific rules and requirements under the Act (e.g. banks and telecommunications companies), academics, legal and technical experts, Kāpuia (the Ministerial Advisory Group on the Government's Response to the Royal Commission of Inquiry into the terrorist attack on Christchurch mosques), and people familiar with security and intelligence structures in relevant overseas jurisdictions.

The next major step for the review is to consult with the public to inform the reviewers' thinking. Public engagement on Te Tāhū o te Ture - Ministry of Justice's Citizenspace consultation hub will close in 2022/23.

### **Focus on youth justice**

The Ministry of Justice supports the Youth Court, which is an integral part of the youth justice response. Over the past decade, our current youth justice system has been successful, contributing to a significant reduction in offending by children and young people (65 and 63 percent respectively). However, there has been a recent spike in offending by children and young people, who are engaging in serious and persistent offending. In acknowledgement that offending by children and young people are symptomatic of wider social issues, the Ministry of Justice is working alongside social sector, health and education agencies to address offending for this cohort.

## Case study: He Kete Oranga o te Mana Wāhine

We know that investment by the Proceeds of Crime Fund (PoCF) helps address harm from organised crime and drug-related harm, with one example being the He Kete Oranga o te Mana Wāhine, an 11-bed residential therapeutic community programme in Christchurch that provides alcohol and other drug (AOD) support to women subject to bail or a community-based sentence. This programme also provides trauma informed therapy, reintegration and employment support.

The service provider reports that all women who have attended the programme on bail have received community-based, rather than custodial, sentences. Most had sentencing indications of between four to nine years on average and most were mothers. This means that with the continued support of He Kete Oranga o te Mana Wāhine, the women have returned to their whānau and avoided the possibility of their children experiencing further trauma from their mother's incarceration.

\$2.720M of funding has been invested over three years in He Kete Oranga o te Mana Wāhine.

**Click here for more information on the PoCF, including a full list of initiatives funded since 1 April 2019:**  
<https://bit.ly/3QtniMjfund/>

# Our transformational priorities

## Leading the transformation of the criminal justice system

We support the Minister of Justice in leading the reform of the criminal justice system. Our approach for this transformation involves us working together with other public sector agencies, particularly in the justice sector, to develop long-term solutions that:

- support safe communities
- address pathways to offending, so that we respond more effectively to criminal behaviour
- deliver better outcomes for all participants in the justice system – victims, offenders, families, whānau and witnesses.

### Growing Te Ao Mārama

Incorporating Te Ao Mārama into District Court sites across Aotearoa New Zealand is an important step to improving access to justice for all people. Our progress continued in 2021/22 with the model being developed in partnership with local iwi and communities for District Courts in Hamilton, Gisborne and Kaitiāia.

Growing the Te Ao Mārama vision into courtrooms across Aotearoa New Zealand is an ongoing commitment:

- we are already working with Waikato-Tainui to understand local needs and support the growth of the Te Ao Mārama model in Hamilton
- we are working with Iwi representatives to understand priorities for whānau and tamariki in the Family Court and initiatives to bring the strength of iwi and community into the courtroom
- we have secured funding in Budget 2022 to incorporate the Te Ao Mārama vision into courtrooms across Aotearoa New Zealand in the years ahead.

We are also supporting the judiciary with building their knowledge and capability about Te Ao Mārama through the development of resources and presentations via the judicial wānanga series.

## Case Study: Te Whare Whakapiki Wairua ki Kirikiriroa<sup>13</sup> – the Waikato Alcohol and Other Drug Treatment (AODT) Court – year one

This court has been operating since June 2021 and sits weekly on a Thursday at the Hamilton District Court to support participants' recovery from addiction and in doing so, break the cycle of their addiction-driven offending. This is made possible through a programme involving mentoring, intensive monitoring, and alcohol and drug testing that can take one to two years to complete.

The first participants (20 in total) were admitted to this court in 2021/22 and supported by a specialist multi-agency team. By the end of the year, a total of 70 screening assessments had been completed and 48 people had been referred for a comprehensive assessment.

Together with Ara Poutama Aotearoa – Department of Corrections, Ngā Pirihimana o Aotearoa - New Zealand Police and Manatū Hauora - Ministry of Health, we are overseeing the implementation of new health treatment services and roles for this court. This included the following therapeutic residential and community-based services launched in 2021/22:

- **Whare Ātea** – alcohol and other drug residential treatment service
- **Whare Waharoa** – alcohol and other drug transition service including step-up and step-down support
- **Kete Aronui** - group and day programmes
- **Kete Pūkenga** - housing, employment, education, and training co-ordination service.

<sup>13</sup>Te Whare Whakapiki Wairua means 'the house that uplifts the spirit'. This name was gifted by Tā Pita Sharples when the AODT Court was first established in the Auckland and Waitākere District Courts in 2012. Waikato-Tainui added 'ki Kirikiriroa' for the Hamilton-based Court.

### Broader implementation of Te Ao Mārama

Good progress was also made with implementing the Te Ao Mārama vision to other courtrooms, with a view to not only improving the traditional services of a courthouse, but also to support the delivery of wraparound services for both victims and offenders through the potential co-location of social and community sector agencies on their premises:

- **Whanganui:** In 2021/22 Cabinet agreed to proceed with a four-courtroom innovative courthouse in Whanganui. We have since been working closely with local iwi, victims, the community and the District Council of Whanganui, as well as Ngā Pirihimana o Aotearoa - New Zealand Police, and other agencies to ensure this new courthouse is designed with community-led wellbeing outcomes central to its design and construction. The courthouse will open in 2025 with tendering for construction occurring in 2023.
- **Tauranga:** Cabinet also agreed to a courthouse being built on a new site in Tauranga, rather than redeveloping the existing site. As with Whanganui, we are working closely with iwi, victims and the community in Tauranga, to design and plan these new innovative courthouses. The design is currently progressing and tendering for construction will occur in 2023. The new courthouse is expected to open in 2026.

These are the first of several partnership approaches to the development and redevelopment of courthouses across the country.

### Implementation of Whakaorangia te Mana Tangata

In 2021/22, we worked with local Kaitiāia service provider Waitomo Papakāinga as they developed a Whakaorangia te Mana Tangata service under the name Tuteāniwaniwa. The Tuteāniwaniwa service was implemented in Kaitiāia in March 2022. We are also working with Te Rūnanga o Tūrangānui-a-Kiwa to design a Whakaorangia te Mana Tangata service in Gisborne for implementation in 2022/23.

## Addressing family violence and sexual violence

Each year, Ngā Pirihimana o Aotearoa - New Zealand Police conducts more than 100,000 investigations related to family violence. Nearly half of all homicides and reported violent crimes are related to family violence. It is estimated that one in four females and one in eight males experience sexual violence or sexual abuse in their lifetimes, many before the age of 16.

These statistics, and the real-life tragedies behind them, are the reason why reducing family violence and sexual violence is one of our Ministry's key priorities.

## Supporting people affected by family and sexual violence

### Non-violence programmes and safety programmes

We fund 78 community-based providers to deliver family violence programmes to court participants and their children: non-violence programmes, safety programmes and the Strengthening Safety Service.

Another year of working within a pandemic has provided impetus for ensuring providers have the support and flexibility to effectively deliver our programmes. We have allowed providers to use remote delivery options to reach isolated and isolating clients. To support this new way of working we have developed an online hui known as the Communities of Practice. This allows providers to learn and discover ways to adapt to our evolving work conditions and give opportunities to share their experiences and concerns with our Ministry and one another.

The pandemic response has also given cause for us to review our funding model. We were conscious of the impact to providers when clients could not attend programmes due to factors outside their control, and looked at how we could mitigate the risk. We recognised the funding pressures on agencies and offered sustainable bulk funding options that gave some stability and confidence to the sector in uncertain times. Bulk funding has also reduced the administrative burden on providers with staffing absences.

### Reducing the trauma of sexual violence through legislative change

Sexual violence victims are often distressed by the adversarial nature of our criminal justice system. One of the most recognisable elements of this system is the cross-examination of their evidence given at trial, which is often considered to be the most upsetting part of the trial by complainants. In many cases, victims and complainants describe giving evidence in court and being questioned by defence lawyers as a 'second assault'.

In 2021/22 we successfully supported the Sexual Violence Legislation Act through Parliament to help reduce the trauma faced by complainants of sexual violence when giving evidence at court. The Bill changes parts of the court process which research shows cause trauma to victims of sexual violence. Most of the Bill's changes were recommended by the Law Commission in 2015 and 2019, and have been called for by experts and advocates. Key changes include:

- entitling sexual violence complainants to use alternative ways of giving evidence, including by pre-recording their cross-examination evidence in appropriate cases
- making sure evidence about a complainant's past sex life is off limits, unless it is clearly highly relevant
- requiring judges to talk to the jury to dispel any misconceptions relating to sexual violence (often called 'rape myths') that might be brought into a case.



In 2021/22 we commenced work on and required some operational improvements to support the intention of this legislation:

- implementation of end-to-end technology and operational processes to support video recording of evidence in court
- processes for victim impact statements to be presented during sentencing in court

- specialist training to equip lawyers with best practice tools when questioning vulnerable witnesses in sexual violence trials
- new processes and technology infrastructure required to enable the editing and secure sharing of video evidence.

Further improvements of this nature will be delivered from 2022/23.

## Case study: Te Aorerekura - National Strategy and Action Plan

Te Aorerekura is the National Strategy and Action Plan for government, tangata whenua, specialist sectors, and communities to ensure all people in Aotearoa New Zealand are thriving; their wellbeing is enhanced and sustained because they are safe and supported to live their lives free from family violence and sexual violence (FVSV).

The Interdepartmental Executive Board of Te Puna Aonui<sup>14</sup> is responsible for delivery on Te Aorerekura. Te Aorerekura is a 25-year strategy to guide our collective work towards eliminating FVSV, recognising that a range of social conditions contribute to FVSV.

We have played a key role in the creation of Te Aorerekura from its beginning; our Chief Executive served as Deputy Chair of the Joint Venture for the Elimination of Family Violence and Sexual Violence established in 2018 to improve the whole-of-government approach to family violence and sexual violence. We also hosted and provided corporate support to the Joint Venture Business Unit, the administrative unit of the Joint Venture.

When engagement began on the strategy in 2020/21, we supported the Joint Venture Business Unit to facilitate 120 community-led hui with over 2,000 people nationwide. We continue our support today working with Te Puna Aonui to deliver Te Aorerekura. We are responsible for two actions under the Action Plan.

Te Aorerekura outlines six key changes or 'shifts' to eliminate FVSV. The shifts are interconnected and depend on the wider changes across Aotearoa that will help address the drivers of violence and barriers to safety. The Action Plan outlines the specific actions government agencies and communities will carry out to achieve these shifts.

- Shift 1: Towards strength-based wellbeing
- Shift 2: Towards mobilising communities
- Shift 3: Towards skilled, culturally competent and sustainable workforces
- Shift 4: Towards investment in primary prevention to protect against family violence and sexual violence
- Shift 5: Towards safe, accessible and integrated responses
- Shift 6: Towards increased capacity for healing

### Our responsibilities under Te Aorerekura

We are collectively responsible, along with other Te Puna Aonui agencies, for the implementation of Te Aorerekura and the Action Plan. We lead Actions 15 and 27 in the Action Plan:

- Action 15 - Build court workforce capability under Shift Three – Towards skilled, culturally competent and sustainable workforces
- Action 27 - Develop new practice guidelines for participants in court proceedings under Shift Five – Towards safe, accessible, and integrated responses.

Our focus in 2022/23 will include planning for the delivery of training to the court-related workforce so they have the skills and abilities to respond safely to FVSV dynamics. Gaps in understanding can create barriers to getting the appropriate support, can result in participants not being or feeling safe, and can deter them from reaching out for support. We are also focusing on improvements for participants involved in family violence and sexual violence proceedings in the District Court. This includes better access to services and support, including for children, improved information sharing, and awareness of what it means to live with Family Court orders.

<sup>14</sup>The Minister of Finance has granted an exemption of the obligation to provide an annual report for the 2021/22 financial year due to its current establishment under section 451 of the Public Finance Act 1989.

## Improving access to justice

All New Zealanders are entitled to a fair and open legal system that allows them to enforce their rights. Access to justice is about ensuring that all people, no matter their circumstances, are able to do so. People's needs can range from requiring information to obtaining legal representation and resolution in the courts – this sees us:

- providing clear and accessible information so people can understand their rights
- funding the provision of quality legal services at an affordable price so that participants can access fair and impartial procedures that are easy to navigate, protect our most vulnerable, and provide timely resolution of disputes.

The work we do to improve access to justice for New Zealanders involves partnering with the judiciary and other justice sector stakeholders, as well as supporting and implementing legislative reform.

### Family Court reform

In May 2019, Te Korowai Ture ā-Whānau released the final report of the Independent Panel examining the 2014 family justice reforms. This report makes recommendations to ensure that tamariki affected by caregiving disputes receive appropriate support, representation, and protection in the justice system. We have worked with the judiciary to establish a Family Court Work Programme that includes initiatives from the report focused on improving timeliness, access to justice and promoting safety while minimising any additional harm from court processes. It is also underpinned by the key Te Ao Mārama principles.

### Family Court (Supporting Children in Court) Legislation Act 2021

Placing child wellbeing at the heart of the family justice system calls for children to be engaged in processes that affect their care. In 2021/22 we successfully moved the Family Court (Supporting Children in Court) Legislation Bill through to Royal assent.

The Act<sup>15</sup> amends the Care of Children Act and the Family Dispute Resolution Act to establish children's participation as a guiding principle, allowing for enhancements to child wellbeing in care-of-children proceedings.

The Act also establishes legislative criteria for the appointment of a child's lawyer to enable more effective representation of the child's interests. It requires that, so far as is reasonable, the lawyer has the appropriate experience, training, personality and cultural background to represent the child.

## Improving and enhancing our services

### Improving the quality of, and access to, legal aid

Legal aid ensures people are not denied justice because they can't afford a lawyer. We enlist over 2,400 individual providers for legal aid services; 60,112 legal aid cases were granted in 2021/22.

In 2021/22, we received \$148.7M via Budget 2022 which will fund initiatives focused on greater access to government-funded legal aid, and on reducing the debt experienced by low-income New Zealanders. These initiatives include:

- increasing the eligibility thresholds by 15 percent from 1 January 2023, making 93,000 more New Zealanders eligible for legal aid in the first year
- raising the hourly rates for legal aid lawyers by 12 per cent from 1 July 2022
- increasing the debt repayment thresholds by 16.5 percent from 1 January 2023, relieving financial pressures for around 16,000 low-income and vulnerable New Zealanders
- increasing both the eligibility and repayment thresholds by 1.9 percent per year for the next three years so that these settings keep pace with wage inflation
- interest will no longer be charged on legal aid repayments
- removing the \$50 user charge to access legal aid.

Work is also underway to draft amendments to the Legal Services Act 2011 and Legal Services Regulations 2011. Our efforts to improve access to legal aid also include:

- updating our policy for warrant of commitment proceedings to ensure better access to lawyers for complex immigration matters
- improving the nationwide roster for the Police Detention Legal Assistance system to ensure continued access to justice for individuals detained by Ngā Pirihimana o Aotearoa - New Zealand Police over the holiday period.

We are also improving the quality of this service by implementing a new triage-based approach for assessing and responding quickly to complaints about legal aid providers, and by reviewing the quality framework we use to ensure those providing legal aid are offering a high quality service.

### Simplifying court proceedings for defendants and witnesses

Communication assistance is a service for courts to ensure that defendants understand court proceedings, and defendants and witnesses (participants) can give evidence to the best of their ability. Many participants who use communication assistance have a disability, autism or other neurodiversity, brain injury or under-developed language and communication skills. The service is also available for child participants.

We released the Communication Assistance Quality Framework in July 2021. It is used by our Ministry, court staff, and legal and justice sector professionals and supports best practice for the operation of the communication assistance service. Implementation of the Communication Assistance Quality Framework was supported with the development of online training modules for communication assistants. We engage with the New Zealand Law Society to deliver training for lawyers that focuses on neurodiversity, disability, and alternative communication needs for their clients, and how to work with these clients to ensure they understand the court process.

<sup>15</sup>The Act forms part of an ongoing programme of work responding to Te Korowai Ture ā-Whānau independent panel's report, which examined the effectiveness of 2014 family justice reforms.

In addition to implementing the quality framework, we also completed a procurement process with communication assistance providers and have secured additional funding to ensure we can grow and train a workforce to meet increasing demand for the service and fund ongoing service delivery in line with demand.

### **Increasing the public's access to tenancy/dispute tribunal decisions**

With thousands of cases heard per year, the Tenancy Tribunal and the Disputes Tribunal are important jurisdictions, as the legal issues they deal with are often common everyday problems that people encounter. For many, these tribunals can be the only interaction people might have with the justice system. Between March 2021 and June 2022, Judicial Libraries has published 1815 Tenancy Tribunal decisions. This contrasts with around 250 Disputes Tribunal decisions being published between 2009 and 2020. Publishing these decisions in a safe, timely, and accessible manner, enables the public to look for precedent, understand the process and improves access to justice.

### **Responding to increased demand for criminal record checks**

We provide a criminal record check service to individuals and third parties, subject to the Criminal Records (Clean Slate) Act 2004. Since we began offering this service, the number of requests has increased to over 500,000 each year. This is mostly due to the increased use of criminal record checks for pre-employment, training, and licensing purposes.

In April 2021, we replaced the previous paper-based service with an online service to keep up with the increasing demand for the service. This saw us continuing to provide this service with minimal disruption during COVID-19 lockdown periods and by the end of 2021/22 we had processed over 95,000 individual requests, and over 340,000 third party requests. Since its introduction, over 3,200 third parties have registered for the online service.

### **Building an efficient case management system**

Te Au Reka will replace the court system's current manually intensive processes with a new digital case management system. This will enable all users to interact with a modern court that is trusted, safe and responsive and will enable the court to operate modern proactive case progression practices, thereby:

- reducing adjournments, delays, and the time it takes to resolve matters, by enabling the court to proactively manage cases, the judiciary to hold parties to account for their behaviours in the court process, and improving the transparency of court processes
- increasing certainty for participants that things will progress on the day, as the court will be able to: be proactive, engage earlier if parties are not ready to proceed, help those having trouble navigating court processes and ensure that court time is used to progress cases

- ensuring the judiciary have all the necessary information that has been filed with the court and the confidence that their decisions will be actioned correctly
- improving data quality and coverage, enabling improved insights and evidence to deliver better services and outcomes
- reducing the need to manage paper-files and the associated risks, automating simple administrative tasks, removing non-value activities, rework and duplication
- improving the resilience and continued access to files and operation of the courts should an emergency occur.

The focus for 2022/23 is on procurement. Implementation of Te Au Reka will be in three phases, with Phase One focusing on implementation into District Court Family and a proof of concept to understand unique aspects of the High Court Civil and District Court Criminal processes.

Te Au Reka is a phrase used in a karakia for opening a new meeting house. Te Au translates as 'current' or 'flow', and reka translates as 'sweet, palatable, or pleasant'. Te Au Reka means 'the sweet flow'. In the context of caseflow, Te Au Reka conjures an image of a case management system that enables court processes to flow seamlessly from beginning to end.

### **Supporting the aspirations of Māori landowners**

The Whenua Māori Programme is a cross-government initiative we are leading in partnership with Te Puni Kōkiri to support Māori landowners to achieve cultural, social and economic aspirations for their whenua and whānau. All aspects of the programme have been delivered except for the new technology system (Pātaka Whenua) supporting the Māori Land Court.

The Māori Land Court's current technology system inhibits the ability of Māori Land Court users to transact land matters online or to access, outside of the court, court records regarding their whenua.

Pātaka Whenua will allow the Māori Land Court to enhance its support for whānau with interests in Māori freehold land, by:

- supporting the amendments to the Te Ture Whenua Māori Act 1993
- providing users the ability to make online applications and to access the electronic court record without needing to go into the court, thereby strengthening peoples' connections to whakapapa and to the whenua
- supporting national consistency.

To support the Māori Land Court achieve national consistency and the implementation of Pātaka Whenua, standardised processes have been developed and are being implemented nationally. Development of Pātaka Whenua continues and the system will go live in 2022/23.

## Managing our corporate responsibilities

### Achieving our health and wellbeing aspirations

In 2021 we commissioned a review of mental health and wellbeing. This review was undertaken by Deloitte whose key recommendation was to develop our own Mental Health and Wellbeing Strategy for all kaimahi across Te Tāhū o te Ture - Ministry of Justice and Te Arawhiti, with stakeholder input.

The strategy sets our aspirations across health and wellbeing, where 'Our wellbeing flourishes when our whole self (identity, genealogy, culture, values and essence) is acknowledged, accepted, respected and embraced as Rangatira'. The strategy also highlights strong connections with three of our four strategic intentions which sit in our strategic priority of culture and capability:

- Making the Ministry a great place to be
- Enabling our people to succeed
- Building capability to engage and partner with Māori.

Each are tightly connected to all four of our wellbeing focus areas: āwhina mai, āwhina atu; cultural safety; safe to speak; and wellbeing by default. The Wellbeing strategy has adopted the concept of Te Whare Tapa Whā - the four cornerstones of Māori health. This concept is inclusive and applicable to all cultures, positively reflecting our people and the communities we serve.

The strategy provides four interconnected focus areas for the future - where wellbeing has an impact on our people, our performance as an organisation, on the services we provide and on those we support:

- **Āwhina mai, āwhina atu** is the ability of our leaders to support and nurture wellbeing through listening, understanding, making the time, being compassionate and showing that they care. Leaders who care prioritise our people's wellbeing through a holistic approach which embeds all aspects of Te Whare Tapa Whā.
- **Cultural safety** is how our people from all cultures can express themselves and their cultural identity as they go about their work. As a ministry we want to create an environment where everyone can flourish, and together explore, celebrate, and recognise the diverse cultures of Aotearoa.
- **Wellbeing by default** - our people want to see wellbeing become 'just how we do things' at our Ministry. This will be achieved through making wellbeing easy to access and implement, and normalising the discussion and practice of wellbeing.
- **Safe to speak** is about creating an environment where everyone feels able to contribute, to speak their mind and share ideas knowing that they will be respected, listened to and heard.

The voices of all our kaimahi have been critical in determining the focus areas within the strategy. Over 190 people participated in various hui across our Ministry and Te Arawhiti, from which a group of 70+ wellbeing champions has organically grown. Wellbeing champions will assist in embedding the strategy and their feedback will be critical over the next three years to ensure the path taken is successful in nurturing a culture of health and wellbeing.

As we move forward, the 2022/2023 year will focus on:

- understanding the different wellbeing needs of the business and how we can work together to deliver support for all our kaimahi
- embedding the Wellbeing Strategy by communicating and engaging with our people on the four wellbeing focus areas
- establishing the implementation and measurement approach of the Wellbeing Strategy
- nurturing Te Whare Tapa Whā as the wellbeing model of choice while communicating its culturally inclusive design across our Ministry and Te Arawhiti.

### Providing governance

The Strategic Leadership Team (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; governance framework and processes; and policies and processes adopted to ensure compliance with legislation, policies, and procedures.

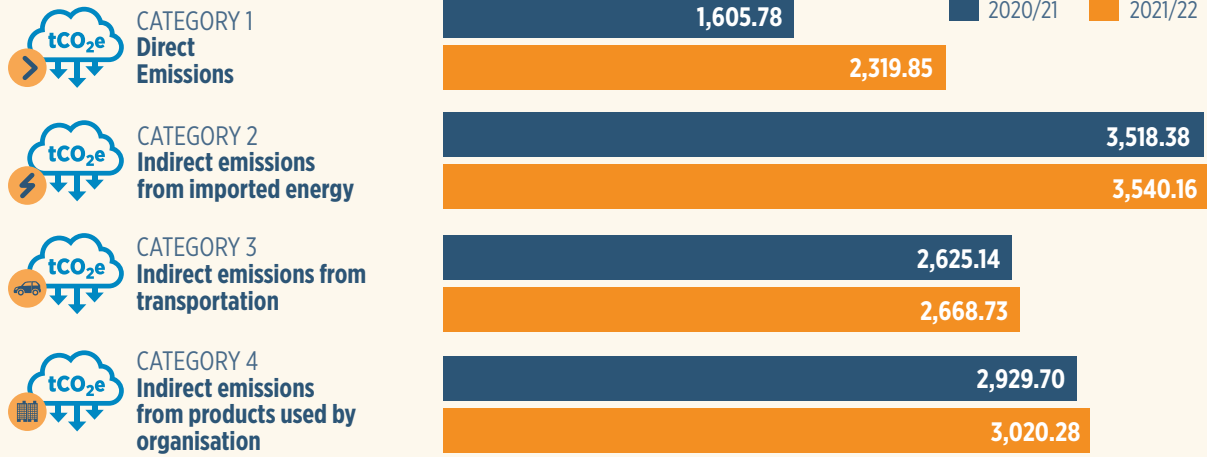
Our governance model is made up of the following:

- Board - responsible for setting and monitoring progress towards our strategic direction and priorities
- Business Committee - provides 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
- Investment Committee - helps ensure that investment in projects is made visible and governed in a consistent way across the organisation. It oversees the delivery of projects and sub-portfolios to support the realisation of our transformational and enduring strategic priorities.

### Reducing our greenhouse gas emissions

The Carbon Neutral Government Programme came into effect in 2020/21, placing expectations on all agencies to accelerate the reduction of emissions within the public sector.

# Ministry of Justice Emissions Profile (tCO<sub>2</sub>e)



TOTAL DIRECT EMISSIONS	1,605.78	2,319.85	TOTAL GROSS EMISSIONS	10,678.99	11,560.05
TOTAL INDIRECT EMISSIONS	9,073.21	9,240.20	TOTAL NET EMISSIONS	10,678.99	11,560.05

## Emissions break down by sources 2021/22

Category 1: Direct emissions		Category 2: Indirect emissions from imported energy		Category 3: Indirect emissions from transportation		Category 4: Indirect emissions from products used by organisation	
Purchased Energy	1,297.20	Imported electricity	3,540.16	Travel	2,112.88	Purchased goods and services	20.13
Transport Fuel (incl. company owned or leased vehicles)	662.23			Travel- hotel stay	93.62	Waste	2,457.68
Leakage of refrigerants	360.43			Upstream freight	17.68	Wastewater	218.28
				Downstream freight	422.84	Transmission and Distribution Losses (electricity & gas)	324.19
				Working from home	21.70		

Nil category 5 & 6 emissions

We are committed to the programme, and to playing our part in reducing greenhouse gas emissions across Ministry operations. This year we have been working to understand the scope of our total emissions profile, establish our baseline year data, and set reduction targets.

Our greenhouse gas emissions measurement has been independently verified by Toitū Envirocare. We are proud to be a certified Toitū carbon reduction organisation which means we are measuring, managing and reducing our emission according to the ISO 14064-1:2018 standard and Toitū requirements.

Most of our emissions are from the day to day running of our courthouses and buildings, and from staff travelling for operational needs. We have seen a slight increase in total emissions between baseline and our first year of reporting. This is mainly due our baseline being atypically low due to operations being reduced by COVID-19 during the 2020/21 year and returning to full capacity in the 2021/22 year.

In line with the Carbon Neutral Government programme we have set the following reduction targets:

- reduce gross emissions targets by 21 percent by 2025 compared to baseline year 2020/21
- reduce gross emissions targets by 42 percent by 2030 compared to baseline year 2020/21.

## Managing risk

Effective risk management is critical to achieving our strategic objectives and responsibilities to Aotearoa New Zealand. Our SLT reviews strategic risks on a quarterly basis, with supporting analysis helping them make decisions to strengthen mitigation activities.

Business groups manage operational risks, and projects manage risks associated with transformational initiatives. The risk framework ensures this all happens in a clear, consistent, and holistic manner.

Our internal audit programme provides independent assurance to the Secretary for Justice and senior managers that our system of internal control is operating effectively. The Risk and Assurance Committee provides independent advice and supports the Secretary for Justice on risk management. Specific fiscal risks are reported to Treasury on a regular basis.

We collaborate with our justice sector partners to understand and manage sector-wide risks, while our continuous improvement approach to risk management sees us regularly refreshing our risk-related policies and processes.



# **TOWARDS TRUE TREATY PARTNERSHIP**

---

## **Te Pūrongo ā-Tau o Te Arawhiti Our Annual Report for 2021 to 2022**

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.





# Rārangi Kaupapa - Contents

<b>Te kupu whakataki a tō mātou Tumu Whakarae</b>	<b>42</b>
<b>Introduction from our Tumu Whakarae</b>	<b>43</b>
<b>Ko wai mātou, ā mātou mahi - Who are we and what we do</b>	<b>44</b>
Our purpose	44
Our role	44
Our leaders	44
Our strategic direction	45
<b>Ngā whakatutukinga o te tau nei – this year’s highlights</b>	<b>46</b>
<b>Whakaora – Restore</b>	<b>48</b>
Settle historical Treaty claims	48
Resolve longstanding and contemporary issues	48
Engage with Māori on takutai moana	49
<b>Whakapūmau – Sustain</b>	<b>51</b>
Uphold the Crown’s Treaty settlement commitments	51
Actively support Crown agencies to engage effectively with Māori	52
Put the Māori Crown relationship at the heart of policy development	52
<b>Whakapakari – Build</b>	<b>54</b>
Lift public sector capability to work with Māori	54
Broker Māori Crown partnerships	55
Partner in COVID-19 response and recovery	59
<b>Ā mātou tāngata / Tō mātou whakahaere – Our people / our organisation</b>	<b>61</b>
Our Values	61
Our Staff	62
Diversity and inclusion graphic	63
High performing organisation	64
Building our Māori Crown Relationship capability	64
Focus area one - te reo Māori	65
Focus area two – Aotearoa New Zealand History/Te Tiriti o Waitangi	65
Focus area three - Tikanga and Kawa	65
Looking to the future	65
Our Carbon Neutral reporting	66
<b>E whai ake nei - what’s next</b>	<b>68</b>
<b>Statement of Responsibility</b>	<b>69</b>

Please note the following section is only the Te Arawhiti narrative. For the full financial and non-financial performance of Te Arawhiti, refer to pages 83-89, 125, 146, 147, 150-152 and 174-177 of the Ministry of Justice Annual Report.

# Te kupu whakataki a tō mātou Tumu Whakarae



He koanga ngākau kua riro māku, i te tūranga o te Tumu Whakarae Whakakapi o Te Arawhiti, te whakatakoto ki mua i tō aroaro ko te pūrongo ā-tau o te whakahaere mō tēnei tau.

Te tirohanga whakamuri ki te tau kua hipa – kātahi te tau nui me ōna whakatutukinga, ōna wero anō, ka mutu taku poho kererū i te āhua o tā mātou kawē ā-whakahaere i ngā mahi ahakoa rā te āhua. E ahu tonu mai ana tō mātou wawata mō te hononga Māori Karauna i te mōhio he nui ngā hua ka puta i te hononga momoho tonu, he mea nui ake i te katoa o ōna wāhanga – me te mōhio anō ahakoa piki, ahakoa heke me mau tonu mātou ki tēnei ara.

I roto i te tau kua taha kua whāiti ake tō mātou arotahi, kua piki hoki te haere o ā mātou mahi whakahirahira ki te whakaora, ki te whakapūmau, me te whakapakari haere i te hononga Māori Karauna kia puāwai mai ai te pātuinga Tiriti tūturu. Ka mutu pea te wawata manawanui ko tēnei, e mea ana me arotahi mātou ki ētahi kaupapa rautaki āhua maha nei:

## WHAKAORA

- » Te whakatau i ngā take Tiriti kua roa e tārewa ana, o nāianei anō hoki
- » Te tatū i ngā kokoraho Tiriti o mua
- » Te mahi i te taha o ngā iwi Māori kia mārama ai rātou ki ō rātou motika, pānga hoki i te Takutai Moana.

## WHAKAPŪMAU

- » Te whakamana i ngā paihere o ngā whakataunga Tiriti
- » Te tautoko i ngā hinonga Karauna ki te honohono ki te iwi Māori
- » Kia noho matua tonu te hononga Māori Karauna i te whanaketanga o ngā kaupapahere.

## WHAKAPAKARI

- » Te whakapiki i te māia o te rāngai kāwanatanga kia pai ai te mahi ki te taha o te Māori, mā te Māori anō hoki
- » He tuitui i ngā pātuinga Māori Karauna
- » Hoa Pātui i te urupare me te whakaora KOWHEORI-19

E mōhio kē ana a Te Arawhiti ko te hononga tangata e kore e motu i te whakaetanga ki te whakataunga – ka haere tonu, ka haere tonu, ā, ki te tika te manaaki, te poi-poi, e hia nei ōna hua pūmau tonu ka puta ki ngā tāngata katoa o Aotearoa. Puta noa i ā mātou mahi – arā, ki te mātua whakarite ka tutuki katoa te Karauna i ōna kawenga whakataunga, ki te āwhina i ngā hinonga ki te honohono me te mahitahi i te taha o te iwi Māori, e noho takawaenga ana, e whakanui ana hoki i ngā hua o tēnei mea te pātuinga – ko tā Te Arawhiti he kōkiri i te whakapakaritanga, i te whakapikinga hoki o taua hononga kaikini whakaharahara.

Ahakoa te mātou ki ngā whāinga whakahirahira e tika ana kia whakatutuki mātou, ki te taha hoki o te iwi Māori me te Karauna, kei te mārama hoki mātou kia eke panuku ai me tika te whakaritenga o te whakahaere. Kua whakapau kaha mātou mō ā mātou kaimahi te take, kia mātua whakarite ko te āhuatanga o te wāhi mahi he āhuatanga tautoko, whakawhanake hoki i te tangata, kia rite ai rātou mō te āpōpō e tū mai nei.

I roto i te tau kua pahure ake, kua āhei mātou ki te mahi i te taha o ngā rōpū Māori ki te whakatutuki i ngā pae tata whakataunga Tiriti 12 – hutihuti ana te haere whakamua, i te whai whakaaro a te Karauna me te Māori ki te whakatau i ngā take o ngā ra o mua me te whakaora anō i tō tātou hononga. Kua oti i ā mātou te whakarite rautaki honohono hou mō te Takutai Moana e whakahaere i te wā ki te whakatutuki i ngā tū mahi honohono, ki te whakamana hoki i ngā pānga a te Māori i te takutai moana, neke atu pea i ētahi ngahurutanga tau te nui o te hekenga. Kua whakawhanake taputapu hoki mātou e āwhina i ngā hinonga Karauna kia mātua whakarite ka noho matua tonu te hononga Māori Karauna ki mua tonu i te aroaro i te tītonga o te kaupapahere. Ka mutu kua hono mai hoki ko ngā Tumu Whakarae katoa o te rāngai kāwanatanga me ā rātou hinonga ki te Whāinga Amorangi me te pou tarāwaho āheinga mō te hononga Māori Karauna kia mātua whakarite ai kei te waihanganga haere mātou i te rāngai kāwanatanga e rite ana kia noho hei hoa pātui ki te iwi Māori.

Kāore i tua atu i te mahi whakahirahira i te mutunga o te tau pūtea – arā, ko te orokohanga o te rā whakatū tūmatanui o Matariki kia whakanuia e te iti, e te rahi katoa o ngāi Aotearoa. Kātahi te hāngai o tēnei, he mea whakahirahira te kaupapa o Matariki i te tikanga o tō mātou wawata – kia mahi tahi ā-pātui nei mātou, inā te nui o ngā mahi tē taea e te kotahi, heoi anō, ehara i te mea mā te iwi Māori me te Karauna anake ngā hua, engari mā ngā tāngata katoa o Aotearoa, otirā, mā tō tātou motu hei whenua o te ao hou e noho ana ki tō mātou kokonga o te Moana-nui-a-Kiwa.

Ko tētahi o ngā āhuatanga taketake o Matariki ko te titiro whakamua me te whakarite mō ngā rā e tū mai nei. I te tau kua hipa, kua whakapau kaha Te Arawhiti ki te whakatutuki i ngā mahi kei mua tonu i te aroaro e pā ana ki te hononga Māori Karauna, me te titiro whakamua kia mātua whakarite he tika ngā tāngata, he tika ngā taputapu, he tika hoki ngā hononga kia haere tonu ai ā tātou mahi, kia tautokona hoki tō mātou wawata mō te hononga Māori Karauna ināianei, ā, haere ake nei – he mōhio nō mātou he mea nui whakaharahara tēnei ki tō tātou motu. Me te 33 rōpū e mahi ana i ngā momo mahi e pā ana ki te tukanga whakataunga Tiriti, he hōtaka honohono kiki tonu puta noa i ngā mahi Takutai Moana, tētahi kaupapa kaupapahere nui hoki puta noa i te kāwanatanga e tika ana kia āta whakaarohia ōna papānga ki te hononga Māori Karauna, me te whakahoutanga o te aronga ki tēnei mea te pātuinga i ā mātou e titiro whakamua ana, mārama tonu te tirohanga atu he tau humi anō te tau e tū mai nei.

Kei te manawareka tonu ki a au kia riro māku te tātaki tō tātou whānau i konei i Te Arawhiti e tiro whakamua ana ki te tau e tū mai nei me ōna tini whakapātaritari, ōna tini ara anō hoki – katoa mai me taua whāinga whakangākau anō kei mua tonu i te aroaro – te iwi Māori me te Karauna e mahi tahi ana i runga i te whakaaro kotahi kia eke mai ko tēnei mea te pātuinga Tiriti tūturu.

He manako te koura e kore ai.

Glenn Webber  
Tumu Whakarae (Whakakapi)

# Introduction from our Tumu Whakarae



Tēnā koutou, tēnā koutou, tēnā koutou katoa

It is a pleasure as the Acting Chief Executive of Te Arawhiti to present this year's annual report on behalf of the organisation.

Reflecting on the last year – it has been one full of great achievements and challenges, and I am extremely proud of how we as an organisation have addressed both. Our vision for the Māori Crown relationship continues to be based on the opportunity we know exists in a thriving relationship that is greater than the sum of its parts – and we know that we can't lose sight of that opportunity even when challenges come our way.

Over the past year, Te Arawhiti has increased our focus and momentum on our important work to restore, sustain and build the Māori Crown relationship towards true Treaty partnership. This is an ambitious vision which requires us to focus our attention across several strategic priorities:

## RESTORE

- » 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

Te Arawhiti recognises that a relationship does not end when you agree a settlement – it is ongoing and, if nurtured and grown, can bring lasting benefit to all New Zealanders. Across our work – in ensuring the Crown meets its settlement obligations, helping agencies engage and partner with Māori, brokering and highlighting the benefits of partnership – Te Arawhiti drives improvement and advancement of that critical relationship.

While we're aware of the important objectives we must achieve for and with Māori and the Crown, we also understand that to be successful, we need to have an organisation that is set up for success. We've invested in our people to make sure we're a workplace that supports its people and develops them for the future.

Over the last year, we've been able to work with Māori groups to achieve 12 Treaty settlement milestones – strong progress as the Crown and Māori look to reconcile the past and restore our relationship. We put in place a new engagement strategy for Takutai Moana that will see the timeline for completing engagements and recognising Māori interests in the takutai moana reduced by decades. We've developed tools that will help Crown agencies put the Māori Crown relationship at the heart of policy-making. All public service Chief Executives and their agencies have signed up to Whāinga Amorangi and Māori Crown relations capability framework to ensure we are building a public service that is ready to partner with Māori.

The year ended with a huge highlight for us – the inaugural Matariki public holiday celebrated by all New Zealanders. This is fitting because the kaupapa of Matariki showcases what our vision is all about – when we work together in partnership, we can do things that wouldn't be possible otherwise, and those things aren't just for the benefit of Māori or the Crown, but of all New Zealanders and our country as a modern nation nestled in our corner of the Pacific.

Part of the Matariki tradition is looking ahead to the future and planning for what comes next. Over the past year, Te Arawhiti has worked hard to not only work through the current issues facing the Māori Crown relationship, but to look ahead and make sure we have the people, tools and relationships in place to continue our mahi and support our vision for the Māori Crown relationship into the future – as we know how important this is for our nation. With 33 groups actively working in varying stages of the Treaty settlement process, a busy engagement schedule across our Takutai Moana work, an ambitious policy programme across government requiring careful consideration of impacts on the Māori Crown relationship and a renewed focus on partnership as we look to the future, it's clear it's going to be another busy year.

I'm excited to continue to lead our whānau here at Te Arawhiti as we move towards a year of challenges and opportunities – all with that aspirational goal in our sights – Māori and the Crown, working together towards true Treaty partnership.

He manako te kōura e kore ai.

Glenn Webber  
Tumu Whakarae (acting)

# Ko wai mātou, ā mātou mahi – Who are we and what we do

## Our purpose

Our name, Te Arawhiti, symbolises the bridge between Māori and the Crown, and the past and the future. The purpose of Te Arawhiti, the bridge, is to help guide the Māori Crown relationship from historical grievance towards true Treaty partnership, and to help guide the Crown, as a Treaty partner, across the bridge into te ao Māori.

The work of Te Arawhiti is relationship based. We work across the public sector to support the Crown to be a better Treaty partner and in doing so support better outcomes for Māori and all New Zealanders.

Our strategic intent is to restore, sustain and build the Māori Crown relationship towards true Treaty partnership. Our values, Mahi Tahī, Pono ki te Kaupapa and Atawhaitia underpin the work we do. These provide us a clear direction to work alongside other public sector agencies to engage with Māori and influence positive outcomes for whānau, hapū, iwi and Māori communities throughout Aotearoa.

## Our name and our role

Te Arawhiti is a departmental agency hosted by Te Tāhū o te Ture – Ministry of Justice. We have 189 full-time equivalent staff who are based in our Wellington office.

Te Arawhiti works as the steward for Māori Crown relations across government. Our work covers the full spectrum of relationships with Māori – from restoring the relationship through Treaty settlements and Takutai Moana applications to building partnerships that lead to better outcomes for both Māori and all New Zealanders.

The functions of Te Arawhiti include:

- overseeing Treaty settlement negotiations and policy
- supporting the Crown in ensuring it meets its Treaty settlement commitments
- administering and overseeing the Marine and Coastal Area (Takutai Moana) Act 2011
- providing strategic advice on the Māori Crown relationship
- strengthening public sector capability to meaningfully engage with Māori
- providing strategic leadership and advice on contemporary Treaty issues
- brokering solutions to challenging relationship issues with Māori
- developing collaborative partnership principles to support agencies to deliver optimal solutions
- coordinating significant Māori Crown events on behalf of the Crown.

## Our leaders



**Warren Fraser** – Deputy Chief Executive Strategy and Policy, **Tui Marsh** – Deputy Chief Executive Treaty Reconciliation and Takutai Moana, **Glenn Webber** – Tumu Whakarae – Chief Executive, **Kelly Dunn** – Deputy Chief Executive Partnerships, **Eru Lyndon** – Deputy Chief Executive - Treaty Reconciliation Pourongomau ō Nga

Not pictured: **Lil Anderson** – Tumu Whakarae and **Darrin Sykes** – Deputy Chief Executive Organisational Services



# TOWARDS TRUE TREATY PARTNERSHIP

## RESTORE

- » 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



# Ngā whakatutukinga o te tau nei - This year's achievements

Hūrae  
Hōngongoi  
**July**



The Whāinga Amorangi independent panel was established, chaired by Professor Rawinia Higgins



The High Court released a decision regarding the Clarkson whānau application for customary marine title under the Marine and Coastal Area (Takutai Moana) Act 2011

Ākuhata  
Hereturikōkā  
**August**



Aotearoa moved to COVID-19 Alert Level 4, a \$1.2 million fund was established for iwi pandemic response funding



Iwi Māori leaders COVID-19 engagements re-established

Hepetema  
Mahuru  
**September**



Te Arawhiti staff won an overall award and taonga in recognition of our first place engagement with Te Wiki o Te Reo Māori



Facilitated a relationship redress hui with Te Kotahitanga o Tūwharetoa and agencies to enable delivery of commitments

Oketopa  
Whiringa-ā-nuku  
**October**



Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua signed a deed of settlement on 29 October



Established the Māori Communities COVID-19 Fund alongside Te Puni Kōkiri and the Ministry of Health

Noema  
Whiringa-ā-rangi  
**November**



Legislation for the Moriori Treaty settlement enacted on 23 November



Te Haeata (register of Treaty settlement commitments) training provided to iwi, Māori, local government, government agencies

Tīhema  
Hakihea  
**December**



Appointment of Chief Advisor, Mātauranga Matariki - Professor Rangī Matamua



The High Court released a decision regarding the Ngāti Pāhauwera application for customary marine title under the Marine and Coastal Area (Takutai Moana) Act 2011

Hānuere  
Kohitātea  
**January**



Paepae Rangatira hui between Ministers and Ngaa Rauru Kiitahi

Pēpuere  
Huitanguru  
**February**



Te Rohe o Rongokako Joint Redress Bill was introduced on 3 February. The Bill gives effect to specific cultural redress shared between Ngāti Kahungunu and Rangitāne



Supported Waitangi Day 2022, the first virtual event held and filmed at Waitangi due to COVID-19 restrictions

Māehe  
Poutūterangi  
**March**



Te Whakapiki Mōuri, Te Arawhiti supported the partnership between Parliament and Te Ātiawa to reopen Parliament grounds



Treaty Provisions Guidance for Public Service endorsed by Cabinet

Āpereira  
Paengawhāwhā  
**April**



Established Te Rōpū Tai Timu Tai Pari, an external reference group advising on how to uphold takutai moana rights through the resource management reform mahi being led by the Ministry for the Environment



101 Engagement with Māori workshops updated and delivered online to the New Zealand public service

Mei  
Haratua  
**May**



10,000 commitments on Te Haeata published



Launched Te Tohu o Matariki logo at Carter observatory

Hune  
Pipiri  
**June**



Inaugural Matariki Public Holiday event at Te Papa



Te Arawhiti endorsed all 36 core agencies' Whāinga Amorangi Plans

# Whakaora - Restore

- 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 restore and move forward with renewed relationships built on trust and confidence*

## Settle historical Treaty claims

We work with iwi Māori 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 foundation for strengthening the Māori Crown relationship into the future.

This year we have achieved the following milestones:

- signed terms of negotiation with Mōkai Pātea
- initialled a deed of settlement with Whakatōhea
- signed deeds of settlement with Maniapoto, Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua and Te Ākitai Waiohū
- introduced settlement legislation for Maniapoto, Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua and a joint redress bill for Wairarapa iwi – Te Rohe o Rongokako
- settlement legislation enactment for Moriori, Ahuriri Hapū, Ngāti Maru (Taranaki) and Ngāti Rangitihī.

## Resolve longstanding and contemporary issues

As the Crown works to be a better Treaty partner, it needs to be prepared to hear and respond to discrete issues raised by Māori. Historically, the Crown's approach to resolving issues has relied on formalised frameworks like the historical Treaty settlement process or court actions. In the contemporary environment, Te Arawhiti is working across the public sector and on individual issues to support the Crown towards a mature and collaborative approach to understanding and responding to issues.

We play a unique leadership role by:

- supporting a consistent approach to engaging on and responding to issues
- finding opportunities to build capability and relationships as well as deepen Treaty understanding
- helping agencies understand the full range of Māori rights and interests, and options to provide for these.

## Moriori Claims Settlement Act

This year has seen the settlement of the historical claims of Moriori with enactment of the Moriori Claims Settlement Act 2021. The settlement recognises Moriori as tchakat henua (tangata whenua) and waina pono (original inhabitants) of Rēkohu (the Chatham Islands).

The Moriori settlement acknowledges the Crown's failure to act to end the enslavement of the Moriori people, and its contribution to the stigmatisation of Moriori as a racially inferior and extinct people.

The first Moriori claim was filed with the Waitangi Tribunal in 1988 and heard in 1994. This claim was a continuation of the plea for recognition and justice Moriori made to the Crown in 1866. The settlement returns to Moriori almost 1,300 hectares of land across Rēkohu in eight sites, including large parts of Rangihau (Pitt Island), as cultural redress. It also restores Moriori place names to 14 sites as their official geographic name and records a further 20 Moriori place names as unofficial geographic names. Through relationship redress, the settlement raises the profile of Moriori and matters of particular importance to them and encourages better engagement by agencies and organisations.



This year we either led or provided advice and support to Crown agencies on a range of contemporary Treaty issues, including:

- the proposed Kermadec/Rangitāhua Ocean Sanctuary
- current kaupapa inquiries including:
  - Wai 2750: The Housing Policy and Services Kaupapa Inquiry
  - Wai 2700: The Mana Wāhine Kaupapa Inquiry and
  - Wai 2500: The Military Veterans Kaupapa Inquiry
- the response to the COVID-19 pandemic, including in the associated Waitangi Tribunal urgent inquiry.

## Engage with Māori on Takutai Moana

We work with whānau, hapū and iwi who have applied for recognition of their customary rights under the Marine and Coastal Area (Takutai Moana) Act 2011 and Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019.

We support whānau, hapū and iwi to progress their applications and advise the responsible Minister on the assessment of applications under the Takutai Moana legislation. Our support includes administering financial assistance to applicants and delivering a historical research programme. We also maintain the public geographic information system platform (GIS): Te Kete Kōrero a Te Takutai Moana Information Hub (Kōrero Takutai) to support the consideration of applications under the Marine and Coastal Area (Takutai Moana) Act 2011. We also support the Attorney-General in the High Court by providing historical research GIS mapping and other relevant information.

## Resolving longstanding issues through supporting Māori Crown partnerships

In February 2022 the Crown and the Māori Spectrum Working Group signed a memorandum of understanding (MOU) that recognises long-held claims of Māori interest in the telecommunications spectrum. The MOU provides funding and spectrum to further Māori involvement in the digital technology sector. Spectrum refers to the invisible radio frequencies that wireless signals travel over the airwaves. Those signals enable us to communicate on mobile devices.

This agreement is the result of several years of work by the Māori Spectrum Working Group and Hīkina Whakatutuki – Ministry of Business, Innovation and Employment, with support and advice from Te Arawhiti and Te Puni Kōkiri. Previous iterations of work on Māori interests in the telecommunications spectrum had failed to produce an enduring policy response that made the most of the shared objectives of Māori and the Crown. With Te Arawhiti's support, the Crown built the trust of our Māori partners and allowed a mature and collaborative partnership to form around this work.



This year, we have:

- supported the Attorney-General in three High Court hearings, all of which had judgments recognising customary marine title released in 2021:
  - stage two hearings Re Reeder (Ngā Pōtiki)
  - Re Edwards (Whakatōhea No.2)
  - Re Taylor (Ngāti Pāhauwera)
- participated in the Waitangi Tribunal Marine and Coastal Area (Takutai Moana) Act 2011 Inquiry (Wai 2660) stage two
  - worked with applicants across 20 coastlines to support them to progress their applications following the announcement of the Takutai Moana Engagement Strategy last year
  - received Cabinet approval of the revised Financial Assistance Scheme and launched the project to deliver the new scheme, with changes to be implemented from October 2022
  - developed options for resource management reform Ministers to consider how to uphold takutai moana rights through the resource management reforms, drawing on the expertise of a reference group to inform these options.

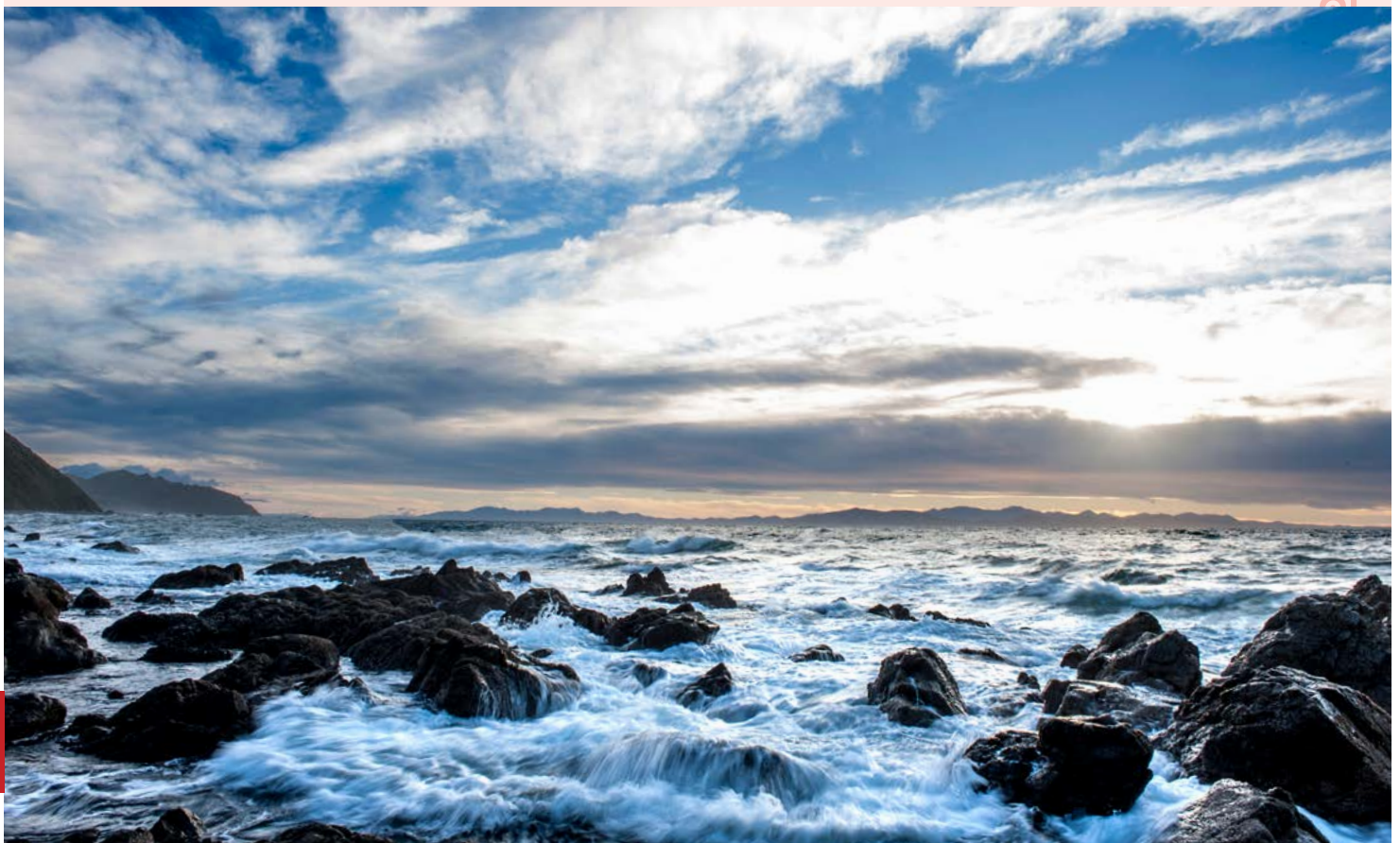
## Te Rōpū Tai Timu Tai Pari Resource Management Reference Group

Te Arawhiti established and worked intensively with Te Rōpū Tai Timu Tai Pari, a group of resource management and the Marine and Coastal Area (Takutai Moana) Act 2011 experts, to design policy advice on how takutai moana rights are upheld in the resource management reforms.

Te Arawhiti has been working with Manatū Mō Te Taiao – Ministry for the Environment, who are leading the reforms. We have been working together to ensure that the resource management-related rights of takutai moana applicant groups and rights-holders will be upheld in the new resource management system.

Resource management-related rights include the ability of customary marine title groups to give or decline permission for certain resource consents and to create planning documents setting out their aspirations for their customary marine title area. These must be incorporated into plans through a set process. It is important for the Māori Crown relationship that the strength of these rights remain under the new resource management system.

Te Arawhiti and Te Rōpū Tai Timu Tai Pari, with assistance from Manatū Mō te Taiao, worked collaboratively to design workable options for resource management reform Ministers to consider for inclusion in the Natural and Built Environment and Spatial Planning Bills in late 2022.



# Whakapūmau – Sustain

- Uphold the Crown's Treaty settlement commitments
- Actively support Crown agencies to effectively engage with Māori
- Place 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 promote partnership opportunities that may present themselves post settlement.*

## Uphold the Crown's Treaty settlement commitments

Treaty settlements provide a platform for a renewed relationship between Māori and the Crown, based not on grievance and transactions but genuine opportunity and partnership. Keeping that in mind, we work to ensure settlements support partnerships in three key ways:

- supporting iwi and agencies to implement commitments and resolve post-settlement issues
- providing advice on the impacts of policy initiatives on the durability of settlements
- fostering and growing partnerships with groups who have reached settlement.

This year, we have:

- engaged with 32 post-settlement governance entities, including in-depth engagement to develop pathways to resolve five significant settlement issues
- supported the establishment and inaugural meetings of the Chief Executives Tūhoe Settlement Board
- progressed three settlement amendments as part of the Statutes Amendment Bill
- advanced a new framework for enhanced oversight of and accountability for Crown settlement commitments
- provided quarterly joint reports to Minister for Land Information and Minister for Māori Crown Relations: Te Arawhiti on Toitū Te Whenua – Land Information New Zealand's work programme.

## Enhancing Te Haeata to support oversight of Treaty settlement commitments

Te Haeata – the Settlement Portal is an online, searchable database of commitments from historical Treaty of Waitangi settlements, as recorded in deeds of settlement and settlement legislation. The purpose of Te Haeata is to raise the visibility of Treaty settlement commitments and help organisations manage their commitments. Te Haeata was launched in June 2019.

Our number of registered users continues to grow and at year end reached 991 and we continue to upload new commitments as more settlements are achieved. At the end of this year there were 10,375 commitments published on Te Haeata.

We continue to enhance Te Haeata. A new function allows organisations to track the status of their commitments. Are they complete? On track? Yet to start? Or are there delivery issues?

Our aim is that all core Crown agencies enter this data, allowing a complete picture of the Crown's delivery of settlement commitments for the first time. In demonstration sessions held this year, users suggested dashboards would help present this picture for each agency and highlight progress towards Treaty settlement delivery. We worked with a website developer, to design a dashboard for Crown agencies that will be launched in August 2022.

Alongside supporting Crown agencies to manage their settlement commitments, the dashboard will support our strategic work to enhance oversight of Treaty settlement commitments. Combining data from all core Crown agencies, we are now developing an all-of-Crown dashboard to support Te Arawhiti to achieve system oversight and, in the future, report on the status of Crown settlement commitments.



## Assisting Ngāti Manuhiri to achieve their aspirations to develop their land

Ngāti Manuhiri settled their historic Treaty of Waitangi claims through the Ngāti Manuhiri Claims Settlement Act 2012. Their settlement included the transfer of South Mangawhai Forest as Crown forest licensed land.

Ngāti Manuhiri entered a joint venture to develop part of the land, with the intention of creating more housing opportunities. To enable this development, Ngāti Manuhiri asked the Crown to remove a statutory encumbrance from part of South Mangawhai Forest land. The encumbrance provides access for Māori to protected sites. These sites are entered on Rārangī Kōrero – the New Zealand Heritage List and this encumbrance for protected sites limited development of the land.

Te Arawhiti worked with Ngāti Manuhiri to understand the encumbrance and what removing it would mean for any potentially affected parties. A Pouhere Taonga – Heritage New Zealand assessment concluded there are no protected sites within the area Ngāti Manuhiri identified for development. Ngāti Manuhiri confirmed there are no sites of significance there and corresponded with other iwi about the matter.

Developing the land is consistent with the purpose of Crown forest licensed land redress, intended to enable iwi to build their economic base. Removing the encumbrance was important to enable Ngāti Manuhiri to realise their commercial aspirations. The encumbrance was not intended to impede the development of land, as there are no 'protected sites' within the area for development. The Crown and Ngāti Manuhiri agreed that a settlement amendment was appropriate in the circumstance.

Te Arawhiti worked with Te Tāhū o te Ture – Ministry of Justice to agree that the Statutes Amendment Bill was an appropriate vehicle to remove the encumbrance. An amendment was agreed for inclusion in the Statutes Amendment Bill by the Governance and Administration Committee through the departmental report.

This amendment is progressing through the Statutes Amendment Bill legislative process, with the Governance and Administration Committee expected to report to the House of Representatives in the first quarter of 2022/23.

## Actively support Crown agencies to engage effectively with Māori

This year, we have continued to actively support and advise the Crown on engagement with Māori in accordance with the Crown Engagement with Māori Framework and Guidelines. Effective and meaningful engagement with Māori is crucial to generate better quality outcomes, nurture Māori Crown partnerships and uphold the Crown's Treaty commitments.

### Engagement advice

There is a substantial amount of engagement on matters important to Māori in the natural resources sector. This year Te Arawhiti has provided ongoing intensive advice and support to Māori, Ministers and the public service on matters such as resource management reform, Three Waters, fresh water and climate change.

This year, we provided support and advice on 61 engagement strategies and plans, regarding planned engagement with Māori, including but not limited to the following: Hikina Whakatutuki – Ministry of Business, Innovation and Employment, Te Manatū Waka – Ministry of Transport, Toitū Te Whenua – Land Information New Zealand, Tatauranga Aotearoa – Statistics New Zealand, Te Mana Rauhi Taiao – Environmental Protection Authority, Te Tari Taake – Inland Revenue Department, Manatū Taonga – Ministry for Culture and Heritage, Te Tari o te Pirimia me te Komiti Matua – Department of the Prime Minister and Cabinet, Te Tāhū o te Ture – Ministry of Justice, and the Royal Commission of Inquiry – Abuse in Care.

Over the past year, social services sector agencies have required less support from us due to the use of Te Arawhiti engagement guidelines and frameworks early on in their engagement planning.

## Introduction to Māori Crown Engagement Workshops

This year, we hosted 15 'Introduction to Māori Crown Engagement Workshops' with a combined attendance of approximately 500 staff from across the public sector. These workshops were held for agencies including: Toitū Te Whenua – Land Information New Zealand, Manatū Ahu Matua – Ministry for Primary Industries, Te Aho o te Kahu – Cancer Control Agency, Te Tari Taake – Inland Revenue Department, Te Mana Ārai o Aotearoa – New Zealand Customs Service, Ara Poutama Aotearoa – Department of Corrections, Tatauranga Aotearoa – Statistics New Zealand, Te Manatū Waka – Ministry of Transport, Manatū Hauora – Ministry of Health, and Te Tari o te Pirimia me te Komiti Matua – Department of the Prime Minister and Cabinet.

## Put the Māori Crown relationship at the heart of policy development

Our mahi in this space is to consistently and effectively embedding the Treaty of Waitangi into policy and lifting capability across the Crown. Being a better Treaty partner means ensuring that government policies are cognisant of the Crown's Treaty responsibilities and inclusive of te ao Māori perspectives. We work with agencies as they consider Māori rights and interests across their mahi, including by encouraging them to engage effectively with Māori to understand those perspectives. In key pieces over the year, we provided extensive advice to the Crown's COVID-19 response; took a leadership role in beginning to address the shortcomings of the proposed Kermadec/Rangitāhua Ocean Sanctuary; and were closely involved in policy development for resource management reforms.

In practical terms, we:

- support agencies to understand the full range of Māori rights and interests in their policy development
- engage and produce guidance and tools to improve Crown understanding of the role of the Treaty in the policy system
- encourage and support government agencies to engage meaningfully with Māori. We know that timely and good-faith engagement helps the Crown to be informed, which leads to better policy design and a strengthened Māori Crown relationship.

As the Māori Crown relationship continues to grow and evolve, our mahi to embed the Treaty in policy and support agencies to lift their Māori Crown capability has us involved in a range of policy and reform issues. This year we have provided advice on more than 100 Cabinet papers, covering topics across the full range of government activity.

A critical focus area this year has been around resource management reform. Te Arawhiti has worked with other government agencies and a collective of Māori representative entities to:

- strengthen recognition of the principles of Treaty of Waitangi in the new resource management system
- provide new roles for Māori in decision-making on plans
- give greater recognition of te ao Māori, including mātauranga Māori
- ensure the reforms uphold Treaty settlements and takutai moana rights
- support the Crown's efforts to engage with Māori on the reforms.

## Our Treaty Provisions Guidance endorsed by Cabinet

In our work across the policy system, it was recognised that there was a need to improve the consistency of, and understanding about, the use of Treaty clauses in legislation.

Legislative references to the Treaty have become more common. This reflects a greater appreciation of the Māori Crown relationship and the importance of the Treaty to many aspects of government.

This year, Te Arawhiti, in collaboration with Te Tari Ture o te Karauna – Crown Law Office and other agencies, led the development of guidance for policymakers to prompt critical thinking on how to best provide for the Treaty in legislation and policy. This guidance was endorsed by Cabinet and has now been published online:

[tearawhiti.govt.nz/tools-and-resources/contemporary-treaty-of-waitangi-issues/](https://tearawhiti.govt.nz/tools-and-resources/contemporary-treaty-of-waitangi-issues/)

Te Arawhiti also convened and now leads an advisory group of officials that:

- supports the use of the guidance
- meet with agencies conducting policy reforms to prompt thinking about appropriate Treaty measures
- promotes consistency and understanding around the use of Treaty clauses.



# Whakapakari – Build

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

*The gains achieved through restoring 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 are aiming to strengthen public sector capability to work with Māori and ensure the public sector can build on their relationships with Māori and enter into enduring partnerships that enhance mana.

We continue to lead the system for public sector Māori Crown capability by focusing on increased understanding of Māori Crown engagement and Whāinga Amorangi: Transforming Leadership.

This year we worked with leads from the 36 core agencies on Phase 1 of Whāinga Amorangi which focused on developing an agency plan based on the individual competency framework to support building individual staff capability. In August 2021 we received plans from these agencies for consideration and endorsement by our Tumu Whakarae as the functional system lead for Māori Crown relations. To support this, an independent review panel was convened, representing Crown agency leads responsible for Māori Crown relations, te reo Māori revitalisation, public sector stewardship, and importantly, providing views from an iwi Māori perspective.

The panel adopted a strengths-and-purpose-based approach to consider and review the 32 agencies' proposed plans to 'build their internal capability to improve Māori Crown relations'. On completion of the reviews and remedial work by agencies where needed, recommendations were provided to our Tumu Whakarae. This resulted in all 36 core agencies receiving an endorsement of their plans.

A key element of Whāinga Amorangi guidance includes being able to measure the capability build of agencies. The 2021/22 Treasury Guidance for Annual Reporting now includes a section setting out how agencies can report back on the implementation of their Whāinga Amorangi plan. Agencies can also use data derived from Te Taunaki – Public Service Census 2021 about their individual agencies to inform this reporting.

## Endorsing Whāinga Amorangi plans across the public sector

The development and introduction of Whāinga Amorangi: Transforming Leadership has seen agencies developing their understanding of the importance of Māori Crown relations.

This has led to not just strengthening the skillsets of staff, but also, how those skills and understanding translate into true Treaty partnership and opportunities for Māori and all New Zealanders.

As part of reviewing the Whāinga Amorangi agency plans, observations were made by the review panel that agencies that have developed their understanding have made significantly more progress towards meaningful Māori and Crown relationships. Through this capability planning, more progress is being made towards overcoming systemic barriers within the Māori Crown relationship. With agencies measuring how they are contributing to improved Māori outcomes and equity, they are also deepening their sense of purpose and understanding, whether through policy, legislation, service delivery or governance. That is ultimately what Whāinga Amorangi is about.

This is the first time the public service has collectively committed in such a tangible way to strengthening Māori Crown capability. Endorsing Whāinga Amorangi plans across 36 agencies has been an outstanding achievement for the agencies, for Te Arawhiti as the system lead for the public sector and the future of a stronger Māori Crown relationship.

## Broker Māori Crown partnerships

The government is committed to supporting opportunities for Māori Crown partnerships that uphold and build mana of both partners. We are always looking for opportunities to strengthen partnerships between Māori and the Crown across government. We do this by supporting agencies where relationships are complex, providing guidance and advice on partnerships, and identifying partnership opportunities.

In 2020, the Government committed to establishing a Matariki focused public holiday that recognises and celebrates te ao Māori. Building on the work of the Matariki Expert Advisory Group, on 11 April 2022 Te Ture mō te Hararei Tūmatanui o te Kāhui o Matariki 2022/Te Kāhui o Matariki Public Holiday Act 2022 received royal assent.

To recognise the inaugural Matariki public holiday on 24 June 2022, Budget 2021 provided \$5 million in funding to support early development of resources and engagement events that acknowledge and support understanding of Matariki as a public holiday. The resources and engagement were designed to enable iwi Māori to develop and lead regionally diverse recognition of Matariki.

Through the Matariki Ahunga Nui work programme, Te Arawhiti invested \$5 million into 60 iwi Māori groups to develop local, regional and national events. These events and resources supported and celebrated Te Kāhui o Matariki, underpinned by mātauranga Māori. These targeted events and resources were designed to build capacity and capability of iwi and hapū to regenerate, practice and preserve Māori traditions associated with Te Kāhui o Matariki.

To support the mātauranga underpinning Matariki, a standalone Chief Advisor role was established in the lead up to our first Matariki public holiday. This role was to support leadership across the sector, strengthen the importance of Matariki and coordinate the broader communications regarding Te Kāhui o Matariki, ensuring connections between organisations and agencies with localised knowledge and advice to Government on Matariki-related kaupapa.

This year, we have:

- successfully delivered funding of \$5 million to 60 iwi Māori groups to support the development of resources and engagement events
- developed and delivered a national branding and tohu for Matariki
- supported the inaugural celebration of the Matariki Public Holiday hosted by Te Papa Tongarewa – Museum of New Zealand
- supported the first virtual Waitangi celebrations.





## Te Rā Aro ki a Matariki 2022

Friday, 24 June 2022 will go down in Aotearoa's history as the newest New Zealand public holiday, Te Rā Aro ki a Matariki. Right Honourable Jacinda Ardern, Prime Minister, along with Cabinet Ministers, mana whenua and Te Matapunenga joined the nation's celebrations at the traditional Hautapu ceremony hosted by Te Papa Tongarewa. "This is a special day not only for Aotearoa but globally as we celebrate our first authentically Māori public holiday, which has been met with overwhelming support," said Right Honourable Jacinda Ardern. "Today we take another meaningful step forward in understanding what makes us unique as a country, and what holds us together as a nation. I thank all those iwi, hapū, whānau and mātauranga holders for giving their time, support and knowledge to ensure Matariki is shared, acknowledged and better understood – to allow us all to celebrate as a nation together."

Minister for Māori Crown Relations: Te Arawhiti Honourable Kelvin Davis said Matariki was a proud illustration of mātauranga Māori that has been passed down generationally. "Traditionally Matariki was a time where Māori would give thanks for all the blessings of the past year and reconnect with one another," he said. "This is what we want for our nation – strengthening whānau bonds and community relationships and partnerships. From today onwards, we can annually embed into our calendars a national holiday that is unique to Aotearoa and is inclusive of all of our people."







## Piata Mai Matariki showcases rising stars

Tamariki from Te Whanganui-a-Tara took to the stage to perform nine original waiata along with a 14-piece band to celebrate Matariki 2022. The full stage production was recorded in front of a live studio audience and featured tamariki as lead vocalists for each of the waiata dedicated to a star in the Matariki cluster. "All our tamariki were paired with seasoned vocalists and backed by professional musicians," said Creative Natives Director Te Whenua Harawira. "The kids came together to learn their waiata over four weekends and they were just buzzing and full of energy and excitement".

Piata Mai Matariki was one of seven successful applicants in the Mātau category of Te Arawhiti's Matariki Ahunga Nui Fund for events and resources that explore, discuss, practice, and teach about Te Kāhui o Matariki. "One of the things I wasn't expecting was the level of support that we received from the kura, whānau and Te Arawhiti, it was just massive and made everything possible," said Te Whenua.

To check out each of the nine waiata visit the Creative Natives social media platforms.





## Pikirangi Marae reunites whānau during Matariki

Pikirangi Marae hosted their Matariki celebrations on Saturday, 9 July 2022 with a kaupapa of whanaungatanga by encouraging all whānau to return home. “The vision was to welcome our whānau home to the pā and allow us to reconnect and be as one” said Pikirangi Marae trustee, Taratoa Henry. “And we achieved our goals, it was a beautiful day which started with whakamoemiti and karakia and rolled into our rongōā Māori session” she said.

Pikirangi Marae was one of 22 applications in the Manahau category of the Matariki Ahunga Nui Fund that connects communities across Aotearoa. There were several kaupapa throughout the event for all generations of Te Arawa hapū, Ngāti Hauora, and their community – ranging from kōrero about Te Kāhui o Matariki to fun activities for tamariki, culminating in a hākari that was enjoyed by all in attendance. “One of the awesome highlights for me from the event is that whānau isn’t only about blood, it’s also about those who have the shared values and there were many in the community that came together with us to celebrate on this day” said Taratoa.



## Tauranga kura navigate the stars of Matariki

Te Puna i Rangiriri Trust and local Kura ā-lwi in Tauranga Moana collaborated to immerse school students in mātauranga Māori, under the mantle of Te Kura Waka Academy. Learning opportunities and activities range from tātai arorangi, maramataka Māori and waka hourua. Students got a hands-on experience with waka hourua – Ngahiraka-mai-tawhiti.

“Our Academy is about strengthening the leadership potential in Māori students that join our programme, to share mātauranga based around tātai arorangi and waka hourua” said Te Puna i Rangiriri Trust chairman, PWO Navigator Jack Thatcher (CNZM). Following on from the Matariki Ki Mauao event, it was clear that there was a high demand in local kura for this unique type of mātauranga, especially for tamariki Māori. Te Kura Waka has been facilitating wānanga to upskill our team to be able to deliver across all workshop modules and trainings (both in person and online). Up to 60 interested school students (Years 7-10) across three Kura ā-lwi will be selected to participate in this academy, “this kaupapa is important to us because it enables our tamariki to learn about Matariki in a way that is unique to Tauranga Moana” said Te Puna i Rangiriri Trust General Manager, Aurere Thatcher.

Te Kura Waka Academy was one of 15 successful applications in the Mārama category of the Matariki Ahunga Nui Fund that focuses on events and resources that continue teachings of Te Kāhui o Matariki.



## Partner in COVID-19 response and recovery

When COVID-19 first sent Aotearoa into Alert Level 4 in 2020, we played a vital role in supporting iwi, both directly and through our mahi across the Crown to support wider government engagement with Māori. Since March 2020, we have worked to ensure the Crown engages meaningfully with iwi Māori on matters relating to the government's COVID-19 pandemic response and recovery.

Following the August 2021 outbreak, Te Arawhiti utilised established relationships and connections to stand up a network for iwi to engage on both an individual wellbeing level and on live issues facing their whānau, communities and regions.

We utilised our experience and relationships to support this systems approach. This ensured that broader engagement with, and responsiveness to, Māori was top of mind during this critical time. This year, we continued to partner in response to COVID-19 by:

- facilitating all COVID-19 related engagement between Māori and the Crown on Māori needs and aspirations, develop resources and support Māori involvement in policy development
- encouraging and supporting high-quality Treaty analysis in policy papers
- funding distribution to iwi and hapū.

Te Arawhiti supported agency policy advice, developed the nationwide marae guidance and provided independent evidence that was considered as part of the Waitangi Tribunal inquiry into the pandemic response. This highlighted the need for quality Treaty analysis and appropriate recognition of Māori interests in COVID-19 policy. The Tribunal also reinforced Te Arawhiti's role supporting this critical policy work.

### Te Arawhiti COVID-19 iwi response and outreach support (TAIRO)

Established in response to the COVID-19 resurgence in August 2021, Te Arawhiti received \$1 million to resource iwi-led response planning, communications outreach and support for vaccine uptake by Māori.

Approved funding was used to support the following activities:

- communications outreach – developed bespoke communications material, website updates, staffing for wellbeing calls around communities, particularly the elderly and vulnerable, and established 0800 phone numbers.
- response planning – produce or update iwi COVID-19 response plans, particularly to cater to updated guidance on the delta variant, including procuring specialist advice if required.
- supported vaccine uptake – developed communications material including community spokespersons, particularly for rangatahi outreach, to encourage and facilitate vaccinations

and organising vaccination logistics.

Funding guidance and resources were developed in week one, with funding opened in week two (first week of September 2021), and payments made in week three. As a result of demand, in October, a further \$0.215 million was reprioritised from baseline to extend the reach of the funding.

TAIRO included extensive iwi outreach through which over 70 individual iwi/hapū around Aotearoa were contacted directly by Te Arawhiti to provide support, broker with local and regional agencies (where needed), and update on government activity in response to the August resurgence. This included standing up a joined-up COVID-19 iwi response team between key Ministers and Chairs from the National Iwi Chairs Forum, and fortnightly response meetings with wider Māori organisations, trusts and corporations.

The work undertaken in TAIRO formed the foundation upon which the Māori Communities COVID-19 Fund was established.

Over the limited life of the fund (September to October 2021), TAIRO funding reached 72 iwi/hapū groups across 13 regions.

### Māori Communities COVID-19 Fund (MCCF)

In 2021/22, the MCCF saw just under \$130 million invested in over 250 providers across the country. Te Arawhiti directly contracted 40 providers to a sum of just over \$41.5 million. Our link to these groups were mainly with iwi but we also supported marae, hapū and other Māori organisations.

The MCCF was established for a defined period (October 2021 to June 2022) at the peak of the COVID-19 vaccination drive. It came following strong feedback from iwi Māori leadership that Māori providers were unable to access the resources needed to support Māori vaccination drive efforts, and that Māori communities needed to be supported to build resilience against the impacts of COVID-19.

The purpose of the MCCF was to break down funding barriers and get resourcing to providers and iwi with the most reach into Māori communities as quickly as possible and through channels that were well established and that we knew would work.

Through the MCCF, resourcing was applied to the areas it was most needed. Iwi and Māori providers throughout the country utilised funding to support rapid vaccination activities, build community resilience and support individuals and whānau who had contracted COVID-19 and needed to self-isolate. It was a privilege to support iwi with their responses and humbling to see the real and tangible benefits of this work.

The MCCF was a cross-agency collaboration and we worked alongside our hoa mahi at Te Puni Kōkiri, Manatū Hauora – Ministry of Health and Te Manatū Whakahiato Ora – Ministry of Social Development to deliver the fund.

Over the life of the fund, the Māori first dose vaccination rate has increased from 69% to 91% and the second dose rate from 49% to 88%.

# 2021 Te Arawhiti Support for iwi on COVID-19

## Supporting Iwi Māori

On 1 September 2021, the Minister for Māori Crown Relations: Te Arawhiti, announced a \$1 million targeted funding pool set aside by the Government as funding to support iwi with their COVID-19 response. This funding is being administered by Te Arawhiti to support iwi with the following types of activities within three broad areas:

### ▶▶ Communications outreach

- Te Arawa COVID-19 Response Hub
- Tūhourangi / Ngāti Wāhiao
- Ngāti Tura, Te Ngākau
- Ngāti Te Roroaterangi
- Ngāti Tahu, Ngāti Whaoa
- Ngāti Rangiwewehi
- Ngāti Mākino
- Ngāti Rongomai
- Ngāti Tarāwhai
- Ngāti Kea / Ngāti Tuara
- Ngāti Pīkiao
- Ngāti Ngāranui
- Ngāti Uenukukopako
- Ngāti Tuteniu
- Ngāti Rangitihī
- Waitaha
- Ngāti Whakaue
- Tapuika Iwi Authority
- Te Kōtahitanga o Ngāti Tūwharetoa

- Ngā Iwi o Taranaki Collective
- Ngāti Tama
- Ngāti Mutunga
- Ngāti Muri
- Te Ātiawa
- Ngāruahine
- Ngāti Ruanui
- Ngāa Rauru Kīitahi

- Te Ranga Tupua
- Ngāti Rangī
- Ngāti Apa
- Ngāti Hauti
- Ngāa Rauru
- Ngāti Hāua
- Whanganui Iwi

### ▶▶ Supporting vaccine uptake

- Ngāti Tara Tokanui
- Ngāti Tamaterā
- Ngāti Rāhiri Tumutumu
- Ngāti Porou ki Hauraki
- Ngāi Tai ki Tamaki
- Ngāti Hauā
- Ngāti Tamaoho

- Rangitāne o Wairau
- Ngāti Koata
- Te Kotahi o Tauihu
- Ngāti Tama ki te Tau Ihu
- Te Ātiawa o Te Waka-a-Māui
- Ngāti Rārua
- Ngāti Apa ki te Rā Tō
- Ngāti Kuia

### ▶▶ Response planning

- Te Kahu o Taonui:
- Ngāti Kurī
- Te Aupōuri
- Ngāi Takoto
- Te Rarawa
- Ngāti Kahu
- Ngāti Kahu ki Whaingaroa
- Te Roroa
- Ngāpuhi
- Ngāti Whātua
- Ngāti Hine
- Ngātiwai

- Ngāti Ranginui
- Te Whānau a Apanui
- Ngāti Manawa
- Ngāti Whare
- Ngāti Awa
- Ngāi Tai ki Torere

- Rongomaiwahine
- Ngāti Pāhauwera
- Ngāti Kahungunu

- Ngāti Kauwhata
- Rangitāne ki Manawatū
- Te Ātiawa ki Whakarongotai
- Ngāti Toa Rangatira
- Muaūpoko

- Ngāti Mutunga o Wharekauri

## By The Numbers

\$1,215,000

Funding approved as at 8 October 2021

72

Groups received funding so far

# Ā mātou tāngata / Tō mātou whakahaere – Our people / our organisation

## Our values

### 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 staff

We are a small, fast-moving organisation and as Te Arawhiti has grown, we continue to develop our culture in line with our values and kaupapa as an organisation responsible for increasing the Crown's capability to develop Māori Crown relations.

Our work continues to evolve, as has our organisation. In 2021/22, we have seen an 8% increase in overall staff numbers, with 189 full-time-equivalent positions. As we have grown, our unique needs required support and this has seen the development of in-house support that differs from the approach of Te Tāhū o te Ture – Ministry of Justice. We have also seen an increase in demand for the services we deliver and have needed to respond to that demand.

Of our staff who have provided ethnicity details, 29.5% identify as Māori. This figure has remained steady from previous years. We recognise the importance of having a diverse workforce. Our commitment to diversity and inclusion is evident in everything that we do and having a diverse workforce continues to be a great strength for Te Arawhiti. It brings a wide range of diverse experiences and views to everything we do and enhances our collective strength. Almost 59% of our staff identify as female and 59% of our management positions are filled by people who identify as female.

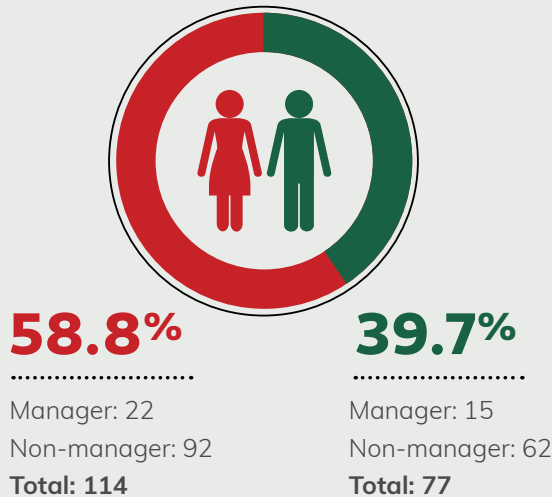
As we are a small organisation, we expect these figures to fluctuate over the years as staff movements will affect these percentages. Like many organisations, Te Arawhiti is operating in an employment market that has been significantly disrupted by COVID-19. The movement of staff with expertise in te reo Māori and tikanga Māori is particularly in demand as the need for these skills continuously increases across the public sector.

We continue to work collaboratively with Te Tāhū o te Ture – Ministry of Justice, our host agency, to address the Gender Pay Action plan. Te Tāhū o te Ture continues to lead the plan with full support from Te Arawhiti. The current gender pay gap is 8.6%, an improvement on previous years of 1.7% from 10.3% in 2021. We expect this trend of closing the gap to continue when the next review is done in late 2022.

# Diversity and inclusion

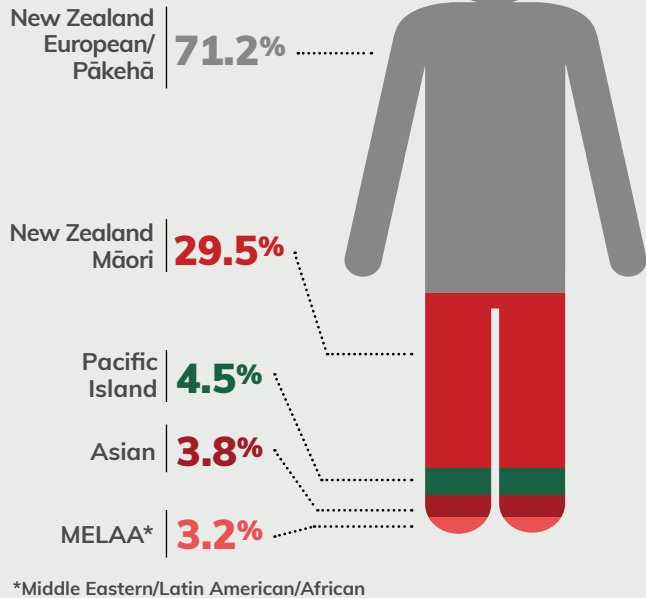


## Gender (overall)



## Ethnicity 2022

(Results are self-reported and staff can belong to more than one ethnicity group, so result may not total 100% in all years)



# Growth and maturity of our organisation

2020/21 2021/22

### Headcount



### FTE (Full time equivalent)



# Occupation (headcount)

	All Managers	Policy Analysts/ Information Professionals	Social, Health & Education Workers*	Legal, HR & Finance Professionals	Clerical & Admin Workers
2020/21	37	107	16	3	18
2021/22	37	113	20	4	20
# / %	= 0%	▲ 7.6%	▲ 25%	▲ 33.3%	▲ 11.1%



\*Our historians are categorised by ANZSCO (Australian and New Zealand Standard Classification of Occupations) as social, health and education workers.

As our host agency, Te Tāhū o te Ture – Ministry of Justice identified the need to make it easier for applicants and employees to provide disability data. Unfortunately, they have been unable to progress this as intended due to the impact of COVID-19. However, this remains a key priority for the 2022/23 financial year.

# High performing organisation

## He Tangata – Our People Strategy 2021/24

A comprehensive people strategy and work programme was approved in December 2021. This has been focused on building the foundation systems and processes that will support our capability growth. This mahi is underpinned by our values and te ao Māori. In 2021/22 we have sourced a leadership programme for new managers and have developed a purpose-built induction process for our new kaimahi.

## Engagement and culture

As an organisation, we assist other agencies to develop and build their capability to engage and partner with Māori. We also acknowledge that we need to be a role model in this space and take the lead on empowering and building our people's capability. In August 2021, along with the other public service agencies, we submitted our Whāinga Amorangi plans, developed to raise our cultural capability and lift the Māori Crown relations skills of our people. This is covered in more detail in the "Building our Māori Crown Relationship capability" section of this report.

## Health, safety and wellbeing

Health, safety and wellbeing remain top priorities for Te Arawhiti. Legal advice earlier in 2021 confirmed that Te Arawhiti is an independent 'person conducting a business or undertaking' under the Health and Safety at Work Act 2015. Previously we have relied on Te Tāhū o te Ture – Ministry of Justice to meet our health and safety obligation.

As a result, we commissioned a review of our health and safety systems, processes and policies. This has led to a programme of work to develop a full suite of policies and procedures to meet legislative requirements under the Health and Safety at Work Act 2015.

This work programme includes a health and safety strategic plan that is being established and led by a member of our Executive Leadership Team. Health and safety representative elections have been completed and health and safety training for eight representatives was undertaken. A health and safety committee has been formed and has been developing a worker participation agreement. Te Tāhū o te Ture – Ministry of Justice health and safety policies are currently being reviewed and tailored to our organisational needs, for example cultural safety and the handling of taonga. We have also commenced a process of tailoring the online reporting processes to fit our needs. These activities will be supported by an engaging leaders training programme that includes risk management.

No incidents causing serious harm were reported this year. Te Arawhiti received eight reports of incidents and three of injury this year. This represented a 50% drop in incidents and a 25% drop in reported injuries from this year, noting that COVID-19 interruptions, lockdown and disruptions have been a feature of work this year, and these may be contributing factors.

## Impact of COVID-19 on our people

Our response to the COVID-19 pandemic has also been a feature of this year. Te Arawhiti took on a brokering role for iwi Māori by providing a critical avenue for Māori leadership to bring key challenges and issues to the Crown's attention, which helped inform the Crown's direct response to Māori needs throughout the pandemic. Most of our COVID-19 response work was managed within existing headcount, particularly engagement and the administration of the COVID-19 Iwi Response fund. Given the scale of the Māori Communities COVID-19 Fund, some specialist contract and project management support were contracted to support the delivery of this fund.

Our COVID-19 response to ensure the safety and wellbeing of our staff has also been a significant feature of this year. We have maintained compliance with guidelines from Manatū Hauora – Ministry of Health and Te Kawa Mataaho – Public Service Commission. In addition, we introduced bubble systems in the work place, engaged with iwi leaders on vaccination requirements and consulted with staff, contractors, visitors and third parties on the introduction and management of COVID-19 vaccine policies. As this is an evolving situation, it requires continuous reviews of practices and procedures in response to the pandemic.

# Building our Māori Crown relationship capability

The name Te Arawhiti symbolises the bridge between Māori and the Crown. Our mahi involves working with both our Treaty partners and supporting public sector agencies to engage and work with Māori. Our understanding of Māori Crown relations and skills must be strong for us to effectively deliver on our purpose. Our commitment to the Māori Crown relations capability framework and Whāinga Amorangi, guides our ongoing journey in developing and enhancing understanding and skills.

We acknowledge that each person is on their own journey across the bridge into te ao Māori. To understand where our people were at on the bridge, each staff member completed a self-assessment for the three-focus areas. These are te reo Māori, Aotearoa New Zealand History/Te Tiriti o Waitangi and Tikanga/Kawa. This self-assessment was part of our regular annual performance and development discussions. Staff reflected on where they are on the bridge and where they wish to progress to over the next year.

Our internal Whāinga Amorangi Phase One plan covers an 18-month period and details the three individual capability areas we have chosen to focus on. The priority area of focus has initially been on providing te reo Māori learning opportunities for our staff who were assessed as being unfamiliar learners. We felt that it was important to provide a safe learning platform for our staff who are earlier in their reo journey and engaged with Haemata Limited to provide a basic te reo Māori programme. The 10-week basic te reo Māori programme began in September 2021 with 40 staff participating in the course developed specifically for Te Arawhiti to begin the transition for staff from being 'unfamiliar' to 'comfortable' with basic kupu Māori.



We also engaged with Te Wānanga o Aotearoa to pilot a programme that provided basic te reo Māori, Aotearoa New Zealand history and Te Tiriti o Waitangi learning. Twenty staff participated in this 10-week programme which provided online learning supported by activity directed learning as well as kanohi ki te kanohi kaiako directed learning. Our Tumu-ā-Tikanga also held weekly sessions for learners to practise and answer any questions.

One-on-one te reo Māori learning was also provided for some staff at the capable level to trial how this would advantage those staff who wanted to continue their te reo Māori development.

## Focus area one – te reo Māori

### Maihi Karauna

Te Ture mō Te Reo Māori 2016 – Māori Language Act 2016 created a partnership for the revitalisation of te reo Māori between the Crown, iwi and Māori. The Crown's Māori language revitalisation strategy for this year sets out how public service departments, departmental agencies and relevant entities have contributed to the Maihi Karauna:

- the outputs agencies are delivering under Te Maihi Karauna
- the cost invested by agencies to deliver Te Maihi Karauna

Te Arawhiti's articulation and reflection of the agency's responsiveness to Te Maihi Karauna outputs and investments are captured above and below in how Te Arawhiti is growing its staff cultural capability in the use of te reo Māori as well as lifting staff cultural confidence and competencies under the guidance of Te Arawhiti's Tumu-ā-Tikanga.

### Measuring the Journey

Unfamiliar learners	Haemata Ltd	Completed March 2022	40 learners	20% of all staff
Unfamiliar learners	Te Wānanga o Aotearoa	Completed June 2022	20 learners	10% of all staff

### Te reo Māori competency at Te Arawhiti

This year, Te Arawhiti was the overall winner of Te Wiki o Te Reo Māori convened by Te Taura Whiri i te Reo Māori – Māori Language Commission. Tumu Whakarae, Lil Anderson stated, "I'm really proud of this as not only is it a beautiful and bright taonga, it's a real symbol of our organisation's commitment to te reo Māori and leading the way for the rest of the public service".

### Executive Leadership Team journey

Our Executive Leadership Team are on their own learning journey in building their collective and individual cultural capability and during 2021 were engaging with a kaiako as a group. They have now moved to working with the kaiako on an individual basis, reflecting each of their different learning needs and their own stage on the journey.

## Focus area two – Aotearoa New Zealand History/Te Tiriti o Waitangi

Te Arawhiti, in collaboration with the Te Tari Ture o te Karauna – Crown Law Office and other agencies, led the development of guidance for policymakers. This guidance prompts critical thinking on how to best provide for the Treaty in legislation and policy. This guidance was endorsed by Cabinet and has now been published online. Te Arawhiti also established an advisory group of officials that supports the use of the guidance, meets with agencies conducting policy reforms and promotes consistency and understanding around the use of Treaty clauses.

## Focus area three – Tikanga and Kawa

### Whāinga Amorangi sessions

We have been running monthly Whāinga Amorangi sessions across Te Arawhiti since December 2021. The purpose of these monthly hour sessions is for teams to come together and create a shared learning opportunity to raise cultural capability. There has been high engagement from across the organisation with teams putting in huge efforts for their sessions. Examples include learning waiata, learning about Matariki and naming the stars, Aotearoa history quiz, poi making, taking in the He Tohu exhibition, writing and delivering pepeha and learning about hāngī.

### Mihi Whakatau

Revitalisation of our bimonthly mihi whakatau to welcome new kaimahi into Te Arawhiti, followed by sessions learning about Te Arawhiti, our mahi and their role in this has been underway this year. This has led to sharing whanaungatanga and welcoming our new people into the whare and whānau.

## Looking to the future

### Bilingual translations

As part of Te Arawhiti's commitment to growing the cultural capability and competency of its te reo Māori programmes, we are also investing in specialist expertise to providing a bilingual translation of all staff titles, group location signage, social communications portal and Te Arawhiti Intranet site. This ensures consistency in the use of te reo Māori throughout the work Te Arawhiti is accountable for as the lead Māori Crown relationship agency.

### Te reo Māori phase two

We are in the early stages of developing a plan building on from basic te reo Māori and how we provide learning opportunities for kaimahi who are comfortable with their te reo Māori capability.

## Our Carbon Neutral Government Programme reporting

The Carbon Neutral Government Programme (CNGP) came into effect in 2020/21, placing expectations on all agencies to accelerate the reduction of emissions within the public sector.

We are committed to the programme and to playing our part in reducing greenhouse gas (GHG) emissions at Te Arawhiti. This year we have been working with Te Tāhū o te Ture – Ministry of Justice to understand the scope of our total emissions profile and establish our baseline year data.

### Context of CNGP

As a departmental agency of Te Tāhū o te Ture – Ministry of Justice, Te Arawhiti was intended to be included in as part of their approach. However, in late May 2022 Te Arawhiti was separated out. This significantly delayed our start to measuring our GHG emissions in advance of our annual report, therefore the emissions reported under this section have not been verified as a result. We have engaged Toitū Envirocare to verify our emissions in October 2022. We aim to complete the CNGP reporting so that it can be published on our website in December 2022 with our verified GHG emission inventory, in line with our obligations under the CNGP.

As this is the first year of measuring and reporting of GHG emissions, we have focused on the mandatory emissions sources required under the CNGP. This report includes unverified figures for all mandatory emission sources. There have also been no refrigerants leakages or top-ups at the Te Arawhiti office, in this reporting period.

Te Arawhiti has entered into an agreement with Te Tāhū o te Ture in which they will provide us with specific data relating to shared emission sources, including all mandatory emission sources under the CNGP. As a result, our assumptions and methodology will closely follow that of Te Tāhū o te Ture. Te Tāhū o te Ture is working with suppliers to improve data on refrigerants, freight and waste to landfill. They are also working to expand data collection on water usage and staff working from home to remove assumptions from their methodology.

### Total annual emissions and their sources

In 2021/22, we emitted 453 tCO<sub>2-e</sub> (tonnes of carbon dioxide equivalent) based on our initial calculations. Most of our emissions came from air travel and accommodation.

**Table 1: Emissions profile broken down by scope and total annual emissions (tCO<sub>2-e</sub>) 2021/2022**

Category	Scope	2021/2022 tCO <sub>2-e</sub>
Direct emissions	Scope 1	11
Indirect emissions from inputted energy	Scope 2	10
Indirect emissions from transportation	Scope 3	367
Indirect emissions from products and services used by organisation	Scope 3	65
Indirect emissions associated with the use of products and services from the organisation	Scope 3	0
Indirect emissions from other sources	Scope 3	0
<b>TOTAL GROSS EMISSIONS (All measured emissions) in tCO<sub>2-e</sub></b>		<b>453</b>

**Table 2: Total emissions breakdown by emission by sources 2021/2022**

Sources	2021/2022 tCO <sub>2-e</sub>	Percentage
Air travel (domestic)	175	38.64%
Freight (combined total of Te Tāhū o te Ture – the Ministry of Justice and Te Arawhiti domestic freight at the National Office) <sup>1</sup>	98	21.64%
Accommodation	86	18.98%
Waste	63	13.9%
Wastewater services	11	2.43%
Electricity	10	2.2%
Working from home	5	1.1%
Transport (taxi, car, rental car)	3	0.67%
Transmission and distribution losses (electricity)	1	0.22%
Water supply	1	0.22%

## Emission intensity by FTE and expenditure

**Table 3: Key performance indicators for full-time-equivalents and expenditure 2021/2022**

KPI	2021/2022
FTEs	189
Total actual revenue (\$million)	95.8
<b>Emissions intensity</b>	
Total gross emissions per FTE in tCO <sub>2-e</sub>	2.4
Total gross emissions per million dollars of revenue in tCO <sub>2-e</sub>	4.73

## Our reduction targets and reduction plan

We have not yet developed our emission reduction targets for 2025 and 2030, or our initiatives for reducing emissions. Despite this, Te Arawhiti is committed to setting science-based gross emissions reduction targets that are consistent with a 1.5°C pathway, as required under the CNGP. Our emission reduction targets and reduction plan will be published in December 2022.

We will be using our 2021/22 emissions as our base year. However, we project our emissions to grow over the next two financial years compared to 2021/22 due to an increase in our travel. COVID-19 has affected our ability from 2020 2022 to travel and meet our partners kanohi ki te kanohi. This will be a large consideration when we start developing our emission reduction target and plan.

We will be working closely with Te Tāhū o te Ture – Ministry of Justice in the development of our emission reduction initiatives.

<sup>1</sup>These emissions will also be captured by Te Tāhū o te Ture – the Ministry of Justice in their annual report and GHG inventory.

# E whai ake nei – what's next

## *Kia whakatōmuri te haere whakamua*

I walk backwards into the future with my eyes fixed on my past

As we head into next year, our purpose remains the same: to guide the Māori Crown relationship from historical grievance towards true Treaty partnership.

Our strategic intentions to restore, sustain and build that relationship are increasingly relevant for Aotearoa New Zealand. Over the last few years, we have developed our kete of tools and invested in building our capability. We remain ambitious for the Māori Crown relationship and will continue to act as the bridge between Māori and the Crown, and the past and the future. We will continue to work towards delivering positive outcomes for our Treaty partners.

For us this means a continuing focus on restoring relationships through Treaty settlements and customary rights in the Marine and Coastal Area (Takutai Moana) Act 2011. It is key that we maintain our focus on Treaty settlements in coming years, as we work with iwi Māori to continue to progress negotiations through each milestone. We will take a more targeted engagement approach with Takutai Moana applicants so that the support and funding assistance provided will progress more applicants' recognition of their customary marine titles under the Act. We will also continue to work across government to ensure rights provided for under Takutai Moana are reflected accurately in the resource management reforms.

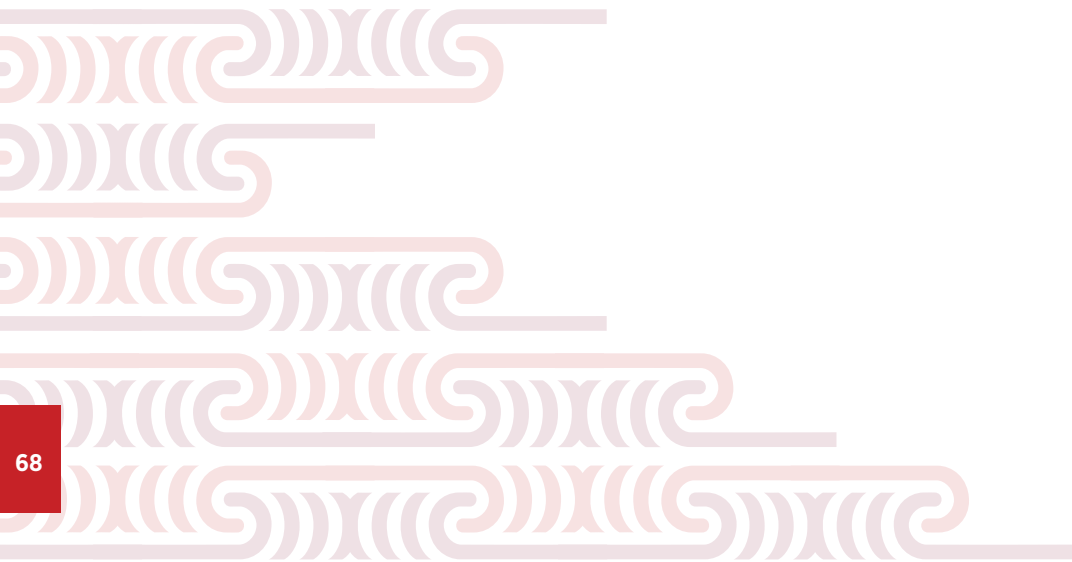
Te Arawhiti will continue to take on the system leadership role, to continue to evolve the system we operate within and guiding the Māori Crown relationship across the bridge into te ao Māori. We will continue to work across government as the steward for Māori Crown relations. We will also continue to seek opportunities to build and nurture the Māori Crown relationship and to support agencies in their efforts to partner and engage with Māori. Our engagement workshops will continue to build the Crown's capability in this area, as will Whāinga Amorangi, with all 36 agencies turning their focus to implementing their plans.

To build on our system leadership role, we will renew our focus on being the lead advisors on contemporary developments in Treaty of Waitangi policy and practice.

In the upcoming year, Te Arawhiti plans to improve functionalities in Te Haeata, a searchable record of Treaty of Waitangi settlement commitments. Te Haeata is designed to make commitments more visible and accessible to post-settlement governance entities and agencies responsible for meeting those commitments. With 991 registered users and over 10,000 commitments published, this is a crucial resource for the Crown and our partners.

It is important for Te Arawhiti to challenge and support the public service's Whāinga Amorangi journey, and this includes our own journey. Our plans are ambitious, and now more than ever we must be well equipped to engage and partner with Māori on significant issues and to provide guidance to others. We are developing the tikanga and kawa of Te Arawhiti and we plan to grow our Māori staff network and continuing to implement Whāinga Amorangi internally.

Te Arawhiti is preparing for Aotearoa's future and looking towards 2040, 200 years on from the signing of the Treaty of Waitangi in 1840. Deliberate engagement and coordinated action are required to ensure that we arrive at 2040 with a strong, healthy and vibrant Treaty partnership. Te Arawhiti will work on this mahi with our partners with a focus on building towards true treaty partnership.



# 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.



Glenn Webber

Tumu Whakarae – Chief Executive (Acting)  
The Office for Māori Crown Relations – Te Arawhiti

30 September 2022



Published by: The Office for Māori Crown Relations – Te Arawhiti

The Justice Centre  
19 Aitken Street  
Wellington 6011

October 2022

Email: [reception@tearawhiti.govt.nz](mailto:reception@tearawhiti.govt.nz)  
Phone: +64 4 494 9800

## Section Three:

# Reporting on financial and performance information

Holly the Golden Retriever is a mobility dog and is being raised in the Waitakere District Court. Her future lies in helping people with disabilities with their confidence and independence in the community.

We're all seeing the positive effect she's having on our court participants, staff and visitors. Ka pai, Holly!



# 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
- 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 annual report fairly reflects the operations, progress, and the organisational health and capability of the Ministry
- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2022 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2023 and its operations for the year ending on that date.



**Andrew Kibblewhite**

Secretary for Justice and Chief Executive

30 September 2022

## Independent Auditor's report

### To the readers of the Ministry of Justice's annual report for the year ended 30 June 2022

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 98 to 125, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2022, 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 2022 on pages 77 to 96 and 154 to 156;
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2022 on pages 143 to 152; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 126 to 142 that comprise:
  - › the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2022;
  - › the schedules of expenses; and revenue for the year ended 30 June 2022;
  - › the statement of trust monies for the year ended 30 June 2022; and
  - › the notes to the schedules that include accounting policies and other explanatory information.
- the performance information of the Ministry on pages 77 to 96 and 154 to 156:
  - › presents fairly, in all material respects, for the year ended 30 June 2022:
    - 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; and
- the statements of expenses and capital expenditure of the Ministry on pages 143 to 152 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 126 to 142 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 2022;
  - › expenses; and revenue for the year ended 30 June 2022; and
  - › the statement of trust monies for the year ended 30 June 2022.

Our audit was completed on 30 September 2022. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. 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.

### Opinion

In our opinion:

- the financial statements of the Ministry on pages 98 to 125:
  - › present fairly, in all material respects:
    - its financial position as at 30 June 2022; 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; and

### 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 2021/22 and the 2021/22 forecast financial figures included in the Ministry's 2020/21 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 4 to 71, 75 and 157 to 164, 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.

In addition to reporting on the annual report, we performed a limited assurance engagement related to the Mangatū voting process. 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

# Risk and Assurance Committee report for the Period of 1 July 2021 to 30 June 2022

## 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:

- strategic thinking
- 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.

---

## Current Members

The Committee comprises four independent external members:

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

Viv Rickard completed his tenure at the end of the year and has now stepped down. Viv's valuable contribution to the Committee is acknowledged and appreciated.

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 the Ministry's Manager Risk & Assurance.

## Report of the Audit and Risk Committee

Between 1 July 2021 and 30 June 2022, the Committee met formally on four occasions to fulfil its duties and responsibilities. This included three quarterly meetings (the June 2022 meeting was cancelled) and a meeting on the 22nd of September 2022 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 and responsibilities, including:
  - › Hāpaitia te Oranga Tangata Safe and Effective Justice Programme (September 2021)
  - › Criminal Justice Reform (September 2021)
  - › Operation and Performance of the Public Defender Service (September 2021)
  - › Enterprise Risk Maturity Assessment (September 2021)
  - › Te Au Reka (previously Caseload Management) Project (December 2021)
  - › Property Portfolio Remediation and Refurbishment Work Plan (December 2021)
  - › Te Au Reka and the Digital Strategic Plan (March 2021)
- strategic risks
- external auditors audit planning and reporting
- the Internal Audit work programme for the year (including endorsement)
- progress on resolving findings from Internal Audit reports
- the legislative compliance programme and mitigation of fraud risks
- 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 regularly reviews its performance to ensure that it continues to be focused, effective, and providing a quality service to our Chief Executive.

# Reporting against appropriations

## **For the year ended 30 June 2022**

Our outputs are specified in the Estimates of Appropriations for 2021/22.

Where appropriate, an explanation is provided for service performance with 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

#### Scope of Appropriation

This appropriation is limited to the administration of community, legal and related services; and the management and collection of related debt.

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

This appropriation is intended to achieve increased trust in the justice system by providing responsive and accessible legal services.

#### Assessing Performance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of legal aid applications processed	83,480	80,000 – 90,000	70,131	Legal aid applications are a demand driven measure. COVID-19 restrictions impacted the number of legal aid applications processed. The decrease in applications has largely been in criminal cases, consistent with lower inflows into the criminal jurisdiction.
Legal aid applications for criminal cases assessed within one working day (see Note 1)	99%	90%	95%	
Legal aid applications for family cases assessed within three working days (see Note 1)	97%	90%	95%	
Legal aid applications for civil cases assessed within five working days- excluding Waitangi Tribunal proceeding applications (see Note 1)	98%	90%	93%	

#### Output class statement – Administration of legal services

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
29,509	Crown	31,952	29,682	31,952	33,323
122	Departmental	146	93	93	93
43	Other	70	24	24	24
29,674	Total Revenue	32,168	29,799	32,069	33,440
29,819	Total Expenses	31,125	29,799	32,069	33,440
(145)	Net surplus/(deficit)	1,043	-	-	-

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

## Justice and Emergency Agencies Property and Shared Services

### Scope of Appropriation

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

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

This appropriation is intended to achieve a public facility with justice and emergency services that are modern, accessible, resilient and people-centred, and provide for improved joint outcomes and service delivery.

### Assessing Performance

Performance measure	Actual 2020/2021	Standard 2021/2022	Actual 2021/2022	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 2021 \$000	Revenue and expenses	Actual 2021 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
24,991	Crown	26,181	21,097	26,181	22,097
7,966	Departmental	8,011	9,564	9,564	9,564
3,259	Other	3,402	3,339	3,339	3,339
36,216	Total Revenue	37,594	34,000	39,084	35,000
32,133	Total Expenses	33,413	34,000	39,084	35,000
4,083	Net surplus/(deficit)	4,181	-	-	-

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

## Justice Policy Advice

### Scope of Appropriation

This appropriation is limited to the provision of advice and ministerial support to Ministers on government policy matters relating to law and the justice sector.

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

This appropriation is intended to achieve efficient and effective policy advice, legal and ministerial services to support Ministers in discharging their portfolio responsibilities. (Same as the old JPA MCA.)

### Justice Policy Advice

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister of Justice with the policy advice service, as per the common satisfaction survey	4.6/5	At least 4/5	Not measured	The Ministerial Policy Satisfaction Survey results are unavailable
Average score for policy advice papers that are assessed (see Note 1)	3.6/5	3.5/5	3.6/5	
Percentage of policy advice papers that are assessed score of 3 or higher out of 5 (see Note 1)	93%	80%	93%	
Percentage of policy advice papers that are assessed score of 4 or higher out of 5 (see Note 1)	43%	40%	45%	
Percentage of policy advice papers that are assessed score of 2.5 or less out of 5 (see Note 1)	7%	<20%	7%	

### Output class statement – Justice Policy Advice

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
-	Crown	32,954	27,436	32,954	37,711
-	Departmental	653	113	1,019	113
-	Other	33	75	75	75
-	Total Revenue	33,640	27,624	34,048	37,899
-	Total Expenses	31,566	27,624	34,048	37,899
-	Net Surplus/(Deficit)	2,074	-	-	-

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.

## Public Defence Service

### Scope of Appropriation

This appropriation is limited to the provision of legal services by the Public Defence Service.

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

This appropriation is intended to achieve increased trust in the justice system by providing a high quality, responsive, accessible and cost-effective Public Defence Service to the New Zealand public.

### Assessing Performance

Performance measure	Actual 2020/2021	Standard 2021/2022	Actual 2021/2022	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	20,085 hours	16,000-17,000 hours	20,904 hours	There was an increased demand on duty lawyer supervisors in the Auckland region due to the COVID-19 lockdown in late August 2021. As a result, the target will be increased to between 19,000-20,000 hours for the next financial year.  Note, the measure includes duty lawyer and duty lawyer supervisor hours.
Average cost of PAL1 cases (see Note 1)	\$1,150.00	<=\$1,200.00	\$1,144	
Number of new cases accepted during the year	14,110	15,000-16,000	10,886	The ongoing COVID-19 outbreak caused reduced court inflow and the reduced availability of courtrooms. The reduction in the inflow of Category 2 cases (least serious cases that can qualify for legal aid) and, the recruitment, unplanned leave and retention of lawyers in some Public Defence Service locations caused a reduction in office quotas.

### Output class statement – Public Defence Service

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
39,916	Crown	42,143	41,253	42,143	42,135
24	Departmental	25	98	98	98
57	Other	41	16	16	16
39,997	Total Revenue	42,209	41,367	42,257	42,249
39,674	Total Expenses	40,480	41,367	42,257	42,249
323	Net Surplus/(deficit)	1,729	-	-	-

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



## Reducing Family Violence and Sexual Violence

### Scope of Appropriation

This appropriation is limited to leading a whole-of-government approach to prevent, address and reduce family violence and sexual violence, as well as services and support to Ministers.

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

This appropriation is intended to achieve coordinated, efficient and effective efforts to reduce family violence and sexual violence.

### Assessing Performance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister for the Prevention of Family and Sexual Violence with the quality of support and advice provided by the Joint Venture, supported by the Joint Venture Business Unit.	7.0/10	At least 8/10	7.5/10	Since the last reporting period we have had a new Chief Executive come on Board. We are focusing on maturing our new state and strengthening our support and advice.
The satisfaction of the Joint Venture of the Social Wellbeing Board (Family Violence and Sexual Violence) with the advice and support provided by the Joint Venture Business Unit	6.9/10	At least 8/10	7.7/10	The Board transitioned from the Social Wellbeing Board to the Executive Board for the Elimination of Family Violence and Sexual Violence since the last reporting period. We are focusing on maturing our new state and strengthening our advice and support to the Board.

### Output class statement – Reducing Family Violence and Sexual Violence (see Note 1)

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
9,011	Crown	13,093	12,880	13,093	-
1,259	Departmental	830	-	485	-
138	Other	8	-	250	-
10,408	Total Revenue	13,931	12,880	13,828	-
9,280	Total Expenses	12,463	12,880	13,828	-
1,128	Net Surplus/(deficit)	1,468	-	-	-

Note 1 – This appropriation ceased in 2021/22.

## Sector Leadership and Support

### Scope of Appropriation

This appropriation is limited to advice and services focused on the Ministry's leadership role in the justice sector. This covers enhancing the Ministry's coordination with other sector and Government agencies, advice and information about judicial and statutory appointments and monitoring specific crown entities.

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

This appropriation is intended to achieve a coordinated, efficient and effective justice sector, which delivers joined-up justice services.

### Assessing Performance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Justice Sector Leadership Board with the leadership, advice and support provided by the Ministry	6.8/10	At least 8/10	6.9/10	We will continue to work with the Justice Sector Leadership Board to ensure that the Ministry's Leadership, advice and support is provided to a high standard (see Note 3).
An annual prison population projection report is published on the Ministry of Justice website (see Note 1 and 2)	Achieved	Published by 31 March 2022	Published on 31 March 2022	
Publish two reports to inform debate	New measure	Achieved	Achieved	

### Output class statement – Sector Leadership and Support

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
14,490	Crown	10,557	11,590	10,557	10,936
292	Departmental	1,410	258	2,234	485
572	Other	(103)	23	23	23
15,354	Total Revenue	11,864	11,871	12,814	11,444
15,366	Total Expenses	11,484	11,871	12,814	11,444
(12)	Net Surplus/(deficit)	380	-	-	-

Note 1 - To enable planning and policy decision-making across the justice sector.

Note 2 - The Annual prison population projection report is published yearly by 31 March.

Note 3 - The score detailed does not include the results from one of the representatives of the Board as they did not respond.

# THE OFFICE FOR MĀORI CROWN RELATIONS — TE ARAWHITI

Vote Te Arawhiti

Departmental Output Expenses

## Crown Response to Wakatū Litigation and Related Proceedings

### Scope of Appropriation

This appropriation is limited to the development and delivery of a Crown response to the Wakatū litigation and any related proceedings.

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

This appropriation is intended to achieve the development and delivery of a coordinated Crown response to the Wakatū litigation and related proceedings.

### Assessing Performance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Te Arawhiti convenes regular hui with the interagency panel to ensure agencies contribute appropriately to the development of the Crown response to the Wakatū proceedings	Achieved	Achieved	Achieved	

### Output class statement – Crown Response to the Wakatū litigation and related proceedings (Note 1)

	Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
- Crown			400	1,800	2,883	1,300
- Departmental			-	-	-	-
- Other			-	-	-	-
- Total Revenue			400	1,800	2,883	1,300
- Total Expenses			400	1,800	2,883	1,300
- Net surplus/(deficit)			-	-	-	-

Note 1 - This is a new appropriation for 2021/22.

# THE OFFICE FOR MĀORI CROWN RELATIONS — TE ARAWHITI

## Vote Te Arawhiti

### Departmental Output Expenses

#### Treaty Negotiations and Marine and Coastal Area Customary Interests

##### Scope of Appropriation

This appropriation is limited to departmental expenses incurred in settling historical Treaty of Waitangi claims, determining customary interests in marine and coastal areas, and implementing such settlements of claims and determinations of interests.

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

This appropriation is intended to achieve supporting the Crown in the negotiation, administration and implementation of historical Treaty of Waitangi settlement claims and Marine and Coastal Area customary interests.

##### Assessing Performance - Services to Ministers

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister for Treaty of Waitangi Negotiations with progress towards negotiation milestones	8/10	At least 8/10	9/10	
The satisfaction of the Minister for Treaty of Waitangi Negotiations with ministerial services, as per the common satisfaction survey	10/10	At least 8.5/10	10/10	
Percentage of fast-track consent applications advised on within the time agreed with the Minister's office (see Note 1)	New measure	95%	100%	

Note 1 - A agreed time is to enable the Minister to meet the ten-day statutory timeframe for providing response.

##### Assessing Performance - Representation - Waitangi Tribunal and Courts

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The Crown is represented at 100% of current Waitangi Tribunal District inquiries	100%	100%	100%	

## Assessing Performance - Treaty Negotiations and Marine and Coastal Area Act

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Percentage of settlement date obligations met	100%	100%	90%	This measure was not met as two of our settlement date obligations were missed. One was due to a miscalculation of settlement date and the other one an agency letter of introduction was not completed by settlement date. However, these were remedied shortly after.
Terms of Negotiation signed (see Note 3)	New measure	1	1	
Agreements in Principle signed (see Notes 2 and 4)	0	1	0	Crown offers were made but have not yet been accepted by iwi.
Deeds of Settlement initialled (see Notes 2 and 5)	4	2	1	A deed of settlement was initialled with Whakatōhea. Other potential deed initiallings have moved to the next financial year due to further time being required to finalise natural resource arrangements and/or address overlapping interests.
Number of applications in formal engagement processes with the Crown regarding customary interests in the takutai moana	13	19	23	The takutai moana engagement strategy enables Te Arawhiti to work with applicants as and when they are ready to progress their applications. Te Arawhiti continues to reach out to applicants across the 20 coastlines to offer support to them to progress their applications. As the engagement strategy promotes an applicant-led process, this has resulted in more applicants engaging with Te Arawhiti than was originally forecasted.
The Crown is represented at 100% of current High Court hearings in relation to takutai moana cases	100%	100%	100%	

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 - Terms of Negotiation document sets out the ground rules for negotiations. It describes what the Claimant group and Crown want to achieve.

Note 4 - 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 5 - A Deed of Settlement is the complete, detailed, and formal settlement agreement between the Crown and the claimant group.

## Output class statement – Treaty Negotiations and Marine and Coastal Area Customary Interests

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
38,843	Crown	39,448	39,448	39,448	37,404
369	Departmental	388	97	97	97
73	Other	54	35	35	35
39,285	Total Revenue	39,890	39,580	39,580	37,536
37,144	Total Expenses	36,561	39,580	39,580	37,536
2,141	Net surplus/(deficit)	3,329	-	-	-

---

# THE OFFICE FOR MĀORI CROWN RELATIONS — TE ARAWHITI

---

## Vote Te Arawhiti

### Multi-Category Expenses and Capital Expenditure

#### **Māori Crown Relations (multi-category appropriation)**

##### **Overarching Purpose Statement**

The single overarching purpose of this appropriation is to support the strengthening of the relationship between Māori and the Crown. Te Arawhiti works alongside other public sector agencies to engage with Māori and influence positive outcomes for whānau, hapū, iwi and communities throughout Aotearoa.

##### **Scope of Appropriation**

###### **Policy Advice - Māori Crown Relations**

This category is limited to advice (including second opinion advice and contributions to policy led by other agencies) to support decision making by Ministers on government policy matters relating to Māori Crown relations.

###### **Services to Ministers**

This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to the Māori Crown relationship.

###### **Strengthening Crown Capability**

This category is limited to the provision of services to strengthen Crown capability in building sustainable and productive Māori Crown relationships.

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

This appropriation is intended to achieve strong, ongoing and effective relationships between Māori and the Crown. 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. To enable the shift from grievance to partnership, we are focusing on three foundations of partnership that help shape the Māori Crown relationship – Restore, 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.

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

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti and the Minister for Treaty Negotiations with the strengthening of the relationship between Māori and the Crown, as per the common satisfaction survey	9/10	At least 8/10	9.5/10	

## Assessing Performance - Policy Advice - Māori Crown Relations

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti with the policy advice service, as per the common satisfaction survey	4/5	At least 4/5	4.8/5	
An average score for policy advice papers that are assessed (see Note 1)	3.65/5	3.5/5	3.6/5	
Percentage of policy advice papers that are assessed score 3 or higher out of 5 (see Note 1)	100%	80%	95%	
Percentage of policy advice papers that are assessed score 4 or higher out of 5 (see Note 1)	40%	40%	45%	
Percentage of policy advice papers that are assessed score 2.5 or less out of 5 (see Note 1)	0%	<20%	5%	

Note 1 - This indicator provides a standardised score for technical quality reviews of policy advice. This review may include an assessment of clarity, accuracy, analytical rigour, fitness for purpose, and relevance.

## Assessing Performance - Services to Ministers

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
The satisfaction of the Minister for Māori Crown Relations: Te Arawhiti with ministerial services, as per the common satisfaction survey.	9/10	At least 8/10	9/10	
Percentage of fast-track consent applications advised on within the time agreed with the Minister's office (Note 2)	New measure	95%	100%	

Note 2 - The agreed time is to enable the Minister to meet the ten-day statutory timeframe for providing response.



## Assessing Performance - Strengthening Crown Capability

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of engagement processes advised on	50	50	61	This is a demand driven function, in 2021/22 there was more support sought from agencies.
Number of Māori Crown engagement workshops	15	15	15	
Percentage of core agencies that have a Whāinga Amorangi plan	100%	100%	100%	
Number of people signed up to use Te Haeata (see Note 3)	700	900	991	We have seen significant uptake of Te Haeata, including from PSGEs, after several well-attended demonstration sessions.
Percentage of all legislated settlements published on Te Haeata within 6 months of settlement date (except where Post Settlement Governance Entities have asked to pause publication of the settlement)	100%	100%	98%	We are yet to publish the commitments for eight settled iwi on Te Haeata. For two of those settlements the PSGEs have informed they wish to pause publication. For two others, their commitments are due to be published in Quarter 1, 2022/23. We have engaged with the four remaining PSGEs to seek approval before publishing their commitments.

Note 3 - Te Haeata-the Settlement Portal, is an online record of Treaty settlement commitments, to help agencies and settled groups to search for and manage settlement commitments. Over time the goal is for the number of people signed up to increase, registered users are reviewed annually to ensure all email addresses remain valid.

## Output class statement - Strengthening crown capability

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
-	Crown	13,562	10,500	13,562	10,850
-	Departmental	143	-	-	-
-	Other	18	-	-	-
-	Total Revenue	13,723	10,500	13,562	10,850
-	Total Expenses	13,274	10,500	13,562	10,850
-	Net Surplus/ (deficit)	449	-	-	-

Note 1 - This is a new appropriation within Te Arawhiti for 2021/22.

---

# 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)**

#### **Overarching Purpose of Appropriation**

The single overarching purpose of this appropriation is to provide courts, tribunals and other authorities services, including the collection and enforcement of fines and civil debts services.

#### **Scope of Appropriation**

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

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

The New Zealand Support of International Jurisdictions category is limited to the provision of services that support the courts, tribunals and other authorities of International jurisdictions.

The Senior Court Services category is limited to 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 is limited to the provision of services in regard to the work of New Zealand's specialist courts, tribunals and authorities.

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

The Collection and Enforcement of Fines and Civil Debts Services category is intended to achieve efficient, accessible and responsive collections of fines, reparations and civil debt services that are trusted by the public.

The District Court Services category is intended to achieve efficient, accessible and responsive District Courts services that are trusted by the public.

The New Zealand Support of International Jurisdictions category is intended to achieve a stable, prosperous and resilient Pacific through support for the development of accessible, fair, responsive and efficient justice systems.

The Senior Court Services category is intended to achieve efficient, accessible and responsive Senior Courts services that are trusted by the public.

The Specialist Courts, Tribunals and Other Authorities Services category is intended to achieve efficient, accessible and responsive specialist courts, tribunals and other authorities' services that are trusted by the public.

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

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Satisfaction of court users with court services and facilities	80%	80%	Not measured	The survey is next scheduled to be run in the 2022/23 financial year.
Percentage of juror survey responses that rate overall juror satisfaction as "satisfied" or better	89%	90%	Not measured	The uncertainty of COVID-19 presented a challenge for achieving a satisfactory sample size. Surveying jurors under the new court protocols is unlikely to achieve a result that is comparable with previous non-pandemic years. A COVID-19 specific juror survey has been designed to capture juror experiences under COVID-19 protocols.
Percentage of category 3 and 4 criminal cases disposed within 12 months (see Note 1)	80%	90%	77%	COVID-19 restrictions, reflected in judicial protocols for how specific courts operate, suspended jury trials and subsequently affected the disposal of category 3 and 4 trials within 12 months.

Note 1 - the word 'resolved' has been replaced with 'disposed'. This does not change the meaning of the measure or how it is calculated.

## Collection and enforcement of fines and civil debts services

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Total amount of fines collected	\$212 million	>\$180 million	\$165.5 million	Activities to collect and enforce fines have been reduced by the ongoing COVID-19 restrictions. Lower amounts of fines and infringements lodged by authorities have also reduced the amount available to be paid.
Civil enforcement applications processed in 3 days	87%	90%	72%	The processing of these applications was significantly affected by COVID-19 restrictions as the service is dependent on staff being on-site to process paper-based applications.
Percentage of Offender Levy collected or placed under arrangement within 4 months	79%	75%	66%	Activities to collect and enforce fines were reduced by the ongoing COVID-19 restrictions.
Percentage of debt that is under arrangement	48%	45%	37%	Activities to collect and enforce fines were reduced by the ongoing COVID-19 restrictions.
Average time to answer calls to the Contact Centre (mm:ss)	1:32	1:30	1:04	Activities to collect and enforce fines have been reduced by the ongoing COVID-19 restrictions. Collections reduced outbound campaigns which generate incoming calls which meant that calls could be answered quicker.

## Output class statement – Collection and Enforcement of Fines and Civil Debts Services

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
55,438	Crown	48,940	56,067	48,940	50,153
50	Departmental	54	534	534	534
1,510	Other	1,363	4,496	4,496	4,496
56,998	Total Revenue	50,357	61,097	53,970	55,183
56,893	Total Expenses	51,482	61,097	53,970	55,183
105	Net surplus/(deficit)	(1,125)	-	-	-

## District Court Services

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Percentage of Care of Children Act cases disposed within 12 months in the Family Court (see Note 1)	69%	75%	69%	The increase in the number of defended applications combined with COVID-19 restrictions, as reflected in judicial protocols, affected the Family Court's ability to dispose of cases. Judicial protocols are set by the Heads of Bench.
Percentage of category 2 criminal cases disposed within 3 months (see Note 1)	65%	70%	60%	The overall number of active cases on hand is decreasing. COVID-19 restrictions, as reflected in judicial protocols, affected the ability to dispose of cases. Judicial protocols are set by the Heads of Bench.
Number of District Court criminal cases (including youth) disposed	117,778	>110,000	91,989	COVID-19 restrictions, as reflected in judicial protocols, led to case disposals being 3,000 less on average per month than the rest of the year. Judicial protocols are set by the Heads of Bench.
Number of civil cases disposed	17,079	>16,000	15,736	
Number of Family Court substantive applications disposed (see Note 2)	62,009	>55,000	54,661	
Number of calls received by the 0800 victims of crime information line	26,720	17,000-19,000	17,636	
Percentage of calls answered by the 0800 victims of crime information line answered within 30 seconds	76%	80%	67%	COVID-19 restrictions and associated sickness impacted Victim Support's ability to respond to calls within 30 seconds.
Average time to answer calls to the Registry Contact Centre (mm:ss)	2:14	1:30	2:51	The Ministry received higher call volumes due to participants seeking information during changes in COVID-19 alert levels.
Dissolution of marriage applications processed within 6 days	91%	90%	67%	The processing of these applications has been affected by COVID-19 restrictions as the service is dependent on staff being on-site to process paper-based applications.
Applications to commence civil proceedings processed within 6 days	94%	90%	58%	The processing of these applications has been significantly affected by COVID-19 restrictions as the service is dependent on staff being on-site to process paper-based applications.

Note 1 - the word 'resolved' has been replaced with 'disposed'. This does not change the meaning of the measure or how it is calculated.

Note 2 - A substantive application is an application that initiates the proceedings and identifies the issue that the court is asked to determine.

## Output class statement – District Court Services

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
286,542	Crown	300,666	298,876	300,666	319,561
243	Departmental	366	1,252	1,252	1,252
18,106	Other	17,087	18,441	18,441	18,307
304,891	Total Revenue	318,119	318,569	320,359	339,120
289,685	Total Expenses	315,252	318,569	320,359	339,120
15,206	Net Surplus/(deficit)	2,867	-	-	-

## New Zealand Support of International Jurisdictions (see Note 1)

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Milestones delivered as agreed in the Pacific Justice Sector Programme memorandum of understanding between the Ministry of Justice and the Ministry of Foreign Affairs and Trade	New measure	75%	92%	This is a new measure and involved Te Kura Kaiwhakawā establishing its Pacific Justice Sector Programme team in late 2021. Initial performance was estimated. A cautious approach was taken when developing the estimate. This team delivered the majority of workplans, progress reports and invoices required under the memorandum of understanding.

## Output class statement – New Zealand Support of International Jurisdictions

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
-	Crown	-	-	-	-
-	Departmental	1,136	-	1,500	2,500
-	Other	-	-	-	-
-	Total Revenue	1,136	-	1,500	2,500
-	Total Expenses	1,137	-	1,500	2,500
-	Net surplus/(deficit)	(1)	-	-	-

Note 1 - A new category (New Zealand Support of International Jurisdictions) was introduced in 2021/22, with a measure created to reflect progress with the work the Ministry is doing in partnership with the Ministry of Foreign Affairs and Trade.

## Senior Court Services

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of Supreme Court civil and criminal applications for leave to appeal and appeals disposed	160	100-200	175	
Number of Court of Appeal civil and criminal appeals disposed	645	570-730	608	
Number of High Court civil and criminal appeals disposed	1,673	1,400-1,700	1,545	
Number of High Court civil and criminal cases disposed	2,472	2,100-2,700	1,953	COVID-19 restrictions, as reflected in judicial protocols, affected the High Court's ability to dispose of civil and criminal cases. Judicial protocols are set by the Heads of Bench.

## Output class statement – Senior Court Services

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
77,623	Crown	85,066	77,294	85,066	86,402
55	Departmental	80	680	680	680
9,750	Other	9,547	10,221	10,221	10,221
87,428	Total Revenue	94,693	88,195	95,967	97,303
98,626	Total Expenses	91,348	88,195	95,967	97,303
(11,198)	Net surplus/(deficit)	3,345	-	-	-

## Specialist Courts, Tribunals and Other Authorities Services

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
<b>Accident Compensation Appeals District Court Registry (ACA DCR)</b>				
Percentage of Accident Compensation Appeals District Court Registry cases disposed	146%	85%	160%	The Registry consistently disposed of more cases than it received over the year. This is due to some cases being settled before they progress to the hearing stage. Cases that are withdrawn are still considered disposed.
<b>Alcohol Regulatory Licensing Authority</b>				
Percentage of Alcohol Regulatory Licensing Authority appeals and enforcements resolved within 6 months (See Note 1)	74%	75%	79%	

Note 1 – The word 'resolved' has been replaced with 'disposed'. This does not change the meaning of the measure or how it is calculated.

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
<b>Coronial Services Unit</b>				
Number of coronial cases closed (see Note 3)	3,300	>3,100	2,942	Some of the key drivers of this result are the high volume of non-inquiry cases (mostly natural causes deaths) being referred to the coroner, and coroners consistently receiving more cases than they dispose.  In 2020, an additional by 8 part-time (0.75 FTE) relief coroners were appointed to the coronial bench to help to progress the coronial caseload. The intended impact on the caseload was mitigated by the turnover of 7 experienced coroners over 2020 and 2021.
Percentage of coronial cases on hand aged under 12 months old	45%	60%	44%	The majority of coronial cases on hand are aged over 12 months old. Funding has been provided in Budget 2022 to help to improve the coronial system for bereaved families and whānau. It will ensure that bereaved families and whānau receive the coroner's findings sooner, reduce the number of cases unnecessarily coming into the coronial jurisdiction, and reduce and maintain the coronial caseload at a sustainable level.
<b>Disputes Tribunal</b>				
Number of Disputes Tribunal claims disposed	12,524	>12,000	10,476	The Disputes Tribunal disposed nearly all (10,476) of the 10,754 claims it received.
Percentage of Disputes Tribunal claims disposed within 3 months	60%	75%	65%	The percentage of Disputes Tribunal claims disposed within 3 months has increased by 5% year on year. Where appropriate, hearings were conducted virtually. The Disputes Tribunal disposed nearly all (10,476) of the 10,754 claims it received in 2021/22.
Disputes Tribunal applications processed within 6 days	98%	85%	80 %	The processing of these applications has been impacted by COVID-19 restrictions this year, as processing is largely dependent on staff being on-site to process paper-based applications.
<b>Employment Court</b>				
Number of Employment Court cases disposed	226	>150	202	The number of Employment Court cases disposed year on year is affected by the type and complexity of matters filed. On occasion, a disposed case can be re-opened, when the case is disposed of again, it is counted again for overall disposal numbers.
Percentage of Employment Court cases on hand aged under 12 months old	59%	75%	72%	The Employment Court's focus has been on reducing the number of 'aged' cases on hand over 12 months old. This has led to a larger proportion of cases on hand being aged under 12 months old.
<b>Environment Court</b>				
Number of Environment Court cases disposed	364	>350	301	The Environment Court has been affected by the retirement of a judge and another being appointed to the High Court. The recruitment process is underway to ensure these impacts are short term. COVID-19 restrictions, as reflected in judicial protocols, effected the Environment Court's ability to dispose of cases. Judicial protocols are set by the Heads of Bench.
Percentage of Environment Court cases on hand aged under 18 months old	38%	75%	38%	The majority of cases on hand are over 18 months old. This is due to a spike in appeals in late 2018 and early 2019 relating to council plans. As these cases are disposed, we anticipate the percentage to shift significantly towards the target.
<b>Human Rights Review Tribunal</b>				
Percentage of Human Rights Review Tribunal cases disposed	70%	80%	117%	The Human Rights Review Tribunal received 47 cases and disposed of 55 cases. Of the 55 cases disposed by the Human Rights Review Tribunal, 12 were filed in 2021/22, with the remainder filed in previous years. Disposing prior years cases is reflected in the result for 2021/22.

Note 3 - The word 'disposed' has been replaced with 'closed'. This does not change the meaning of the measure or how it is calculated.

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
<b>Immigration and Protection Tribunal</b>				
Percentage of Immigration and Protection Tribunal cases disposed	95%	90%	95%	
<b>Māori Land Court</b>				
Number of Māori Land Court and Māori Appellate Court applications disposed	5,547	>5,000	5,088	
Percentage of Māori Land Court and Māori Appellate Court applications disposed within 12 months	75%	80%	67%	COVID-19 restrictions, as reflected in judicial protocols, affected the Māori Land Court and Māori Appellate Court ability to dispose of cases. Judicial protocols are set by the Heads of Bench.
<b>Tenancy Tribunal</b>				
Number of Tenancy Tribunal applications disposed (see Note 3)	12,431	>18,300	9,718	The Tenancy Tribunal disposed all applications received. The disposal rate is dependent on the number of new cases received. There are a number of factors that can influence the lower number of applications received, such as the impact of COVID-19 restrictions, amendments to the Residential Tenancies Act that took effect in 2021, and the wider housing supply and demand environment which directly impacts the supply of rental properties.
<b>Waitangi Tribunal</b>				
Percentage of Waitangi Tribunal claims processed within 30 days	91%	90%	93%	

## Output class statement – Specialist Courts, Tribunals and Other Authorities Services

Actual 2021 \$000	Revenue and expenses	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
91,308	Crown	99,480	91,842	99,480	106,335
83	Departmental	141	2,282	2,282	2,282
10,215	Other	12,441	12,738	12,818	13,227
101,606	Total Revenue	112,062	106,862	114,580	121,864
108,541	Total Expenses	116,290	106,904	114,622	121,916
(6,935)	Net surplus/(deficit)	(4,228)	(42)	(42)	(52)

Note 3 - The word 'disposed' has been replaced with 'closed'. This does not change the meaning of the measure or how it is calculated.



Our financial statements

## Departmental financial statements

### Statement of comprehensive revenue and expense

#### For the year ended 30 June 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
<b>Revenue</b>						
710,867	Crown		786,198	719,765	775,925	758,227
11,024	Department		13,383	14,971	19,838	17,698
43,773	Other revenue	2	43,961	49,408	49,738	49,763
<b>765,664</b>	<b>Total revenue</b>		<b>843,542</b>	<b>784,144</b>	<b>845,501</b>	<b>825,688</b>
<b>Expenses</b>						
375,876	Personnel costs	3	415,492	378,170	409,297	377,250
206,186	Operating costs	4	242,414	233,834	263,179	269,387
71,890	Capital charge	6	73,577	71,553	73,577	73,838
101,533	Depreciation, amortisation and impairment	8,9	95,497	100,629	99,490	105,265
<b>755,485</b>	<b>Total expenses</b>		<b>826,980</b>	<b>784,186</b>	<b>845,543</b>	<b>825,740</b>
<b>10,179</b>	<b>Net surplus/(deficit)</b>		<b>16,562</b>	<b>(42)</b>	<b>(42)</b>	<b>(52)</b>
<b>Other comprehensive revenue and expense</b>						
<i>Item that will not be reclassified to net surplus/(deficit)</i>						
23,585	Gain on property revaluations		56,648	-	-	-
<b>23,585</b>	<b>Total other comprehensive revenue and expense</b>		<b>56,648</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>33,764</b>	<b>Total comprehensive revenue and expense</b>		<b>73,210</b>	<b>(42)</b>	<b>(42)</b>	<b>(52)</b>

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 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
<b>Assets</b>						
<b>Current assets</b>						
54,492	Cash and cash equivalents		47,807	41,161	48,500	44,392
152,187	Receivables	7	208,271	170,644	147,248	178,365
7,489	Prepayments		5,703	3,441	7,488	7,488
<b>214,168</b>	<b>Total current assets</b>		<b>261,781</b>	<b>215,246</b>	<b>203,236</b>	<b>230,245</b>
<b>Non-current assets</b>						
1,286,598	Property, plant and equipment	8	1,330,643	1,252,348	1,281,921	1,260,835
64,616	Intangible assets	9	66,333	67,744	71,381	77,432
<b>1,351,214</b>	<b>Total non-current assets</b>		<b>1,396,976</b>	<b>1,320,092</b>	<b>1,353,302</b>	<b>1,338,267</b>
<b>1,565,382</b>	<b>Total assets</b>		<b>1,658,757</b>	<b>1,535,338</b>	<b>1,556,538</b>	<b>1,568,512</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
40,713	Payables and deferred revenue	10	56,072	38,259	35,004	35,004
34,922	Employee entitlements	11	42,419	29,908	35,274	34,239
1,453	Provisions	12	1,183	4,222	1,454	1,454
8,749	Return of operating surplus	13	15,894	-	-	-
<b>85,837</b>	<b>Total current liabilities</b>		<b>115,568</b>	<b>72,389</b>	<b>71,732</b>	<b>70,697</b>
<b>Non-current liabilities</b>						
9,455	Employee entitlements	11	10,502	9,367	9,455	9,455
2,802	Provisions	12	2,868	1,160	2,801	2,801
<b>12,257</b>	<b>Total non-current liabilities</b>		<b>13,370</b>	<b>10,527</b>	<b>12,256</b>	<b>12,256</b>
<b>98,094</b>	<b>Total liabilities</b>		<b>128,938</b>	<b>82,916</b>	<b>83,988</b>	<b>82,953</b>
<b>1,467,288</b>	<b>Net assets</b>		<b>1,529,819</b>	<b>1,452,422</b>	<b>1,472,550</b>	<b>1,485,559</b>
<b>Equity</b>						
943,152	Taxpayers' funds	14	948,572	951,681	949,009	962,018
593	Memorandum accounts	14	1,261	-	-	-
523,543	Property revaluation reserves	14	579,986	500,741	523,541	523,541
<b>1,467,288</b>	<b>Total equity</b>		<b>1,529,819</b>	<b>1,452,422</b>	<b>1,472,550</b>	<b>1,485,559</b>
<b>1,565,382</b>	<b>Total equity and liabilities</b>		<b>1,658,757</b>	<b>1,535,338</b>	<b>1,556,538</b>	<b>1,568,512</b>

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 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
1,432,086	<b>Equity as at 1 July</b>		1,467,288	1,449,064	1,467,377	1,472,550
33,764	Total comprehensive revenue and expense		73,210	(42)	(42)	(52)
<b>Owner transactions</b>						
11,287	Capital contribution from the Crown		5,215	3,400	5,215	13,061
(1,100)	Capital withdrawal		-	-	-	-
(8,749)	Return of operating surplus to the Crown	13	(15,894)	-	-	-
1,467,288	<b>Equity as at 30 June</b>	14	1,529,819	1,452,422	1,472,550	1,485,559

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 2022

Actual 2021 \$000	Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited forecast 2023 \$000
<b>Cash flows from operating activities</b>					
670,753	Receipts from the Crown	728,167	688,406	780,864	729,910
10,832	Receipts from departments	12,970	14,971	19,838	17,698
44,365	Receipts from other revenue	46,321	49,408	49,738	49,763
(1,569)	Goods and services tax (net)	(1,692)	-	-	-
(372,464)	Payments to employees	(406,520)	(379,205)	(408,945)	(378,285)
(210,952)	Payments to suppliers	(222,083)	(233,834)	(268,889)	(269,387)
(71,890)	Payments for capital charge	(73,577)	(71,553)	(73,577)	(73,838)
<b>69,075</b>	<b>Net cash flows from operating activities</b>	<b>83,586</b>	<b>68,193</b>	<b>99,029</b>	<b>75,861</b>
<b>Cash flows from investing activities</b>					
1,961	Receipts from sale of property, plant and equipment	16	-	-	-
(58,541)	Purchase of property, plant and equipment	(66,773)	(54,250)	(74,488)	(63,230)
(19,420)	Purchase of intangible assets	(19,978)	(19,181)	(27,000)	(27,000)
<b>(76,000)</b>	<b>Net cash flows from investing activities</b>	<b>(86,735)</b>	<b>(73,431)</b>	<b>(101,488)</b>	<b>(90,230)</b>
<b>Cash flows from financing activities</b>					
11,287	Capital injections	5,215	3,400	5,215	13,061
(1,100)	Capital withdrawal	-	-	-	-
(9,040)	Return of operating surplus	(8,751)	-	(8,749)	-
<b>1,147</b>	<b>Net cash flows from financing activities</b>	<b>(3,536)</b>	<b>3,400</b>	<b>(3,534)</b>	<b>13,061</b>
<b>(5,778)</b>	<b>Net increase/(decrease) in cash held</b>	<b>(6,685)</b>	<b>(1,838)</b>	<b>(5,993)</b>	<b>(1,308)</b>
60,270	Cash and cash equivalents at the beginning of the year	54,492	42,999	54,493	45,700
<b>54,492</b>	<b>Cash and cash equivalents at the end of the year</b>	<b>47,807</b>	<b>41,161</b>	<b>48,500</b>	<b>44,392</b>

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 2021 \$000		Actual 2022 \$000
10,179	Net surplus/(deficit)	16,562
<b>Add/(less) non-cash items</b>		
101,532	Depreciation, amortisation and impairment	95,497
<b>101,532</b>	<b>Total non-cash items</b>	<b>95,497</b>
<b>Add/(less) items classified as investing and financing activities</b>		
(452)	Net (gains)/losses on disposal of property, plant and equipment, and intangibles	22
(452)	<b>Total movement in investing and financing activities</b>	<b>22</b>
<b>Add/(less) movements in statement of financial position items</b>		
(39,260)	(Increase)/decrease in receivables	(56,085)
(4,048)	(Increase)/decrease in prepayments	1,786
(781)	Increase/(decrease) in payables and deferred revenue	17,463
3,032	Increase/(decrease) in employee entitlements	8,545
(1,127)	Increase/(decrease) in provisions	(204)
<b>(42,184)</b>	<b>Total movements in statement of financial position items</b>	<b>(28,495)</b>
<b>69,075</b>	<b>Net cash flows from operating activities</b>	<b>83,586</b>

*The accompanying notes form part of these financial statements.*

# Statement of commitments

## As at 30 June 2022

### 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 1 to 33 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 (2021: \$1.747 million).

Actual 2021 \$000		Actual 2022 \$000
<b>Capital commitments</b>		
1,707	Buildings	6,309
<b>1,707</b>	<b>Total capital commitments</b>	<b>6,309</b>
<b>Operating leases as lessee</b>		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:		
20,700	Not later than one year	26,095
62,041	Later than one year and not later than five years	74,529
101,210	Later than five years	116,600
<b>183,951</b>	<b>Total non-cancellable operating lease commitments</b>	<b>217,224</b>
<b>185,658</b>	<b>Total commitments</b>	<b>223,533</b>

The accompanying notes form part of these financial statements.

## Statement of contingent liabilities and contingent assets

**As at 30 June 2022****Quantifiable contingent liabilities**

Actual 2021 \$000		Actual 2022 \$000
80	Personal grievances	60
62	Legal proceedings and disputes	165
<b>142</b>	<b>Total contingent liabilities</b>	<b>225</b>

**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 (2021: nil).

**Contingent assets**

The Ministry has no contingent assets (2021: 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 5 of the Public Service Act 2020. The relevant legislation governing the Ministry's operations includes the Public Finance Act 1989 (PFA), Public Service Act 2020, and the Public Accountability Act 1998. The Ministry's ultimate parent is the New Zealand Crown. 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.

In addition, the Ministry has reported on Crown activities and trust monies that it administers in the non-departmental statements and schedules on pages 126 to 142.

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 the purposes of complying with generally accepted accounting practice (GAAP).

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 Te Arawhiti.

The financial statements of the Ministry are for the year ended 30 June 2022, and were authorised for issue by the Chief Executive on 30 September 2022.

### 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

The Ministry revised its accounting policy in relation to upfront configuration and customisation costs incurred in implementing Software as a Service (SaaS) arrangements in response to the International Financial Reporting Interpretations Committee (IFRIC) agenda decision. This clarified the interpretation of how current accounting standards apply to these types of arrangements. The Ministry has applied this change retrospectively to the 30 June 2021 comparatives. There have been no other 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:

#### Service Performance Reporting

PBE Financial Report Standard 48 (PBE FRS 48) establishes requirements for the reporting of service performance information in order to better meet the needs of users of general purpose financial reports of public benefit entities. This standard is effective for the year ending 30 June 2023, with early application permitted. The Ministry has assessed there will be little change as a result of adopting the new standard and does not intend to early adopt the standard.

#### Financial Instruments

In March 2019, PBE International Public Sector Accounting Standard 41 Financial Instruments (PBE IPSAS 41) was issued. This new standard will supersede PBE International Financial Reporting Standards 9 Financial Instruments (PBE IFRS 9) and is effective for the year ending 30 June 2023. This new standard is based on IPSAS 41 Financial Instruments, prepared by the IPSASB, and is substantially converged with IFRS 9 Financial Instruments prepared by the International Accounting Standards Board. As a consequence of the identical, or almost identical, requirements in PBE IFRS 9 and PBE IPSAS 41, the Ministry has assessed the impact on financial statements from PBE IPSAS 41 is likely to be minimal. The Ministry does not intend to early adopt the standard.

## 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 include cash on hand, cash in transit and funds held in bank accounts. All cash held in bank accounts is held in on demand accounts. 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 receivables and 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.
- Accounting for Software-as-a-Service contracts – 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 2022 budget figures are for the year ended 30 June 2022 and were published in the 2021 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 2022.

In addition, the financial statements also present the updated budget information for 2022 submitted to The Treasury for the Supplementary Estimates.

The 2023 forecast figures are for the year ending 30 June 2023, which are consistent with the best estimate financial forecast information submitted to The Treasury for the BEFU for the year ended 30 June 2023.

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 6 April 2022. 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 2023 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 2023 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 6 April 2022, 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 4,500 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 2022 was used as the opening position for the 2023 forecasts.

The actual financial results achieved for 30 June 2023 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 2022. This resulted in a revaluation increase of approximately 5%.

### 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.

Throughout the 2021/22 financial year the Courts of New Zealand have operated under a series of judicial protocols aimed at reducing the risk of COVID-19 transmission in courts. As the protocols are independently set by the Judiciary, the restrictions applied for a longer period than the Government restrictions. The protocols limited court activities to priority proceedings only. Jury trials were suspended nation-wide for four months, and in Auckland and Northland a further two months during 2021/22.

Some uncertainty of the overall economic impact of COVID-19 remains.

Note 17 includes commentary of major variances against budget, including any 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 COVID-19.

## Restatement of comparative information

When presentation or classification of items in the financial statements are amended or accounting policies are changed voluntarily, comparative figures have been restated to ensure consistency with the current period unless it is impracticable to do so.

The 2021 Actual comparative figures, including opening balances have been restated to reflect the change in accounting policy related to interpretation of the International Financial Reporting Interpretations Committee (IFRIC) agenda decision, which provides authoritative guidance on accounting for configuration or customisation costs in relation to Software as a Service (SaaS) arrangements.

This has resulted in the derecognition of some intangible assets, an adjustment to the associated amortisation and operating expenses.

The Ministry has also reclassified intangibles asset impairment expense of \$6.016 million from Operating Costs to Depreciation, amortisation and impairment expense.

The 2021 Actuals comparative information has been restated as below to account for these changes.

	Published 30 June 2021 \$000	Adjustments \$000	Restated 30 June 2021 \$000
<b>Statement of comprehensive revenue and expense</b>			
Personnel costs	375,501	375	375,876
Operating costs	211,932	(5,746)	206,186
Depreciation, amortisation and impairment	97,645	3,888	101,533
<b>Total expenses</b>	<b>756,968</b>	<b>(1,483)</b>	<b>755,485</b>
<b>Net surplus/(deficit)</b>	<b>8,696</b>	<b>1,483</b>	<b>10,179</b>
<b>Total comprehensive revenue and expense</b>	<b>32,281</b>	<b>1,483</b>	<b>33,764</b>
<b>Statement of financial position</b>			
Intangible assets	69,964	(5,348)	64,616
<b>Total non-current assets</b>	<b>1,356,562</b>	<b>(5,348)</b>	<b>1,351,214</b>
<b>Total assets</b>	<b>1,570,730</b>	<b>(5,348)</b>	<b>1,565,382</b>
<b>Net assets</b>	<b>1,472,636</b>	<b>(5,348)</b>	<b>1,467,288</b>
Taxpayers' funds	948,500	(5,348)	943,152
<b>Total equity</b>	<b>1,472,636</b>	<b>(5,348)</b>	<b>1,467,288</b>
<b>Total equity and liabilities</b>	<b>1,570,730</b>	<b>(5,348)</b>	<b>1,565,382</b>
<b>Statement of changes in equity</b>			
<b>Equity as at 1 July</b>	<b>1,438,917</b>	<b>(6,831)</b>	<b>1,432,086</b>
Total comprehensive revenue and expense	32,281	1,483	33,764
<b>Equity as at 30 June</b>	<b>1,472,636</b>	<b>(5,348)</b>	<b>1,467,288</b>
<b>Statement of cash flow</b>			
<b>Cash flows from operating activities</b>			
Payments to employees	(372,089)	(375)	(372,464)
Payments to suppliers	(210,682)	(270)	(210,952)
<b>Net cash flows from operating activities</b>	<b>69,720</b>	<b>(645)</b>	<b>69,075</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible assets	(20,065)	645	(19,420)
<b>Net cash flows from investing activities</b>	<b>(76,645)</b>	<b>645</b>	<b>(76,000)</b>

## 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 2021 \$000		Actual 2022 \$000
25,107	Filing fees	25,203
18,566	Other	18,504
100	Interest	254
<b>43,773</b>	<b>Total other revenue</b>	<b>43,961</b>

## 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 2021 \$000		Notes	Actual 2022 \$000
338,273	Salaries and wages		361,482
14,191	Contractors	5	21,811
10,024	Employer contributions to defined contribution plans		10,791
3,684	Increase/(decrease) in employee entitlements		8,656
9,704	Other		12,752
<b>375,876</b>	<b>Total personnel costs</b>		<b>415,492</b>

## 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 2021 \$000		Notes	Actual 2022 \$000
56,031	Computer and telecommunications		56,634
-	Administration and Use <sup>1</sup>		41,496
29,617	Professional services		34,595
26,980	Property related costs		29,807
21,474	Property operating lease expense		22,676
12,862	Maintenance of facilities		14,184
12,147	Staff and judicial travel		8,265
7,058	Printing, stationery and postage		6,458
8,922	Consultants	5	5,427
5,346	Judicial library and information services		5,224
7,100	Jurors fees and expenses		5,214
1,364	Ministry library and information services		1,492
510	Audit fees for financial statements audit		570
5	Audit fees for other services		5
-	Loss on disposal of assets		22
(378)	Allowance for credit losses on receivables		9
17,148	Other operating costs		10,336
<b>206,186</b>	<b>Other operating costs</b>		<b>242,414</b>

<sup>1</sup>Administration and Use expenses relate to the agreement with Te Puni Kōkiri for costs against the Māori Communities COVID-19 Fund MCA and totals \$41.756 million, however \$0.222 million is recorded within contractor costs in note 3, and \$0.038 million is recorded in consultants costs in note 4.

## 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 2021 \$000		Notes	Actual 2022 \$000
<b>Operating expense</b>			
14,191	Contractors	3	21,811
8,922	Consultants	4	5,427
<b>23,113</b>	<b>Total operating expense - contractors and consultants</b>		<b>27,238</b>
<b>Capital expense</b>			
6,881	Contractors and consultants capitalised to assets		5,845
<b>29,994</b>	<b>Total contractors and consultants</b>		<b>33,083</b>

## 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 2022 was 5% (2021: 5%).

## 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 2021 \$000		Actual 2022 \$000
144,901	Debtor Crown	186,009
7,365	Other receivables	22,294
(79)	Less: allowance for credit losses	(32)
<b>7,286</b>	<b>Total other receivables</b>	<b>22,262</b>
<b>152,187</b>	<b>Total receivables</b>	<b>208,271</b>
<b>Total receivables comprise:</b>		
7,286	Receivables from exchange transactions	22,262
144,901	Receivables from non-exchange transactions	186,009
<b>152,187</b>	<b>Total Receivables</b>	<b>208,271</b>

The allowance for credit losses was determined as follows:

Gross 2021 \$000	Life time expected credit loss 2021 \$000	Expected credit loss rate 2021 %	Receivable days past due	Gross 2022 \$000	Life time expected credit loss 2022 \$000	Expected credit loss rate 2022 %
150,670	-	0.0%	Current	206,582	-	0.0%
1,289	(4)	0.3%	Receivables < 6 months	1,443	(2)	0.1%
152	(9)	5.9%	Receivables > 6 months but < 1 year	174	(4)	2.3%
112	(36)	32.1%	Receivables > 1 year but < 2 year	80	(15)	18.8%
43	(30)	69.8%	Receivables > 2 years	24	(11)	45.8%
<b>152,266</b>	<b>(79)</b>		<b>Total</b>	<b>208,303</b>	<b>(32)</b>	

The movement in the allowance for credit losses is as follows:

Actual 2021 \$000		Actual 2022 \$000
<b>576</b>	<b>Balance as at 1 July</b>	<b>79</b>
35	Additional provisions made during the year	24
(470)	Less: reversal of prior year provision	(8)
(62)	Less: receivables written off during the year	(63)
<b>79</b>	<b>Balance as at 30 June</b>	<b>32</b>

## Note 8 Property, plant and equipment

Property, plant and equipment consist of the following asset classes: land, buildings, fitout/leasehold improvements, computer equipment, furniture and fittings, office equipment 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	Lesser of the lease term or the remaining life, 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

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
<b>Year ended 30 June 2022</b>							
Cost	243,855	958,355	58,800	82,603	134,878	6,649	1,485,140
Accumulated depreciation	-	-	(50,283)	(60,469)	(85,980)	(1,810)	(198,542)
<b>Opening net book value</b>	<b>243,855</b>	<b>958,355</b>	<b>8,517</b>	<b>22,134</b>	<b>48,898</b>	<b>4,839</b>	<b>1,286,598</b>
Additions	14,614	30,160	24	7,797	13,300	262	66,157
Transfers	-	(22)	-	196	22	-	196
Revaluation	(17,021)	20,283	-	-	-	-	3,262
Disposals	-	-	(115)	(11,816)	-	(121)	(12,051)
Depreciation and impairment	-	(54,560)	(1,971)	(8,232)	(13,151)	(988)	(78,903)
Depreciation on disposals	-	-	115	11,774	-	109	11,998
Accumulated depreciation reversed on revaluation	-	53,386	-	-	-	-	53,386
Cost	241,448	1,007,602	58,709	78,781	148,200	6,790	1,541,530
Accumulated depreciation and impairment	-	-	(52,139)	(56,928)	(99,131)	(2,689)	(210,887)
<b>Closing net book value</b>	<b>241,448</b>	<b>1,007,602</b>	<b>6,570</b>	<b>21,853</b>	<b>49,069</b>	<b>4,101</b>	<b>1,330,643</b>
Includes assets under construction	38	41,459	452	5,921	8,126	387	56,383
<b>Year ended 30 June 2021</b>							
Cost	230,016	978,593	58,416	74,880	121,039	4,844	1,467,788
Accumulated depreciation	-	-	(48,482)	(52,895)	(73,755)	(3,752)	(178,884)
<b>Opening net book value</b>	<b>230,016</b>	<b>978,593</b>	<b>9,934</b>	<b>21,985</b>	<b>47,284</b>	<b>1,092</b>	<b>1,288,904</b>
Additions	9,323	19,656	726	8,039	13,006	4,907	55,657
Transfers	6	(1,000)	(342)	200	958	-	(178)
Revaluation	5,014	(38,804)	-	-	-	-	(33,790)
Asset Transfers	596	(90)	-	-	90	-	596
Disposals	(1,100)	-	-	(516)	(215)	(3,102)	(4,933)
Depreciation and impairment	-	(57,375)	(1,801)	(8,090)	(12,440)	(749)	(80,455)
Depreciation on disposals	-	-	-	516	215	2,691	3,422
Accumulated depreciation reversed on revaluation	-	57,375	-	-	-	-	57,375
Cost	243,855	958,355	58,800	82,603	134,878	6,649	1,485,140
Accumulated depreciation and impairment	-	-	(50,283)	(60,469)	(85,980)	(1,810)	(198,542)
<b>Closing net book value</b>	<b>243,855</b>	<b>958,355</b>	<b>8,517</b>	<b>22,134</b>	<b>48,898</b>	<b>4,839</b>	<b>1,286,598</b>
Includes assets under construction	24	32,321	574	4,664	8,341	126	46,050

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 \$161.208 million listed under the Historic Places Trust Act 1993 (2021: \$152.029 million), which are included in the assets above.

Land at 46 Cameron Road and 26 McLean Street, Tauranga, and 57 Campbell Street, Whanganui will be transferred upon enactment of a Treaty settlement.

## **Impairment**

The Ministry has recognised an impairment loss of \$1.174 million (2021: nil) for buildings under construction. The impairment relates to the costs of an investigated upgrade project, however a new build was decided upon instead.

## **Critical accounting estimates and assumptions**

The land and buildings were valued at fair value as at 30 June 2022 by an independent valuer, Marvin Clough, FPINZ, Technical Director - Valuations and Kate Campbell, MPINZ, NZIV Registered Valuer, Senior Valuer, of Beca Projects NZ Limited.

### **COVID-19 impact**

COVID-19 has continued to affect the level of uncertainty in the valuation. 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 fair value**

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 fair value**

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.

- Market rents range from \$100 to \$500 per square metre.
- Capitalisation rates are market-based rates of return and range from 5 % to 10 %.

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. Construction costs range from \$3,120 to \$19,150 per square metre, depending on the nature of the specific asset valued.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

A comparison of the carrying value of building using depreciated replacement cost and buildings valued using market-based evidence is as follows:

Actual 2021 \$000		Actual 2022 \$000
516,606	Depreciated replacement cost	569,285
441,749	Market-based evidence	438,317
<b>958,355</b>	<b>Total carrying value of buildings</b>	<b>1,007,602</b>

## 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. Direct costs include the costs of services, software development employee costs, and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

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 7

## Impairment

Note 8 contains the impairment approach for both property, plant and equipment, and intangible assets.

	Acquired Software \$000	Internally Generated Software \$000	Total \$000
<b>Year ended 30 June 2022</b>			
Cost	72,564	225,543	298,107
Accumulated amortisation	(38,625)	(194,867)	(233,492)
<b>Opening net book value</b>	<b>33,939</b>	<b>30,676</b>	<b>64,615</b>
Additions	8,931	9,851	18,782
Transfers	26	(222)	(196)
Disposals	(4,900)	(485)	(5,385)
Amortisation and impairment	(5,094)	(11,500)	(16,594)
Amortisation on disposals	4,696	415	5,111
Cost	76,621	234,687	311,308
Accumulated amortisation & impairment	(39,023)	(205,952)	(244,975)
<b>Closing net book value</b>	<b>37,598</b>	<b>28,735</b>	<b>66,333</b>
Includes assets under construction	21,486	5,100	26,586

	Acquired Software \$000	Internally Generated Software \$000	Total \$000
<b>Year ended 30 June 2021</b>			
Cost	66,285	216,349	282,634
Accumulated amortisation	(41,403)	(177,313)	(218,716)
<b>Opening net book value</b>	<b>24,882</b>	<b>39,036</b>	<b>63,918</b>
Additions	12,120	9,477	21,597
Transfers	(1,435)	1,613	178
Disposals	(4,406)	(1,896)	(6,302)
Amortisation and Impairment	(1,628)	(19,450)	(21,078)
Amortisation on disposals	4,406	1,896	6,302
Cost	72,564	225,543	298,107
Accumulated amortisation	(38,625)	(194,867)	(233,492)
<b>Closing net book value</b>	<b>33,939</b>	<b>30,676</b>	<b>64,615</b>
Includes assets under construction	18,310	4,676	22,986

There are no restrictions over the title of the Ministry's intangible assets, nor are any intangible assets pledged as security for liabilities.

## Impairment

The Ministry has recognised an impairment loss of \$4.543 million for acquired software (2021: \$6.016 million for internally generated software). The impairments arose due to the cessation of a project after delivery was assessed as unlikely to be achieved, and a database project that was later identified as an operational cost.

## Critical accounting estimates and assumptions

### Useful life of software

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.

### Software-as-a-Service

Software-as-a-Service (SaaS) arrangements are service contracts providing the Ministry with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are recognised as operating expenses when the services are received.

Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to, existing on-premises systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible assets.

Judgement has been applied in determining whether contracts are SaaS arrangements, and if configuration and customisation costs associated with the arrangement meet the asset recognition criteria under PBE IPSAS 31 Intangible Assets. Contract terms and conditions are reviewed to determine the accounting treatment. The 2021 comparative figures have been restated for changes related to SaaS arrangements, refer to note 1 for further details.

## Note 10 Payables and deferred revenue

Short-term creditors and other payables are recorded at the amount payable.

Actual 2021 \$000		Actual 2022 \$000
<b>Payables and deferred revenue under exchange transactions</b>		
13,567	Creditors and other payables	27,775
22,270	Accrued expenses	24,654
30	Deferred revenue for cost recovered services	492
<b>35,867</b>	<b>Total payables and deferred revenue under exchange transactions</b>	<b>52,921</b>
<b>Payables and deferred revenue under non-exchange transactions</b>		
4,846	Taxes payable (eg GST)	3,151
<b>40,713</b>	<b>Total payables and deferred income</b>	<b>56,072</b>

## Note 11 Employee entitlements

### Short-term employee entitlements

Employee entitlements that are expected to be settled before 12 months after the end of the reporting 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 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.

### Long-term employee entitlements

Employee entitlements that are not expected to be settled before 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 2021 \$000		Actual 2022 \$000
<b>Current liabilities</b>		
24,461	Annual leave	30,262
6,019	Salaries	7,693
3,339	Retirement and long-service leave	4,464
9	Sick leave	-
1,094	Other employee entitlements	-
<b>34,922</b>	<b>Total current liabilities</b>	<b>42,419</b>
<b>Non-current liabilities</b>		
9,455	Retirement and long-service leave	10,502
<b>9,455</b>	<b>Total Non-current liabilities</b>	<b>10,502</b>
<b>44,377</b>	<b>Total provision for employee entitlements</b>	<b>52,921</b>

### 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 2.96 % with 5.02 % salary inflation for year one of the projection (2021: 0.38 % with 2.88 % 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 \$876,000 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 \$869,000 higher.

The valuations of long service leave and retirement leave as at 30 June 2022 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 not recognised for net deficits from future operating activities.

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 an interest expense and is included in "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
<b>Year ended 30 June 2022</b>				
<b>Opening balance</b>	<b>3,052</b>	<b>1,009</b>	<b>194</b>	<b>4,255</b>
Additional provisions made	-	409	210	619
Amount utilised	-	(294)	-	(294)
Unused provisions reversed	(184)	(345)	-	(529)
<b>Closing balance</b>	<b>2,868</b>	<b>779</b>	<b>404</b>	<b>4,051</b>
Current portion	-	779	404	1,183
Non-current portion	2,868	-	-	2,868
<b>Year ended 30 June 2021</b>				
<b>Opening balance</b>	<b>3,163</b>	<b>215</b>	<b>2,004</b>	<b>5,382</b>
Additional provisions made	250	923	-	1,173
Amount utilised	(243)	-	(1,810)	(2,053)
Unused provisions reversed	(118)	(129)	-	(247)
<b>Closing balance 30</b>	<b>3,052</b>	<b>1,009</b>	<b>194</b>	<b>4,255</b>
Current portion	250	1,009	194	1,453
Non-current portion	2,802	-	-	2,802

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 2023.

The other provision are costs associated with remediating and maintaining compliance with the Holidays Act 2003.

### Note 13 Return of operating surplus

Actual 2021 \$000		Actual 2022 \$000
8,696	Net surplus/(deficit)	16,562
53	(Surplus)/deficit of memorandum accounts	(668)
<b>8,749</b>	<b>Total return of operating surplus</b>	<b>15,894</b>

The net operating surplus from the delivery of outputs must be repaid by 31 October of each year.



## 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 2021 \$000		Actual 2022 \$000
<b>Taxpayers' funds</b>		
930,697	<b>Balance at 1 July</b>	943,152
10,179	Surplus/(deficit)	16,562
(8,749)	Return of operating surplus to the Crown	(15,894)
11,287	Capital contribution from the Crown	5,215
(1,100)	Capital withdrawal	-
-	Capital Transfers to Other Government Agencies	-
53	Transfer of memorandum account net (surplus)/deficit	(668)
785	Transfer realised revaluation from property valuation reserves	205
943,152	<b>Balance at 30 June</b>	948,572
<b>Memorandum accounts</b>		
646	<b>Balance at 1 July</b>	593
(53)	Net memorandum account surplus/(deficit) for the year	668
593	<b>Balance at 30 June</b>	1,261
<b>Property revaluation reserves</b>		
500,743	<b>Balance at 1 July</b>	523,543
23,585	Revaluation gains	56,648
(785)	Transfer realised revaluation to taxpayers' funds	(205)
523,543	<b>Balance at 30 June</b>	579,986

Actual 2021 \$000		Actual 2022 \$000
<b>Property revaluation reserves consist of:</b>		
84,938	Land revaluation reserve	67,712
438,605	Buildings revaluation reserve	512,274
<b>523,543</b>	<b>Total property valuation reserves</b>	<b>579,986</b>
<b>1,467,288</b>	<b>Total equity</b>	<b>1,529,819</b>

### Memorandum accounts

Actual 2021 \$000		Actual 2022 \$000
<b>Second Hand Dealers and Pawnbrokers</b>		
<b>517</b>	<b>Balance at 1 July</b>	<b>603</b>
251	Revenue	151
(165)	Expenses	(228)
86	Surplus/(deficit)	(77)
<b>603</b>	<b>Balance at 30 June</b>	<b>526</b>
<b>Legal Complaints Review Officers</b>		
<b>129</b>	<b>Balance at 1 July</b>	<b>(10)</b>
1,848	Revenue	2,207
(1,987)	Expenses	(1,462)
(139)	Surplus/(deficit)	745
<b>(10)</b>	<b>Balance at 30 June</b>	<b>735</b>

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

Ministry Actual 2021 \$000	Te Arawhiti Actual 2021 \$000		Ministry Actual 2022 \$000	Te Arawhiti Actual 2022 \$000
2,983	1,413	Remuneration	3,004	1,589
7.7	4.9	Full-time equivalent staff	7.5	4.8

The above key management personnel disclosure excludes the Minister of Justice, Minister for Courts, the Minister for Treaty of Waitangi Negotiations, the Minister for Māori Crown Relations: Te Arawhiti and the Minister for the Prevention of Family Violence and Sexual Violence. 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.

The Ministry has reviewed the definition of compensation for the key management personnel compensation disclosure. The 2021 comparative compensation has been restated to reflect the same definition used for 2022.

## Note 16 Financial Instruments

### Categories of financial Instruments

The carrying amounts of financial assets and liabilities in each of the PBE IFRS 9 financial instrument categories are as follows:

Actual 2021 \$000		Notes	Actual 2022 \$000
<b>Financial assets measured at amortised cost</b>			
54,492	Cash and cash equivalents		47,807
152,187	Debtors and other receivables (excluding taxes receivable)	7	208,271
<b>206,679</b>	<b>Total financial assets measured at amortised cost</b>		<b>256,078</b>
<b>Financial liabilities measured at amortised cost</b>			
35,837	Payables (excluding deferred revenue and taxes payable)	10	52,429
<b>35,837</b>	<b>Total financial liabilities measured at amortised cost</b>		<b>52,429</b>

### 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 \$52.429 million payable within six months from balance date (2021: \$35.837 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 2022 budget figures are as follows:

### Statement of comprehensive revenue and expense

Crown Revenue was \$66.433 million higher than budgeted. This was due to approved increases in the Ministry's budget during the 2021/22 financial year. This includes resourcing to address COVID-19 related backlogs, the Justice Property Health and Safety Remediation initiative, funding for Advancing Electoral Law Reform, and Joint Minister approved transfers from the 2020/21 financial year that were able to be completed in 2021/22. In addition, an Administration and Use appropriation agreement was entered into with Te Puni Kōkiri for costs against the Māori Communities COVID-19 Fund MCA. This had the effect of additional revenue of \$29.250 million against reported budget, and \$9.120 million against the supplementary estimate.

Other Revenue was \$5.447 million lower than budget, and \$5.777 million lower than the supplementary estimate. The budget and supplementary estimate assumed that activity would return to pre-COVID-19 levels. Continued COVID-19 restrictions during the year has resulted in lower filing fees collected and lower other revenue.

Personnel costs were \$37.322 million higher than budgeted. This was mainly due to approved increases in the Ministry's budget for additional staff and salary remuneration cost pressures. Personnel costs were \$6.195 million higher than the supplementary estimate mainly due to the increase in employee entitlements, see variance explanation below.

Operating expenses were \$8.580 million higher than budgeted and \$20.765 million lower than the supplementary estimate. This was mainly due to changes in phasing of projects and work programmes, including expensing items expected to be capitalised. A number of underspends were anticipated and approvals in-principle were obtained to carry these forward to 2022/23.

Due to uncertainty and volatility in the New Zealand property market it is difficult to accurately budget for movement 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 \$6.646 million 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 and also reflects the surplus on operating costs.

Receivables were \$37.627 million higher than budgeted and \$61.023 million higher than the supplementary estimate. This is mainly due to higher Crown Debtor balance as at the 30 June than expected and a large receivables balance for an administration and use agreement with another government department.

Property, plant and equipment was \$78.295 million higher than budgeted and \$48.722 million higher than the supplementary estimate. This is due to the recognition of the unbudgeted increases in value from the revaluation of the Ministry's land and building assets and timing of asset additions and disposals.

Intangible assets was \$5.048 million lower than the supplementary estimate. This is due to a number of items expensed that were expected to be capitalised, and projects that were not progressed as expected due to delays.

Payables and deferred revenue was \$17.813 million higher than budget, and \$21.068 million higher than the supplementary estimate. This was mainly due to a higher than expected accounts payable balance than budgeted for at year end due to timing of invoices being received.

Current and non-current employee entitlements were \$13.646 million higher than budgeted, and \$8.192 million higher than the supplementary estimate. This is mainly due to the Annual leave provision being higher than budgeted due to lower leave taken during the year and more staff being eligible for retiring leave than previously calculated.

Property revaluation reserves were \$79.245 million higher than budgeted and \$56.445 million higher than the supplementary estimate. The variances are due to the property valuations not being included in the budget.

## 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 Rōpu.

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 2021 \$000	Te Arawhiti Actual 2021 \$000	Total Actual 2021 \$000		Ministry Actual 2022 \$000	Te Arawhiti Actual 2022 \$000	Total Actual 2022 \$000
<b>Revenue and expenses</b>						
<b>Revenue</b>						
660,807	50,060	710,867	Crown	691,032	95,166	786,198
10,523	501	11,024	Department	12,852	531	13,383
43,684	89	43,773	Other revenue	43,888	73	43,961
<b>715,014</b>	<b>50,650</b>	<b>765,664</b>	<b>Total revenue</b>	<b>747,772</b>	<b>95,770</b>	<b>843,542</b>
<b>Expenses</b>						
348,039	27,837	375,876	Personnel costs	384,082	31,410	415,492
187,584	18,602	206,186	Operating costs	183,409	59,005	242,414
71,603	287	71,890	Capital charge	73,321	256	73,577
100,374	1,159	101,533	Depreciation, amortisation and impairment	94,266	1,253	95,497
<b>707,600</b>	<b>47,885</b>	<b>755,485</b>	<b>Total expenses</b>	<b>735,056</b>	<b>91,924</b>	<b>826,980</b>
<b>7,414</b>	<b>2,765</b>	<b>10,179</b>	<b>Net surplus/(deficit)</b>	<b>12,716</b>	<b>3,846</b>	<b>16,562</b>

## Note 19 Events after balance date

There have been no significant events after balance date.

## Non-departmental statements and schedules

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

#### For the year ended 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000
134,700	Court fines	98,073	111,173	111,173
16,517	Legal Aid Debt established	13,322	12,904	12,904
4,092	Community Law Centre receipts	9,135	4,800	4,800
2,232	Recovery of judicial salaries	3,055	986	986
2,760	Offender levies	2,095	3,663	3,663
641	Family Court Cost Contribution Orders	715	1,600	1,600
689	Interest on treaty settlement prepaid lease	664	708	708
92	Money forfeited to the Crown	-	200	200
12,565	Other revenue	9,299	9,374	9,374
<b>174,288</b>	<b>Total non-departmental revenue</b>	<b>136,358</b>	<b>145,408</b>	<b>145,408</b>

### 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 2022 (2021: 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 2022.*

## Schedule of non-departmental expenses

### For the year ended 30 June 2022

Actual 2021 \$000		Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000
161,731	Personnel - Judges'/Coroners' salaries and allowances	159,536	164,506	169,820
456,456	Crown expenditure Vote Justice	342,476	375,318	364,741
141,655	Crown expenditure Vote Courts	140,462	147,074	145,814
218,038	Crown expenditure Vote Te Arawhiti <sup>1</sup>	238,471	180,232	377,072
86,714	GST expense	68,488	50,308	50,308
<b>1,064,594</b>	<b>Total non-departmental expenditure</b>	<b>949,433</b>	<b>917,438</b>	<b>1,107,755</b>

<sup>1</sup> Previously Vote Treaty Negotiations.

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 144 to 151. 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 2022.*

## Schedule of non-departmental assets

## As at 30 June 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000
<b>Current assets</b>					
49,668	Cash and cash equivalents		37,628	86,264	53,757
15,330	Legal Aid receivables	2	16,002	12,058	15,330
78,066	Fines and other receivables	3	68,805	67,582	72,401
-	Prepayments		7,080	-	-
<b>143,064</b>	<b>Total current assets</b>		<b>129,515</b>	<b>165,904</b>	<b>141,488</b>
<b>Non-current assets</b>					
44,554	Legal Aid receivables	2	38,898	34,553	44,554
87,305	Fines and other receivables	3	80,944	94,823	86,884
8,577	Assets held for Treaty of Waitangi settlements	4	3,876	8,577	8,577
<b>140,436</b>	<b>Total non-current assets</b>		<b>123,718</b>	<b>137,953</b>	<b>140,015</b>
<b>283,500</b>	<b>Total non-departmental assets</b>		<b>253,233</b>	<b>303,857</b>	<b>281,503</b>

Te Arawhiti monitors the Ngāpuhi Investment Fund Ltd as a Crown Company. The Crown's investment in this entity is consolidated in the Financial Statements of the Government on a line-by-line basis. The investment in this entity is not included in this schedule.

The Ministry of Justice monitors seven Crown entities. These are the Office of the Privacy Commissioner, Law Commission, Independent Police Conduct Authority, Human Rights Commission, Real Estate Agents Authority, Te Kāhui Tātari Ture | Criminal Cases Review Commission, and the 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 2022.*



## Schedule of non-departmental liabilities

### As at 30 June 2022

Actual 2021 \$000		Notes	Actual 2022 \$000	Unaudited budget 2022 \$000	Unaudited supplementary estimate 2022 \$000
<b>Current liabilities</b>					
84,348	Treaty settlements payables		318,123	373,927	143,387
71,775	Creditors and other payables	5	76,863	62,484	71,376
39,589	Judges' entitlements	6	38,231	53,238	48,168
<b>195,712</b>	<b>Total current liabilities</b>		<b>433,217</b>	<b>489,649</b>	<b>262,931</b>
<b>Non-current liabilities</b>					
491,657	Treaty settlements payables		234,824	82,298	501,392
38,999	Judges' entitlements	6	35,111	39,904	38,999
<b>530,656</b>	<b>Total non-current liabilities</b>		<b>269,935</b>	<b>122,202</b>	<b>540,391</b>
<b>726,368</b>	<b>Total non-departmental liabilities</b>		<b>703,152</b>	<b>611,851</b>	<b>803,322</b>

## Schedule of non-departmental commitments

### As at 30 June 2022

The Ministry on behalf of the Crown has no non-cancellable capital or lease commitments (2021: 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 2022.*

## Schedule of non-departmental contingent liabilities and contingent assets

**As at 30 June 2022**

### Quantifiable contingent liabilities and contingent assets

Actual 2021 \$000		Actual 2022 \$000
<b>Contingent liabilities</b>		
492	Māori Land Court	1,065
-	Waitangi Tribunal Recommendations	220,000
1,839	Legal Aid GST	-
<b>2,331</b>	<b>Total quantifiable contingent liabilities</b>	<b>221,065</b>
<b>Contingent assets</b>		
3,139	Legal Aid GST	-
<b>3,139</b>	<b>Total quantifiable contingent assets</b>	<b>-</b>

### Vote Courts

#### *Māori Land Court*

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.

### Vote Te Arawhiti

#### *Waitangi Tribunal Recommendations*

On 29 September 2021, the Waitangi Tribunal issued interim recommendations under section 8A of the Treaty of Waitangi Act 1975 in relation to the transfer of 7,676 hectares of the Mangatu Crown Forest Licensed land to a trust comprising Te Aitanga a Māhaki, Ngā Uri o Tamanui and Te Whānau a Kai. Should the recommendation become final compensation will be payable to the recipients under Schedule 1 to the Crown Forests Assets Act 1989. The current value of the compensation, as per the Tribunal's indications, is approximately \$220 million. A stay of the Tribunal's interim recommendations has been granted in December 2021 and now pending the outcome of judicial review hearing, which was held in June 2022. The High Court has not given a decision; when the decision is issued it is highly likely there will be further appeals.

### 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 Te Arawhiti**

### *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 (2021: \$3.139 million).

*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 2022.*

## Statement of trust monies

### For the year ended 30 June 2022

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	Foreign currency \$000
<b>Year ended 30 June 2022</b>							
<b>Opening cash balance</b>	<b>10,210</b>	<b>39,197</b>	<b>270</b>	<b>146</b>	<b>418</b>	<b>111</b>	<b>10,133</b>
Contributions	6,627	165,824	464	28	121	180	-
Distributions	(8,659)	(161,177)	(271)	-	(308)	(50)	(2,438)
<b>Closing cash balance</b>	<b>8,178</b>	<b>43,844</b>	<b>463</b>	<b>174</b>	<b>231</b>	<b>241</b>	<b>7,695</b>
<b>Year ended 30 June 2021</b>							
<b>Opening cash balance</b>	<b>21,102</b>	<b>36,758</b>	<b>281</b>	<b>120</b>	<b>498</b>	<b>162</b>	<b>-</b>
Contributions	12,253	208,904	199	26	604	75	35,725
Distributions	(23,145)	(206,465)	(210)	-	(684)	(126)	(25,592)
<b>Closing cash balance</b>	<b>10,210</b>	<b>39,197</b>	<b>270</b>	<b>146</b>	<b>418</b>	<b>111</b>	<b>10,133</b>

### 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.

## **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. The Euro trust account has a nil balance (2021: nil). The US Dollars account has a \$7.695 million balance in NZ dollar equivalent as at 30th June 2022 (2021: \$10.133 million).

## **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 (2021: 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 2022.*

# 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 2022. 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 2022.

### 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 non-departmental financial statements and schedules 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. For open legal aid cases an accrual is made for expected recoveries.

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.

### Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit and funds held in bank accounts administered by the Ministry. All cash held in bank accounts is held in on demand accounts and no interest is payable to the Ministry.

### 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 as applicable. 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.

## Budget figures

### Basis of the budget figures

The 2022 budget figures are for the year ended 30 June 2022 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 2022.

In addition, the financial statements also present the updated budget information for 2022 submitted to The Treasury for the Supplementary Estimates.

## 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 2021 \$000		Actual 2022 \$000
<b>Fair value</b>		
46,611	Fair value as at 1 July	59,884
59,021	Nominal value of new legal aid debt	51,350
(35,962)	Fair value write-down on new debt	(31,886)
(17,291)	Legal aid debt repaid	(20,574)
2,942	Time value of money adjustment	3,346
4,563	Fair value remeasurement	(7,220)
<b>59,884</b>	<b>Fair value as at 30 June</b>	<b>54,900</b>

## 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.

Throughout the 2021/22 financial year the Courts of New Zealand have operated under a series of judicial protocols aimed at reducing the risk of COVID-19 transmission in courts. As the protocols are independently set by the Judiciary, the restrictions applied for a longer period than the Government restrictions. The protocols limited court activities to priority proceedings only. Jury trials were suspended nation-wide for four months, and in Auckland and Northland a further two months during 2021/22.

Some uncertainty of the overall economic impact of COVID-19 remains.

Note 8 includes commentary on major variances against budget, including any 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.

Actual 2021 \$000		Actual 2022 \$000
15,330	Current portion	16,002
44,554	Non-current portion	38,898
<b>Fair value consists of:</b>		
20,538	Secured	17,726
39,346	Unsecured	37,174
<b>59,884</b>	<b>Fair value as at 30 June</b>	<b>54,900</b>
<b>Nominal value</b>		
<b>204,449</b>	<b>Nominal value of legal aid debt</b>	<b>221,898</b>

### Critical accounting estimates and assumptions

The Ministry engaged PwC to estimate the impaired value of the legal aid receivables as at 30 June 2022. Key assumptions used by the actuary in the valuation are explained below:

Forecast cash flows are based on the payment rate experience of the portfolio. Payment rate experience is primarily based on the average payment ratio over past years. 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.

To date we have not experienced any material impact due to COVID-19, and the amount of uncertainty related to the impact of COVID-19 has decreased. There is, however, ongoing uncertainty about the economic effects that COVID-19 will have on the payment behaviour in the future. The actuary has considered the nature of the legal aid receivables and compared repayment behaviours before and after the COVID-19 lockdowns. There is no indication of a change to the payment ratios as a result of this. However, there is still a level of uncertainty with this assumption.

The discount rate used was 9.27 % (2021: 5.46 %). The discount rate is made up of the 2 components, a risk-free rate and a risk premium rate. The risk-free rate of 3.72 % (2021: 1.46 %) is based on the 5-year government yield at 30 June 2022. The risk premium rate of 5.55 % (2021: 4.0 %) 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.

On 22 June 2022 the Cabinet Social Wellbeing Committee approved the Improving Access to Legal Assistance for Low Income New Zealanders initiative that agreed to amend the Legal Services Regulations 2011 (the Regulations) to remove the interest rate on legal aid debts effective from 1 January 2023 [SWC-22-MIN-0115 refers]. The valuation assumes that the Regulations will be amended in time for this to be effective from 1 January 2023.

### Sensitivity analysis

If the repayment ratio were to improve by 10%, with all other factors held constant, the carrying value of legal aid receivable would increase by \$4.500 million. If the repayment ratio were to decrease by 10%, with all other factors held constant, the carrying value of the legal aid receivable would decrease by \$4.650 million.

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 \$1.540 million. If the discount rate was 1 % lower, with all other factors held constant, the carrying value of legal aid receivable would increase by \$1.650 million.

The fair value was calculated by Ben Coulter, Actuary, FNZSA, FIAA, of PricewaterhouseCoopers as at 30 June 2022.

## 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 2021 \$000		Actual 2022 \$000
328,207	Fines receivable	317,931
(194,207)	Less: Allowance for credit losses on fines receivable	(193,931)
<b>134,000</b>	<b>Carrying value of fines receivable</b>	<b>124,000</b>
10,451	Receivables from fines trust	10,632
24,258	Other receivables	18,396
(3,338)	Less: Allowance for credit losses on other receivables	(3,279)
<b>165,371</b>	<b>Total fines and other receivables</b>	<b>149,749</b>
78,066	Current portion	68,805
87,305	Non-current portion	80,944
<b>Total receivables comprise:</b>		
3,388	Receivables from exchange transactions	2,322
161,983	Receivables from non-exchange transactions	147,427
<b>165,371</b>	<b>Total fines and other receivables</b>	<b>149,749</b>

The allowance for credit losses was determined as follows:

Gross Actual 2021 \$000	Life time expected credit loss Actual 2021 \$000	Expected credit loss rate Actual 2021 %	Receivable days past due	Gross Actual 2022 \$000	Life time expected credit loss Actual 2022 \$000	Expected credit loss rate Actual 2022 %
37,784	(5,215)	13.8%	Current	33,473	(5,843)	17.5%
58,640	(34,680)	59.1%	Receivables < 6 months	51,120	(31,272)	61.2%
58,421	(34,680)	59.4%	Receivables > 6 months but < 1 year	51,136	(31,272)	61.2%
73,109	(43,245)	59.2%	Receivables > 1 year but < 2 year	70,243	(42,941)	61.1%
134,962	(79,725)	59.1%	Receivables > 2 years	140,987	(85,882)	60.9%
<b>362,916</b>	<b>(197,545)</b>		<b>Total</b>	<b>346,959</b>	<b>(197,210)</b>	

The movement in the allowance for credit losses is as follows:

Fines receivable Actual 2021 \$000	Other receivables Actual 2021 \$000		Fines receivable Actual 2022 \$000	Other receivables Actual 2022 \$000
<b>216,542</b>	<b>3,415</b>	<b>Balance at 1 July</b>	<b>194,207</b>	<b>3,338</b>
33,577	487	Additional provisions made during the year	41,746	370
(18,888)	-	Less: reversal of prior year provision	(20,042)	-
(37,024)	(564)	Less: receivables written off during the year	(21,980)	(429)
<b>194,207</b>	<b>3,338</b>	<b>Balance at 30 June</b>	<b>193,931</b>	<b>3,279</b>

### Critical accounting estimates and assumptions

The Ministry engaged PWC to estimate the impaired value of the fines receivables as at 30 June 2022. Key assumptions used by the actuary in the valuation are explained below:

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.

To date we have not experienced any material impact due to COVID-19, and the amount of uncertainty related to the impact of COVID-19 has decreased. There is, however, ongoing uncertainty about the economic effects that COVID-19 will have on the payment behaviour in the future. No explicit allowance has been made as part of the valuation due to COVID-19, and this is consistent with the approach adopted at 30 June 2021. The actuary has considered the nature of the fines and penalties receivables and compared repayment behaviours before and after the COVID-19 lockdown. Nothing was identified at this stage that indicated that a change to the payment assumption was required. However, there is still a level of uncertainty with this assumption.

The discount rate used was rounded to 7.5 % (2021: 4.5 %). 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 3.5 % (2021: 0.3 %) is based on the 30-month spot rate as issued by Treasury. The risk premium rate of 4.0 % (2021: 4.0 %) reflecting traded risky debt with similar characteristics to the fines debt.

### Sensitivity Analysis

If the repayment ratio were to improve by 10 %, with all other factors held constant, the carrying value of fines receivable would increase by \$9.000 million. If the repayment ratio were to decrease by 10 %, with all other factors held constant, the carrying value of fines receivable would decrease by \$9.500 million.

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 \$4.200 million. If the discount rate was 2 % lower, with all other factors held constant, the carrying value of fines receivable would increase by \$4.600 million.

The allowance for credit losses was calculated by Ben Coulter, Partner, FNZSA, FIAA, of PricewaterhouseCoopers as at 30 June 2022.

### 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 2021 \$000		Actual 2022 \$000
26,432	Legal aid accrual	26,712
38,379	Accrued expenses	35,628
2,425	Creditors	10,835
3,828	Taxes payable	3,474
711	Other payables	214
<b>71,775</b>	<b>Total creditors and other payables</b>	<b>76,863</b>
<b>Total creditors and other payables comprise:</b>		
67,947	Payables from exchange transactions	73,389
3,828	Payables from non-exchange transactions	3,474
<b>71,775</b>	<b>Total creditors and other payables</b>	<b>76,863</b>

## Critical accounting estimates and assumptions

The Ministry engaged PWC to assist the Ministry to calculate the legal aid accrual figure as at 30 June 2022. Key assumptions used by the actuary in the valuation are explained below:

- 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 2021 \$000		Actual 2022 \$000
<b>Current liabilities</b>		
31,003	Retiring and sabbatical leave	29,062
6,098	Annual leave	6,158
2,488	Salaries	3,011
<b>39,589</b>	<b>Total current liabilities</b>	<b>38,231</b>
<b>Non-current liabilities</b>		
38,999	Retiring and sabbatical leave	35,111
<b>38,999</b>	<b>Total non-current liabilities</b>	<b>35,111</b>
<b>78,588</b>	<b>Total provision for judges' entitlements</b>	<b>73,342</b>

## 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 2.96 % with 5.02 % salary inflation for year 1 of the projection (2021: 0.38 % with 2.88 % salary inflation).

## Sensitivity Analysis

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 \$2.590 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 \$2.572 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 2022.

## Note 7 Financial instruments

### Categories of financial instruments

The carrying amounts of financial assets and financial liabilities in each of the financial instrument categories are as follows:

Actual 2021 \$000		Notes	Actual 2022 \$000
<b>Financial assets measured at amortised cost</b>			
49,668	Cash and cash equivalents		37,628
11,816	Other receivables <sup>1</sup>		10,467
8,577	Assets held for Treaty of Waitangi settlements		3,876
<b>70,061</b>	<b>Total Financial assets measured at amortised cost</b>		<b>51,971</b>
<b>Financial assets measured at fair value through surplus or deficit</b>			
59,884	Legal Aid receivables	2	54,900
<b>59,884</b>	<b>Total Financial assets measured at fair value through surplus or deficit</b>		<b>54,900</b>
<b>Financial liabilities measured at amortised cost</b>			
576,005	Treaty settlements payables		552,947
67,947	Creditors and other payables (excluding taxes payable)	5	73,389
<b>643,952</b>	<b>Total Financial liabilities measured at amortised cost</b>		<b>626,336</b>

<sup>1</sup>Other 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. The Standard & Poor's credit ratings for cash and cash equivalents held at Westpac is AA-. Although cash and cash equivalents as at 30 June 2022 are subject to the expected credit loss requirements of PBE IFRS 9, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

### 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 2021 \$000	Expected cash flow 2021 \$000	Treaty payables	Carrying amount 2022 \$000	Expected cash flow 2022 \$000
83,956	84,036	Within 1 year	317,744	317,744
342,823	343,608	Between 1 year and 2 years	230,363	235,784
148,834	149,221	Greater than 2 years	4,461	4,461
<b>575,613</b>	<b>576,865</b>	<b>Total</b>	<b>552,568</b>	<b>557,989</b>

## Note 8 Explanations of major variances against budget

Explanations for major variances from the Ministry's non-departmental budget figures are as follows:

### Schedule of revenue and schedule of expenses

Court fines was \$13.100 million lower than budget and the supplementary estimate. Lower fines are reflective of lower court activities and lower fines transferred from other agencies reflecting changing priorities.

Judges'/Coroners' salaries and allowances was \$10.284 million lower than the supplementary estimate. The annual valuation of judges' entitlements resulted in a \$5.830 million reduction in the liability and resulting expenditure. The supplementary estimate 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 \$32.842 million lower than budget and \$22.265 million lower than the supplementary estimate. This variance includes:

- expenditure on legal aid was \$22.981 million lower than budget and \$10.981 million lower than supplementary estimate. Legal aid expenditure is driven by demand from legal aid applicants. COVID-19 protocols during the year limited court activities to priority proceedings only;
- impairment of Crown assets expenses \$6.217 million lower than budget and supplementary estimate. Impairment expense is based on an independent valuation as at 30 June. The expense is driven by a number of factors including repayment assumptions and discount rate movements during the financial year; and
- expenditure on community harm reduction was \$4.726 million lower than budget and \$2.626 million lower than supplementary estimate. COVID-19 related restrictions impacted the ability of providers to deliver planned services.

Crown Expenditure in Vote Courts was \$6.612 million lower than budget and \$5.352 million lower than the supplementary estimate. The operations of Courts and Tribunals was affected by COVID-19 related restrictions, with less activity occurring.

Crown expenditure in Vote Te Arawhiti was \$58.239 million higher than budget and \$138.601 million lower than the supplementary estimate. The variance to budget was due to higher than expected Treaty settlement expenses which by their nature, are hard to predict with accuracy in terms of timing and amount. The variance to the supplementary estimate to due lower than expected Treaty settlement expenses compare to the revised estimate and specific redress expense not incurred.

GST expense was \$18.180 million higher than budgeted and higher than the supplementary estimate. The budget and supplementary estimate is based on historical trends. The actual GST expense reflected the actual expenses incurred and the nature of these expenses.

### Schedule of assets and schedule of liabilities

Cash and cash equivalents was \$48.636 million lower than budgeted and \$16.129 million lower than the supplementary estimate. This primarily reflects the lower revenue and higher expenditure as noted above.

The total for Legal Aid receivables was \$8.289 million higher than budgeted. The actual figure for 2022 is based on an independent valuation as at 30 June. The movement in fair value is mainly driven by new debt incurred, repayment assumptions and discount rate movements.

The total for Fines and other receivables was \$12.656 million lower than budgeted and \$9.536 million lower than the supplementary estimate. The actual fines receivable figure for 2022 is based on an independent valuation as at 30 June and resulted in a lower valuation of \$14.143 million to budget. The change in fines receivables is mainly due to lower fine impositions during the year, repayment assumptions and discount rate movements.

Prepayments are not budgeted for by the Ministry. Prepayments of \$7.080 million reflect the services that will be delivered next financial year.

The total for Treaty settlement payables was \$96.722 million higher than the main estimate budget and \$91.832 million lower than the supplementary estimate. This is 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 were \$14.379 million higher than budgeted and \$5.487 million higher than the supplementary estimate. The increase is mainly due to timing of receipt of invoices and payments.

The total for judges' entitlements was \$19.800 million lower than budgeted and \$13.825 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 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 2022. 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 2022

Expenditure excluding Remeasurements 2021 \$000	Appropriation title	Expenditure including Remeasurements 2022 \$000	Remeasurements <sup>A</sup> 2022 \$000	Expenditure excluding Remeasurements 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
<b>Vote Justice</b>						
Departmental Output Expenses						
29,819	Administration of Legal Services	31,066	59	31,125	32,069	1
717	Crown Response to Wakatu Litigation and Related Proceedings (MYA Expense)	-	-	-	-	
37	Establishing the Criminal Cases Review Commission	-	-	-	-	
32,133	Justice and Emergency Agencies Property and Shared Services	33,413	-	33,413	39,084	1
-	Justice Policy Advice	31,524	42	31,566	34,048	1
39,674	Public Defence Service	40,425	55	40,480	42,257	1
4,203	Public Provision of Referendum-Related Information	-	-	-	-	
9,280	Reducing Family Violence and Sexual Violence	12,463	-	12,463	13,828	1
15,366	Sector Leadership and Support	11,466	18	11,484	12,814	1
<b>131,229</b>	<b>Total Departmental Output Expenses</b>	<b>160,357</b>	<b>174</b>	<b>160,531</b>	<b>174,100</b>	
Departmental Other Expenses						
-	Software as a Service intangible asset derecognition (write-off)	5,348	-	5,348	20,000	1
-	<b>Total Departmental Other Expenditures</b>	<b>5,348</b>	<b>-</b>	<b>5,348</b>	<b>20,000</b>	
Departmental Capital Expenses						
78,606	Ministry of Justice - Capital Expenditure PLA	86,751	-	86,751	101,488	1
<b>78,606</b>	<b>Total Departmental Capital Expenditure</b>	<b>86,751</b>	<b>-</b>	<b>86,751</b>	<b>101,488</b>	



# Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

## For the year ended 30 June 2022

Expenditure excluding Remeasurements 2021 \$000	Appropriation title	Expenditure including Remeasurements 2022 \$000	Remeasurements <sup>A</sup> 2022 \$000	Expenditure excluding Remeasurements 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
Non-Departmental Output Expenses						
16,545	Community Law Centres	-	-	-	-	
213	COVID-19: Mediating and Arbitrating Commercial Lease Disputes	-	-	-	-	
12,492	Crime Prevention and Community Safety Programmes	-	-	-	-	
130,282	Electoral Services	28,075	-	28,075	28,075	2
7,227	Family Dispute Resolution Services	-	-	-	-	
1,259	Inspector-General of Intelligence and Security	1,220	-	1,220	1,589	3
225,524	Legal Aid	211,582	-	211,582	222,563	4
3,540	Provision of Protective Fiduciary Services	3,077	-	3,077	3,617	5
3,605	Provision of Services from the Electoral Commission - Broadcasting PLA	-	-	-	-	
3,987	Services from the Criminal Cases Review Commission	3,987	-	3,987	3,987	6
13,310	Services from the Human Rights Commission	14,545	-	14,545	14,545	7
5,700	Services from the Independent Police Conduct Authority	6,497	-	6,497	6,497	8
4,293	Services from the Law Commission	3,993	-	3,993	3,993	9
7,276	Services from the Privacy Commissioner	7,392	-	7,392	7,392	10
9,519	Support and Assistance provided by Victim Support to Victims of Crime	-	-	-	-	
<b>444,772</b>	<b>Total Non-Departmental Output Expenses</b>	<b>280,368</b>	<b>-</b>	<b>280,368</b>	<b>292,258</b>	

## Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

## For the year ended 30 June 2022

Expenditure excluding Remeasurements 2021 \$000	Appropriation title	Expenditure including Remeasurements 2022 \$000	Remeasurements <sup>A</sup> 2022 \$000	Expenditure excluding Remeasurements 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
<b>Non-Departmental Other Expenses</b>						
-	Impairment of Crown Assets	7,295	(6,500)	795	13,512	3
702	Māori Crown Relations Ex-Gratia Payments	-	-	-	-	
504	Remuneration for the Inspector-General and the Deputy Inspector-General of Intelligence and Security PLA	554	-	554	644	3
9,246	Victims' Services	-	-	-	-	
<b>10,452</b>	<b>Total Non-Departmental Other Expenses</b>	<b>7,849</b>	<b>(6,500)</b>	<b>1,349</b>	<b>14,156</b>	
<b>Multi-Category Expenses and Capital Expenditure</b>						
-	<b>Community Justice Support and Assistance MCA</b>	<b>54,280</b>	-	<b>54,280</b>	<b>58,327</b>	4
Non-Departmental Output Expenses						
-	- <i>Community Harm Reduction</i>	21,471	-	21,471	24,097	
-	- <i>Community Legal Assistance</i>	16,455	-	16,455	16,455	
-	- <i>Community Resolution</i>	6,800	-	6,800	7,360	
Non-Departmental Other Expenses						
-	- <i>Victim Entitlements</i>	9,554	-	9,554	10,415	
<b>25,271</b>	<b>Justice Policy Advice and Related Services MCA</b>	-	-	-	-	
Departmental Output Expenses						
18,658	- <i>Justice Policy Advice</i>	-	-	-	-	
6,613	- <i>Legal and Ministerial Services</i>	-	-	-	-	3
<b>Māori Crown Relations - Te Arawhiti</b>						
<b>10,479</b>	<b>Māori Crown Relations MCA</b>	-	-	-	-	
Departmental Output Expenses						
6,098	- <i>Policy Advice - Māori Crown Relations</i>	-	-	-	-	
562	- <i>Services to Ministers</i>	-	-	-	-	

# Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

## For the year ended 30 June 2022

Expenditure excluding Remeasurements 2021 \$000		Expenditure including Remeasurements 2022 \$000		Expenditure excluding Remeasurements 2022 \$000		Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
	Appropriation title		Remeasurements <sup>A</sup> 2022 \$000				
3,373	- Strengthening Crown Capability	-	-	-	-	-	
	Non-Departmental Output Expenses						
446	- Supporting Significant Māori Events	-	-	-	-	-	
	Non-Departmental Other Expenses						
-	- Supporting Iwi COVID-19 Responses	-	-	-	-	-	
<b>35,750</b>	<b>Total Multi-Category Expenses and Capital Expenditure</b>	<b>54,280</b>	<b>-</b>	<b>54,280</b>	<b>58,327</b>		
<b>700,809</b>	<b>Total Vote Justice</b>	<b>594,953</b>	<b>(6,326)</b>	<b>588,627</b>	<b>660,329</b>		

<sup>A</sup> 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.

<sup>B</sup> This includes adjustments made in the supplementary estimates.

<sup>C</sup> 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. Criminal Case Review Commission annual Report
7. Human Rights Commission annual report.
8. Independent Police Conduct Authority annual report.
9. Law Commission annual report.
10. Privacy Commissioner annual report.
11. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.
12. 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 2022

Expenditure excluding Remeasurements 2021 \$000	Appropriation title	Expenditure including Remeasurements 2022 \$000	Remeasurements <sup>A</sup> 2022 \$000	Expenditure excluding Remeasurements 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
<b>Vote Courts</b>						
<b>Non-Departmental Other Expenses</b>						
-	Assistance to Victims of Crime	-	-	-	40	3
1,357	Community Magistrates Salaries and Allowances PLA	1,088	-	1,088	1,449	3
9,955	Coroners Salaries and Allowances PLA	10,236	61	10,297	10,888	3
122,779	Court and Coroner Related Costs	123,611	-	123,611	125,593	11
99,284	District Court Judges' Salaries and Allowances PLA	95,127	1,940	97,067	100,723	3
3,098	Employment Court Judges' Salaries and Allowances PLA	2,995	86	3,081	4,296	3
127	Impairment of Debt Established to Recognise Contributions towards Family Court Professional Services	-	-	-	-	
449	Justices of the Peace Association	450	-	450	450	3
5,012	Māori Land Court Judges' Salaries and Allowances PLA	6,244	214	6,458	7,456	3
43,938	Senior Courts Judges' Salaries and Allowances PLA	43,847	1,108	44,955	45,008	3
18,087	Tribunal Related Fees and Expenses	16,401	-	16,401	19,731	3
<b>304,086</b>	<b>Total Non-Departmental Other Expenses</b>	<b>299,999</b>	<b>3,409</b>	<b>303,408</b>	<b>315,634</b>	
<b>Multi-Category Expenses and Capital Expenditure</b>						
<b>553,745</b>	<b>Courts, Tribunals and Other Authorities Services, including the Collection and Enforcement of Fines and Civil Debts Services MCA</b>	<b>574,699</b>	<b>810</b>	<b>575,509</b>	<b>586,418</b>	<b>1</b>

# Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

## For the year ended 30 June 2022

Expenditure excluding Remeasurements 2021 \$000		Expenditure including Remeasurements 2022 \$000		Expenditure excluding Remeasurements 2022 \$000		Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
	Appropriation title		Remeasurements <sup>A</sup> 2022 \$000				
	Departmental Output Expenses						
56,893	- Collection and Enforcement of Fines and Civil Debts Services	51,346	136	51,482		53,970	
289,455	- District Court Services	314,862	390	315,252		320,359	
-	- New Zealand Support of International Jurisdictions	1,137	-	1,137		1,500	
98,626	- Senior Courts Services	91,238	110	91,348		95,967	
108,541	- Specialist Courts, Tribunals and Other Authorities Services	116,116	174	116,290		114,622	
<b>553,745</b>	<b>Total Multi-Category Expenses and Capital Expenditure</b>	<b>574,699</b>	<b>810</b>	<b>575,509</b>		<b>586,418</b>	
<b>857,831</b>	<b>Total Vote Courts</b>	<b>874,698</b>	<b>4,219</b>	<b>878,917</b>		<b>902,052</b>	

<sup>A</sup> 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.

<sup>B</sup> This includes adjustments made in the supplementary estimates.

<sup>C</sup> 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. Criminal Case Review Commission annual Report
7. Human Rights Commission annual report.
8. Independent Police Conduct Authority annual report.
9. Law Commission annual report.
10. Privacy Commissioner annual report.
11. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.
12. 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 2022

Expenditure excluding Remeasurements 2021 \$000	Appropriation title	Expenditure including Remeasurements 2022 \$000	Remeasurements <sup>A</sup> 2022 \$000	Expenditure excluding Remeasurements 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
<b>Vote Te Arawhiti<sup>P</sup></b>						
<b>Departmental Output Expenses</b>						
-	Crown Response to Wakatū Litigation and Related Proceedings (MYA Expense)	400	-	400	2,883	1
37,144	Treaty Negotiations and Marine and Coastal Area Customary Interests	36,494	67	36,561	39,580	1
<b>37,144</b>	<b>Total Departmental Output Expenses</b>	<b>36,894</b>	<b>67</b>	<b>36,961</b>	<b>42,463</b>	
<b>Non-Departmental Output Expenses</b>						
1,000	Operations of Ngāpuhi Investment Fund Limited	2,390	-	2,390	2,390	3
<b>1,000</b>	<b>Total Non-Departmental Output Expenses</b>	<b>2,390</b>	<b>-</b>	<b>2,390</b>	<b>2,390</b>	
<b>Non-Departmental Other Expenses</b>						
-	Ancillary redress: financial assistance for beneficiaries	-	-	-	500	3
5,138	Claimant Funding	6,114	-	6,114	7,602	12
15	Contribution to Parihaka community engagement with the Crown support package	-	-	-	-	
-	Crown Contribution to Facilitate the Transfer of Landcorp Assets to Ngāti Kahungunu ki Wairarapa Tāmaki nui-a-Rua	2,174	-	2,174	2,389	3
7,577	Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area	7,659	-	7,659	13,450	12
205,307	Historical Treaty of Waitangi Settlements (MYA Expense) <sup>F</sup>	214,480	-	214,480	350,000	3
-	Specific Redress Arrangements	-	-	-	35,000	3
-	Supporting Matariki Kaupapa	3,324	-	3,324	3,330	1
<b>218,037</b>	<b>Total Non-Departmental Other Expenses</b>	<b>233,751</b>	<b>-</b>	<b>233,751</b>	<b>412,271</b>	

# Statement of budgeted and actual expenses and capital expenditure incurred against appropriations (continued)

## For the year ended 30 June 2022

Expenditure excluding Remeasurements 2021 \$000		Expenditure including Remeasurements 2022 \$000		Expenditure excluding Remeasurements 2022 \$000		Approved Appropriation <sup>B</sup> 2022 \$000	Location of end-of-year performance information <sup>C</sup>
	Appropriation title		Remeasurements <sup>A</sup> 2022 \$000				
<b>Non-Departmental Capital Expenditure</b>							
150,000	Capital Investment in the Ngāpuhi Sovereign Fund Entity	-	-	-	-	-	
<b>150,000</b>	<b>Total Non-Departmental Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Multi-Category Expenses and Capital Expenditure</b>							
-	<b>Māori Crown Relations MCA</b>	<b>15,604</b>	-	<b>15,604</b>	<b>15,892</b>	<b>1</b>	
	Departmental Output Expenses						
-	- <i>Strengthening Crown Capability</i>	13,274	-	13,274	13,562		
	Non-Departmental Output Expenses						
-	- <i>Supporting Significant Māori Events</i>	1,115	-	1,115	1,115		
	Departmental Other Expenses						
-	- <i>Enabling Iwi Māori-led responses to COVID-19</i>	1,215	-	1,215	1,215		
-	<b>Total Multi-Category Expenses and Capital Expenditure</b>	<b>15,604</b>	<b>-</b>	<b>15,604</b>	<b>15,892</b>		
<b>406,181</b>	<b>Total Vote Te Arawhiti</b>	<b>288,639</b>	<b>67</b>	<b>288,706</b>	<b>473,016</b>		

<sup>A</sup> 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.

<sup>B</sup> This includes adjustments made in the supplementary estimates.

<sup>C</sup> 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. Electoral Commission annual report.
3. No reporting due to an exemption obtained under section 15D of the Public Finance Act.
4. Reported by the Minister of Justice in a report appended to the Ministry of Justice's annual report.
5. Public Trust annual report.
6. Criminal Case Review Commission annual Report
7. Human Rights Commission annual report.
8. Independent Police Conduct Authority annual report.
9. Law Commission annual report.

10. Privacy Commissioner annual report.

11. Reported by the Minister for Courts in a report appended to the Ministry of Justice's annual report.

12. Reported by the Minister for Treaty of Waitangi Negotiations in a report appended to the Ministry of Justice's annual report.

<sup>D</sup>Previously Vote Treaty Negotiations.

<sup>E</sup>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 2020/21 established the \$1,400 million for the period 30 June 2021 to 30 June 2025 and replaced the unexpended balances of the appropriation covering the period 30 June 2020 to 30 June 2021. Actual expenditure over the last five years was:

	2020/21 \$000	2020/21 \$000	2019/20 \$000	2018/19 \$000	2017/18 \$000	Total \$000
Historical Treaty of Waitangi Settlements	214,480	205,307	17,316	51,793	241,607	730,503

## Statement of expenses and capital expenditure incurred without, or in excess of, appropriation or other authority

### For the year ended 30 June 2022

#### Expenses and capital expenditure incurred in excess of appropriation

The Ministry did not incur any expenditure in excess of appropriations. (2020/2021 : nil).

#### 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. (2020/2021 : nil).

## Statement of departmental capital injections

### For the year ended 30 June 2022

Actual 2021 \$000	Appropriation title	Actual 2022 \$000	Approved Appropriation <sup>B</sup> 2022 \$000
Vote Justice			
11,287	Ministry of Justice - Capital Injection	5,215	5,215
<b>11,287</b>	<b>Total Capital Injections</b>	<b>5,215</b>	<b>5,215</b>

<sup>B</sup>This includes adjustments made in the supplementary estimates.

## Statement of departmental capital injections without, or in excess of, authority

### For the year ended 30 June 2022

The Ministry has not received any capital injections during the year without, or in excess of, authority. (2020/2021 : nil).



Additional performance information

## Statement of Intent indicators

### As at 30 June 2022

#### 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.

Primary strategic priority it contributes to	Key indicators	Desired trend	Result
Our purpose	New Zealand's ranking in the Transparency International Corruption Perceptions Index (see Note 1)	Maintain	2021: Global ranking 1=/180 (score: 88/100) 2020: Global ranking 1=/180 (score: 88/100) 2019: Global ranking 1=/180 (score: 87/100) 2018: Global ranking 2/180 (score: 87/100)
Our purpose	From the New Zealand Crime and Victims Survey: <ul style="list-style-type: none"> <li>Percentage of New Zealanders who are confident (completely or fairly) that the criminal justice system as a whole is effective</li> </ul>	Increase over time	2021: Not measured (see Note 2) 2020: Not measured (see Note 2) 2019: 53% (baseline)
This question is no longer asked in the New Zealand Crime and Victims Survey. However, the Ministry has received Budget funding in 22/23 to strengthen analysis and reporting, which includes looking into public perceptions of crime.			
Our purpose	From the New Zealand Crime and Victims Survey: <ul style="list-style-type: none"> <li>Proportion of adults who have experienced one or more victimisation incidents in the past year (victimisation prevalence)</li> </ul>	Decrease over time	2021: 29% 2020: 29% 2019: 30% 2018: 29%

Note 1 - <https://www.transparency.org/en/cpi/2021/index/nzl>

Note 2 - Survey question not asked in 2020 or 2021.

## 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.

Primary strategic priority it contributes to	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. * *The General Social Survey was not conducted in 2019/20, 2020/21 or 2021/22	Increase over time	NZ GSS 2018: 44.3% of Māori have a high level of trust in the Courts (see Note 1) NZ GSS 2016: 48.6% of Māori have a high level of trust in the Courts (see Note 1)
Due to COVID-19 the General Social Survey was delayed until 2021 and so no measure is available. However, although not directly comparable, results from the Public Sector Reputation Index 2021 suggest the institutional trust of Māori has not yet improved. When respondents to the 2022 Kantar survey were asked if the Ministry of Justice works positively with Māori, 27 percent agreed with this statement. This compares to 28 percent in 2021.			
Honouring our responsibilities to Māori	From the Crime and Victims Survey: <ul style="list-style-type: none"> <li>Proportion of Māori adults who have experienced one or more victimisation incidents in the past year (victimisation prevalence)</li> <li>Proportion of Māori adults who have experienced multiple victimisations</li> </ul>	Decrease over time  Decrease over time	2021: 34% 2020: 35% 2019: 38% 2018: 37%  2021: 16% 2020: 17% 2019: 19% 2018: 18%
Maintaining the integrity of the courts and tribunals	We resolve all serious harm cases* within 12 months *Serious harm cases are category 3 and 4 criminal cases where offenders can get more than 2 years imprisonment	Increase over time to 90%	2021/22: 77% 2020/21: 80% 2019/20: 83% 2018/19: 86%
COVID-19 restrictions, reflected in judicial protocols for how specific courts operate, suspended jury trials and subsequently affected the resolution of serious harm cases within 12 months.			
Maintaining the integrity of the courts and tribunals	Institutional Trust – trust in the courts as measured by the New Zealand General Social Survey* *The General Social Survey was not conducted in 2019/20, 2020/21 or 2021/22	Increase over time	NZ GSS 2018: 64.1% of New Zealanders have a high level of trust in the Courts (see Note 1) NZ GSS 2016: 63.4% of New Zealanders have a high level of trust in the Courts (see Note 1)
Due to COVID-19 the General Social Survey was delayed, and this measure is not currently available. However, although not directly comparable, results from the Public Sector Reputation Index 2022 suggests institutional trust has declined. When respondents to the 2022 Kantar survey were asked if the Ministry of Justice was trustworthy, 40 percent agreed with this statement. This is below the 45 percent who agreed in the 2019 survey pre-pandemic and lower than the 48 percent who agreed in 2021. Criticisms of the Ministry of Justice tend to centre on two themes: tougher sentencing, and bias against key minority groups. In the 2021 Court Users Survey, also conducted by Kantar on behalf of the Ministry of Justice, 80% of respondents were satisfied by the facilities and services they received on the day they visited court.			
Addressing family violence and sexual violence	From the New Zealand Crime and Victims Survey: <ul style="list-style-type: none"> <li>Proportion of adult victims of offences by family members</li> <li>Proportion of Māori adult victims of offences by family members</li> </ul>	Decrease over time  Decrease over time	2021: 2.2% (see notes on page 156) 2020: 2.2% (see notes on page 156) 2019: 2.0% (see notes on page 156)  2021: 5.2% (see notes on page 156) 2020: 5.2% (see notes on page 156) 2019: 5.0% (see notes on page 156)

Note 1 - [stats.govt.nz/information-releases/wellbeing-statistics-2018](https://stats.govt.nz/information-releases/wellbeing-statistics-2018)

Primary strategic priority it contributes to	Key indicators	Desired trend	Result
Make the Ministry a great place to be	Employee engagement score*	Maintain or improve	2021/22: Not measured
	*An engagement survey was not undertaken in 2018/19 or 2021/22.		2020/21: 68% 2019/20: 59% 2017/18: 59%

In 2021 Te Kawa Mataaho ran its first Public Service Census. This provided Te Tāhū o te Ture – Ministry of Justice with valuable insights into our diversity demographics and how our people feel about inclusion, Māori-Crown relations capability, opportunities for skills and development and flexible work options. Given the insights gained through the Public Service Census, and the focus needed on keeping courts operating during challenging times, the decision was made not to run any additional surveys in 2021.

Make the Ministry a great place to be	The Ministry’s Gender pay gap	Maintain or improve	2021/22: 10.6% 2020/21: 12.9% 2019/20: 12.0% 2018/19: 12.9%
---------------------------------------	-------------------------------	---------------------	--

This decrease was supported by conducting the following over the last year:

- a review of our salary data using Regression Analysis to check for any gender or ethnicity bias across our salary bands,
- an Equal Pay review of employee data to ensure any other areas of bias could be corrected,
- a review of our HR and remuneration policies, and
- continued support and guidance for our managers when using our starting salary guidance.

Make the Ministry a great place to be	Unplanned turnover rate	Maintain or improve	2021/22: 20.8% 2020/21: 15.8% 2019/20: 12.9% 2018/19: 17.4%
---------------------------------------	-------------------------	---------------------	--

New career opportunity and career change were the two most common reasons of termination in the last financial year. The Public Service Commission has shared that other similar-sized agencies are experiencing similar difficulties in retaining and recruiting staff. Much of this relates to current market conditions.

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.

# Asset Performance Measures

## Digital Office portfolio

Treasury Performance Indicator	Performance Measure	2020/21 Actual	2021/22 standard	2021/22 Actual	Variance Commentary
Asset Class: Software Application Services (see Note 1)					
Utilisation	Availability over total business days	99.92%	Baseline of 99.92% established*	99.7%	<p>The availability total for 2021-22 was 99.92%, which was an improvement on 2020-21 at 99.7%.</p> <p>*This year the Ministry made improvements to its Treasury reporting, including the establishment of baseline availability scores. This was particularly around court services, including For the Record and meeting/ court room technologies.</p> <p>This baseline will be used by the operational team to measure performance across 2022-23.</p>
Condition	The number of Priority 1 incidents experienced across the core 14 applications	25	Less than 55	59	<p>The 2021-22 list of core applications was amended to include Mahi as suggested by the Investment Committee.</p> <p>Of the 25 recorded Priority 1 application incidents across 2021-22, 10 were related to For the Record, 7 were related to Contact Centre Services, 5 were related to Jet, 2 were related to websites and 1 was Exchange related.</p> <p>The main reason for the drop between 2020-21 and 2021-22 was the reduction in For the Record related Priority 1 incidents.</p>
Functionality	Software applications with a functionality rating of 'green'	53%	30%	47%	<p>Of the 15 software application services included in the Treasury ICR Reporting, 8 or 53% have a 'green' rating, 6 have a 'amber' rating and 1 has a 'red' rating.</p> <p>This is an improvement on 2021-22 due to Mahi adding a 'green' status application, the Judicial Decisions Interface system improving from 'amber' to 'green' and, the National Transcription Services improving from 'red' to 'amber'.</p>

Note 1 - The 15 business applications included in these measures are Email – Exchange, Financial Management Information System, Mahi (people, pay and leave system), Collect – Debt Management System, Contact Centre Service, For the Record – Court Recording, Ministry of Justice Intranet – JET, The Ministry of Justice website, National Transcription Service (includes Transcript Service Manager, Transcription File Manager and Automated Workflow Distributor systems), Case Management System, Hub2 (the Ministry's Integration Platform), iBench (Electronic Operating Model), Judicial Decision Interface and Māori Land Information System.

Treasury Performance Indicator	Performance Measure	2020/21 Actual	2021/22 standard	2021/22 Actual	Variance Commentary
Asset Class: ICT Infrastructure Services (see Note 2)					
Utilisation	Availability over total business days	99.78%	Baseline of 99.78% established*	99.9%	<p>The availability total for 2021/22 ended at 99.78%.</p> <p>*Small improvements were made to the Ministry's Treasury reporting, including the establishment of baseline availability scores where these could be measured. Particularly around court services, including For the Record and meeting/court room technologies.</p> <p>This baseline will be used by the operational team to measure performance across 2022/23.</p>
Condition	The number of Priority 1 incidents experienced across the core 10 infrastructure services	51	Less than 40	28	<p>51 of Priority 1 incidents were experienced across the core 11 infrastructure services.</p> <p>Of the total Priority 1 incidents, 34 related to court/meeting room technologies including AVL services, 8 related to network switches, 3 related to home agent infrastructure, 2 related to regional servers and 1 related to end user devices, Desktop OS, mobile devices and UPS.</p> <p>67% of infrastructure P1s related to court/meeting room technologies. These included capacity related issues experienced by individuals at certain peak times, along with technical issues.</p> <p>Considering the significant volume increase in hearings and participants utilising these services, court/meeting room technologies have been relatively robust but not without challenges relating to aging assets.</p>
Functionality	Infrastructure with a functionality rating of 'green'	30%	45%	27%	<p>In 2021/22 45% of infrastructure had a functionality rating of 'green'.</p> <p>Of the 10 infrastructure items included in the Treasury ICR Reporting, 3 had a 'green' rating, 6 had a 'amber' rating and 1 had a 'red' rating.</p> <p>While the target was not achieved, both the end user device and Microsoft OS ratings improved from a 'red' rating in 2020/21 to 'green' in 2021/22.</p> <p>The home agent environment dropped from a 'green' rating to a 'amber' rating due to the Ministry's vendor deprecating their service offering.</p> <p>As part of network and connectivity transformation project work, home agents will move away from the current platform being used.</p>

Note 2 - The 10 infrastructure items included in these measures are End User Device (the physical end user device – desktop or laptop), Microsoft Desktop Operating System, Mobile Devices – iPhones, Standard Operating Environment, Court and Meeting Room Technology, Regional Servers, Uninterrupted Power Supply, Network Switches, Home Agent infrastructure and the National Transcription Service Archive Server.

# Property measures

## Property portfolio

Treasury Performance Indicator	Performance Measure	2020/21 Actual	2021/22 standard	2021/22 Actual	Variance Commentary
Availability	Courthouses available and suitable for use (see Note 3)	99.2%	99.5%	99.9%	
Condition	The average Asset Condition Rating of the assets on a site compared to their baseline Asset Condition Rating	1.87%	Less than 2%	1.97%	
Functionality	Maintenance of Critical Assets – available at all times (see Note 4)	89%	95%	98%	
Utilisation	Offices using > 89% of footprint (see Note 5)	101%	89% across all offices	97%	

Note 3 - Excluded from this dataset were closures due to natural events beyond control; i.e. flooding, failure of service providers i.e. power outage.

Note 4 - 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 5 - 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 2022

Performance measure <sup>1</sup>	Actual 2020/21	Standard 2021/22	Actual 2021/22
Number of ministerial correspondence replies drafted	1,006	N/A	1,121
Percentage of draft replies to ministerial correspondence submitted to Ministers within required timeframes	95%	100%	91%
Number of Official Information Act 1982 requests responded to	809	N/A	831
Percentage of replies to Official Information Act 1982 requests completed within statutory timeframes	94%	100%	94%
Number of replies drafted in response to written parliamentary questions	760	N/A	1,940
Percentage of draft replies to written parliamentary questions submitted to Ministers within required timeframes	99%	100%	99%
Number of Privacy Act (2020) requests responded to	280	N/A	189
Percentage of replies to Privacy Act (2020) requests completed within statutory timeframes	94%	100%	94%
Number of formal replies drafted in response to external complaints	552	N/A	698
Percentage of replies drafted in response to external complaints within required timeframes	97%	100%	95%

<sup>1</sup>These measures are excluded from the Audit Opinion.



# Report on our Approved Information Sharing Agreement with Statistics New Zealand

The purpose of this Approved Information Sharing Agreement (AISA) is to support research using the Integrated Data Infrastructure (IDI) at Statistics New Zealand. The AISA provides the legal framework for sharing specific court information to support research within the IDI, helping inform solutions to solve social issues affecting New Zealanders. The Senior Courts Act 2016 requires the use of the AISA mechanism to approve the sharing arrangement.

## Scope of the information shared

This AISA came into force on the 27th of April 2017. In the period from commencement until 30th June 2022 the Ministry shared information about 7,958,446 criminal charges. This represents all the criminal charges finalised in New Zealand from January 1992 to December 2021 and includes information about 1,282,796 personal identities and organisations.

## Benefits of the information sharing

The information sharing continues to deliver significant benefits. Access to the court charges information has been requested by 112 research projects since the AISA came into force. Seventy-seven are currently active, which are listed below:

- MAA2012-10 Tertiary education sector performance analysis
- MAA2012-15 IDI Migration Research Programme
- 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 Safe and Effective Justice
- MAA2015-49 Families and Whanau Wellbeing Research Programme
- MAA2016-05 Health pathways and outcomes
- MAA2016-15 Supporting the Social Wellbeing Agency
- MAA2016-15-1 Supporting the Social Investment Unit 2
- MAA2016-23 Vulnerable Children Investment Approach Microdata Project
- MAA2016-45 Porirua City Housing Needs Analysis
- MAA2016-46 Housing First
- 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
- MAA2017-72 Tamaki Regeneration
- 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
- MAA2018-38 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
- MAA2018-73 Chronic opioid use following joint replacement surgery
- 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.
- MAA2019-05 Student pathways and outcomes
- MAA2019-101 High use of health and social services: Intergenerational transmission and implications for population mortality
- MAA2019-14 Impact of head injury on economic outcomes
- MAA2019-25 Causes and consequences of criminal activities in New Zealand.
- MAA2019-34 Predicting suicide and self-harm risk in linked administrative data
- MAA2019-41 The primary care management and impact of osteoarthritis: learning from big data
- MAA2019-58 The impacts of sinking lid policies on gambling behaviour in New Zealand
- MAA2019-59 Transport and wellbeing
- 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 Measuring the long-term impact of health shocks on socio-economic well-being
- MAA2020-09 Well-being and social welfare: a study of Social Housing tenants in New Zealand.
- MAA2020-11 Predicting diabetes complications risks and costs using machine learning with equity analysis
- MAA2020-17 Health outcomes after release from prison for Māori
- MAA2020-37 Data for Communities
- MAA2020-51 Determinants and Consequences of Crime Victimization in New Zealand
- MAA2020-57 Māori Economic and Social Wellbeing Response to COVID-19
- MAA2020-61 Data for Iwi
- MAA2020-66 The New Zealand Justice System: An Intersectional Perspective
- MAA2020-67 Integrated Community Models improving well-being outcomes for charity recipients
- MAA2020-81 Be kind: domestic violence and mental health during a strict COVID-19 lockdown

- MAA2021-15 Building a strong, sustainable and diverse education workforce to ensure that all tamariki/children and ākongā/ students are engaged, thrive and able to succeed.
- MAA2021-17 Examining the Extent of Mental Health Conditions Among People Interacting with the Justice System
- MAA2021-22 Physical Activity and Well-Being
- MAA2021-27 A Micro-Data Approach to Establishing an Evidence Base and Understanding Causal Drives of Hate Crimes in Aotearoa New Zealand
- MAA2021-30 Public Sector System Performance for Māori
- MAA2021-33 A Latent Class Trajectory Analysis of Family Violence Perpetration in New Zealand
- MAA2021-39 Kapiti Coast District Housing Needs Assessment
- MAA2021-55 Wellbeing trends and patterns across Aotearoa
- MAA2021-58 Analysis of COVID-19 vaccination uptake to inform a successful vaccination programme
- MAA2021-60 Improving public services for New Zealanders who are not currently using services and may need more help
- MAA2021-63 Māori wellbeing in Tāmaki Makaurau
- MAA2021-64 Te Pūkenga learner and whānau success
- MAA2021-67 The Healthy Iwi Project (Ngāti Whātua Ōrākei)
- MAA2022-02 Health and social harms from alcohol: what does NZ's data tell us?
- MAA2022-12 Royal Commission of Inquiry into Abuse in Care: Care to Custody and Care to Suicide
- MAA2022-27 Supporting People Living with Disadvantage – Analysing the effects of disadvantage on the wellbeing on individuals and whānau

## 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 15 of September 2017. In the period from commencement to 30 June 2022 the Ministry shared information on 2,083,965 criminal charges and 1,184,410 criminal cases (1,167,862 criminal cases, 16,548 appeals) 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. 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.

## **Appendix:**

What has been achieved  
with non-departmental  
appropriations

## Minister of Justice's reports on non-departmental appropriations – B.14 (Vote: Justice)

### **For the year ended 30 June 2022**

The following pages of this document meet the requirement, set out in the supporting information to the 2021/22 Estimates or 2021/22 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 2022 (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%.

# MINISTRY OF JUSTICE

## Vote Justice

### Community Justice Support and Assistance (multi-category appropriation)

#### Overarching Purpose of Appropriation

The single overarching purpose of this appropriation is to support community-based justice services.

#### Scope of Appropriation

The Community Harm Reduction category is limited to services to prevent or reduce crime and services that reduce harm and victimisation as a result of crime.

The Community Legal Assistance category is limited to community-based legal advice, assistance, and representation services.

The Community Resolution category is limited to mediation, restorative practices and resolution services.

The Victim Entitlements category is limited to entitlements, including counselling and financial assistance, for victims of crime.

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

This appropriation is intended to provide effective community-based justice services.

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

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
the number of community-based justice services supported (see Note 1)	New measure	At least 9	9	

Note 1 – The contracted justice service types are Community Law Centres, Family Dispute Resolution, Harmful Digital Communications, Matariki Court, Parenting Through Separation, Restorative Justice, Victim Assistance Scheme, Victim Support and Whānau Protect

#### Community Harm Reduction

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Percentage of victims who report overall satisfaction in restorative justice services, as measured through the victim satisfaction survey	New measure	75%	Not measured	Not measured (see Note 1)
Percentage of harmful digital communication complaints resolved	New measure	60%	92%	Resolved complaints include those referred or transferred to another agency, and those withdrawn by the complainant (almost half of all complaints).
Total number of victims supported	New measure	22,000-28,000	43,407	Demand to support victims has continued to increase. The Ministry will continue to ensure that victims are supported and that their justice needs are met.
Percentage of victims of serious crime who reported a positive difference in one or more pre-determined impact (see Note 2)	New measure	90%	92%	

Note 1 – This is measured bi-annually.

Note 2 - Felt listened to, felt supported, felt more informed about help available, better able to cope with what happened, felt less stressed, felt better able to make decisions.

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Percentage of victims rating the support provided by Victim Support as being either 'helpful' or 'very helpful'	New measure	90%	92%	

### Community Harm Reduction (see Note 3)

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
-	21,471	26,197	24,097	28,772

Note 3 - This is a new appropriation for 2021/22.

### Community Legal Assistance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of individual Community Law Centre clients assisted with legal advice, assistance and representation	New measure	30,000-35,000	35,374	This result reflects the quality free legal advice Community Law Centres consistently provide to vulnerable and low-income New Zealanders.
Percentage of casework clients who report that the service helped them understand their options	New measure	95%	99%	
Percentage of Community Law Centre law-related education sessions delivered to local Māori, rūpū, hapū and iwi and community groups or providers who aim to support and develop Māori	New measure	45%	58%	Community Law Centres continue to focus on improving outcomes for Māori by establishing and maintaining positive and collaborative relationships with local iwi for the delivery of Law Related Education sessions.
Percentage of participants in law-related education sessions who found the session improved their understanding of the topic covered	New measure	90%	98%	Community Law Centres consistently report positive client satisfaction with law-related education sessions.

### Community Legal Assistance (see Note 1)

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
-	16,455	16,455	16,455	16,597

Note 1 - This is a new appropriation for 2021/22.



## Community Resolution

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of participants completing parenting through separation	5,107	4,800-5,200	3,893	COVID-19 restrictions meant that providers were unable to deliver programmes face to face. The decrease is also reflective of the reduction in new Care of Children Act applications comparative to last year.
Percentage of Family Dispute Resolution mediations completed with all or some matters resolved	New measure	80%	76%	
Hours to manage and advise individuals under the Protection of Personal Property Rights Act	New measure	11,000	9,043	COVID-19 restrictions meant that the Public Trust was restricted in carrying out its work. Although Public Trust was considered an essential service, it was unable to go into rest homes which is one of its larger client bases.
Hours to manage and advise on small estates and trusts	New measure	1,000	1,130	COVID-19 restrictions increased the time taken to manage and advise on small estates and trusts due to difficulties in obtaining all necessary correspondence back from estate beneficiaries.

## Community Legal Assistance (see Note 1)

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
-	6,800	7,360	7,360	8,135

Note 1 – This is a new appropriation for 2021/22.

## Victim Entitlements

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of victims who received grants	New measure	2,500-3,500	3,211	The year on year decrease is due to the disruptions caused by COVID-19 restrictions and the reduction in personnel traveling to attend court hearings.
Number of Whānau Protect clients who received a home safety upgrade	New measure	724	1,030	All clients who entered the service received a safety alarm and safety planning services, and 606 clients received a full home safety upgrade. As the provider is bulk funded for this service, exceeding the target has no implications.
Percentage of Whānau Protect clients reporting no further family violence at home at the point of service conclusion	New measure	85%	83%	

## Victim Entitlements (see Note 1)

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
-	9,554	10,367	10,415	10,753

Note 1 – This is a new appropriation for 2021/22.

## Vote Justice

### Legal Aid

#### Scope of Appropriation

This appropriation is limited to the payments of legal aid to approved providers.

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

This appropriation is intended to achieve responsive and accessible services by ensuring that people who need legal services and cannot pay for them are able to access legal advice and representation.

#### 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 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of legal aid cases granted (excluding the Public Defence Service)	65,360	61,000-67,000	60,112	Legal aid grants are a demand driven measure. The number of applications received has decreased due to the Delta Alert Level 4 period and subsequent Omicron settings in place. The decrease in applications has largely been in criminal cases, consistent with lower inflows into the criminal jurisdiction. The decrease in grants is proportional to the decrease in applications/demand for legal aid.

### Legal Aid

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
225,524	211,582	234,563	222,563	281,846

## Minister for Courts' reports on non-departmental appropriations – B.14 (Vote: Courts)

### **For the year ended 30 June 2022**

The following pages of this document meet the requirement, set out in the supporting information to the 2021/22 Estimates or 2021/22 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 2022 (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 meeting the costs of professional services directed by or provided to courts (including coroners), including costs required to be met by the Crown under legislation, remuneration of Lay Members and Visiting Justices, and payments ordered from the Maori Land Court Special Aid Fund.

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

This appropriation is intended to achieve 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 several 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 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of Oranga Tamariki Act professional services appointed in the Family Court (see Note 1)	3,536	>4,800	2,644	There has been a reduction in the number of appointments of Lawyer for Child due to the direction of the Principal Family Court Judge that appointments will continue between reviews. There has also been a reduction in the number of applications being made under the Oranga Tamariki Act. There was a reduction of 10% in new business for the Oranga Tamariki Act in 2021/22.
Number of external professional services appointed in the Family Court (see Note 2)	14,371	>13,000	12,392	There has been a reduction of eight percent in new business for the Family Court. This affects the number of professional services appointed and directions made by the court for services. The impacts of COVID-19 Alert Level settings, associated lockdowns and the Omicron response have also played a role.
Percentage of people who started a non-violence programme who completed the programme	76%	65%	75%	Feedback from providers has indicated that despite COVID-19 Alert Level settings, remote delivery options supported greater initial and continued engagement with the programme, enabling more clients to complete the programme.
Percentage of people who completed a safety programme and met the objectives of the programme	New measure	70%	72%	

Note 1 - The services provided are demand driven and dependent on the type of cases before the court. The services are judicially ordered.

Note 2 - The services 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.

**Court and Coroner Related Costs**

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
122,779	123,611	126,353	125,593	146,897

## Minister for Māori Crown Relations: Te Arawhiti reports on non-departmental appropriations – B.14 (Vote: Te Arawhiti)

### **For the year ended 30 June 2022**

The following pages of this document meet the requirement, set out in the supporting information to the 2020/21 Estimates or 2021/22 Supplementary Estimates, for information on certain non-departmental appropriations to be reported by the Minister for Māori Crown Relations: Te Arawhiti.

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 2022 (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 Te Arawhiti

## Non-Departmental Other Expenses – B.14

### Claimant Funding

#### Scope of appropriation

This appropriation is limited to payment of claimant funding related to the settlement of historical Treaty of Waitangi claims.

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

This appropriation is intended to achieve an effective process for providing financial assistance for claimant groups, to achieve durable historical Treaty of Waitangi settlements.

#### 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 2020/21	Standard 2020/22	Actual 2020/22	Variance explanation
Percentage of payments made to groups within 10 working days of approval of claim	100%	95%	95%	

#### Claimant Funding

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
5,138	6,114	8,102	7,602	7,602

## Vote Te Arawhiti

### Non-Departmental Other Expenses – B.14

#### Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area

##### 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.

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

This appropriation is intended to achieve supporting an efficient process for providing financial assistance for the investigation of applicant groups' customary rights in the Marine and Coastal Area

##### 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 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Percentage of funding payments made to groups within 10 days of approval of claim	100%	95%	95%	

#### Financial Assistance Toward Determining Customary Interests in the Marine and Coastal Area (see Note 1 and 2)

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
7,577	7,659	13,450	13,450	8,095



## Vote Te Arawhiti

### Non-Departmental Other Expenses – B.14

#### Supporting Matariki Kaupapa

##### Scope of Appropriation

This appropriation is limited to providing funding for resources and events that acknowledge and support understanding of Matariki.

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

The appropriation is intended to enable iwi Māori to develop and lead regionally diverse recognition of Matariki.

##### Assessing Performance

Performance measure	Actual 2020/21	Standard 2021/22	Actual 2021/22	Variance explanation
Number of iwi Māori groups supported to develop and lead regionally diverse events and resources that recognise Te Kāhui o Matariki	New measure	20	60	This was a one-off appropriation and fund to support the rejuvenation of mātauranga Matariki and celebrate the inaugural public holiday on 24 June 2022. The fund was demand driven, and we received 212 applications for support from the fund. As the fund was oversubscribed and, given the importance of the initiative, additional funding was reprioritised from other areas to support the additional iwi Māori groups in the delivery of local and regional events.

##### Capital Investment in the Ngapuhi Sovereign Fund Entity

Actual 2021 \$000	Actual 2022 \$000	Unaudited Budget 2022 \$000	Unaudited supplementary estimate 2022 \$000	Unaudited Forecast 2023 \$000
-	3,324	-	3,330	1,420

