

Ngā Tauākī Whakapaunga, Whakapaunga Rawa Hoki – Statements of Expenses and Capital Expenditure

Statement of budgeted and actual expenses and capital expenditure incurred against appropriations

The following statements report information about the expenses and capital expenditure incurred against each appropriation administered by the Department for the year ended 30 June 2021. They are prepared on a GST exclusive basis.

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Statement of cost accounting policies

Criteria for direct and indirect costs

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified with a specific output in an economically feasible manner.

Cost Allocation Policy

Direct costs are allocated directly to significant activities. Indirect costs are allocated to outputs based on cost drivers and related activity/usage information.

There were no changes in cost allocation policies since the last audited financial statements.

Method of assigning costs to outputs

Costs of outputs are derived using a 2-step cost allocation system:

Direct costs are charged to cost centres based on asset utilisation (depreciation), recorded time spent (personnel costs) and usage (operating costs). Similarly, indirect costs charged to cost centres are driven by capital charge, perceived benefit, personnel numbers, floor space, network connections and estimated allocation of time. For the year ended 30 June 2021, direct costs accounted for 78% of the Department's costs and indirect costs of 22% (2019/20: 75% and 25%).

Cost centre expenditure is subsequently apportioned to outputs based on the focus and nature of activities supported by the cost centre. To ensure accuracy, cost centre contributions to Appropriation Outputs are reviewed annually.

Statement of Departmental and non-Departmental expenditure and capital appropriations

for the year ended 30 June 2021

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
	Vote Internal Affairs					
	Departmental Output Expenses					
1,786	Contestable Services RDA	2,348	1	2,349	2,000	1
-	Local Government Policy and Related Services	36,775	7	36,782	39,832	1
23,007	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operating Expenses MYA	40,301	3	40,304	40,333	1
4,226	Administration of Grants	-	-	-	-	
3,502	Local Government Services	-	-	-	-	
32,521	Total Departmental Output Expenses	79,424	11	79,435	82,165	
	Departmental Capital Expenditure					
92,864	Department of Internal Affairs - Capital Expenditure PLA	80,386	-	80,386	85,500	1
92,864	Total Departmental Capital Expenditure	80,386	11	80,386	85,500	
	Non-Departmental Output Expenses					
3,399	Classification of Films, Videos and Publications	3,315	-	3,315	3,315	2
10,000	Fire and Emergency New Zealand – Public Good Services	10,000	-	10,000	10,000	1
116	Development of On-Line Authentication Services	-	-	-	-	
1,997	Public Lending Right for New Zealand Authors	-	-	-	-	
15,512	Total Non-Departmental Output Expenses	13,315	-	13,315	13,315	
	Benefits or Related Expenses					
50,653	Rates Rebate Scheme	55,123	-	55,123	53,500	2
50,653	Total Benefits or Related Expenses	55,123	-	55,123	53,500	
	Non-Departmental Other Expenses					
3,027	Chatham Islands Wharves – Operational Costs	3,539	-	3,539	4,139	2
-	COVID-19 Foreign National Support	24,973	-	24,973	36,058	1
4,218	Ethnic Communities Grants	4,464	-	4,464	4,590	2
10,436	Executive Council and Members of the Executive - Salaries and Allowances PLA	9,367	-	9,367	11,360	2

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
508	Former Governors-General - Annuities and Other Payments PLA	(553)	1,050	497	596	2
211	Former Prime Ministers - Annuities PLA	(507)	720	213	228	2
178	Former Prime Ministers - Domestic Travel PLA	(618)	761	143	270	2
-	Grants for Water Infrastructure and Delivery	266,847	-	266,847	314,574	1
3,567	Miscellaneous Grants - Internal Affairs	10,275	-	10,275	14,490	1
959	Racing Safety Development Fund	1,018	-	1,018	990	2
41,000	Support to the Racing Industry - Grants and Subsidies	7,099	-	7,099	9,000	1
1,500	Tūwharetoa Māori Trust Board PLA	1,500	-	1,500	1,500	2
1,243	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	1,250	-	1,250	2,107	1
203	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	1,167	-	1,167	522	1
121	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	816	-	816	8,669	1
3,206	Chatham Islands Council	-	-	-	-	
607	Crown-owned Assets at Lake Taupō - Maintenance Costs	-	-	-	-	
178	Depreciation on Official Residences	-	-	-	-	
3,500	New Zealand Racing Industry Reform	-	-	-	-	
685	Official Residences - Maintenance Costs	-	-	-	-	
1,651	Public Inquiries	-	-	-	-	
10,812	Services Supporting the Executive - Travel	-	-	-	-	
500	Supporting Local Authorities' Post-Earthquake Statutory Activities	-	-	-	-	
403	Transfer of Crown Assets at Taupō Landing Recreation Reserve	-	-	-	-	
88,713	Total Non-Departmental Other Expenses	330,637	2,531	333,168	409,093	
	Non-Departmental Capital Expenditure					
-	Capital Injection to Taumata Arowai	3,400	-	3,400	3,400	2
-	Capital Investments - Chatham Islands Wharves	175	-	175	300	1
-	Fire and Emergency New Zealand - Rebuild and Upgrade of Fire Stations MYA	19,292	-	19,292	26,571	1

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
-	Fire Service Reform - Capital Injection MYA	19,089	-	19,089	19,090	1
600	Capital Injection to the Office of Film and Literature Classification	-	-	-	-	
86	Capital Investments - Lake Taupō	-	-	-	-	
202	Capital Investments - Official Residences	-	-	-	-	
1,527	Heritage Collections - Annual	-	-	-	-	
2,415	Total Non-Departmental Capital Expenditure	41,956	-	41,956	49,361	
Multi-Category Expenses and Capital Expenditure Appropriations (MCA)						
Civic Information Services MCA						
Departmental Output Expenses						
143,294	Managing and Accessing Identity Information	134,620	59	134,679	153,786	1
751	Publishing Civic Information	760	1	761	870	1
98,984	Managing and Accessing Knowledge Information	-	-	-	-	
Non-Departmental Output Expenses						
-	Development of On-line Authentication Services	116	-	116	116	2
243,029	Total Civic Information Services MCA	135,496	60	135,556	154,772	
Community Funding Schemes MCA						
Departmental Output Expenses						
-	Administration of Grants	5,675	3	5,678	6,019	1
Non-Departmental Other Expenses						
3,202	Community Development Scheme	5,783	-	5,783	8,102	1
92	Community Internship Programme	176	-	176	370	2
12,428	Community Organisation Grants Scheme	12,500	-	12,500	12,500	1
200	Disarmament Education Grants	200	-	200	200	2
5,202	Safer Communities Fund	4,277	-	4,277	4,864	1
1,850	Social Enterprise Development	617	-	617	617	2
1,001	Support for Volunteering	1,001	-	1,001	1,002	2
184	Youth Workers Training Scheme	197	-	197	214	2
24,159	Total Community Development and Funding Schemes MCA	30,426	3	30,429	33,888	
Community Information and Advisory Services MCA						
Departmental Output Expenses						
6,454	Advisory and Information Services to Ethnic Communities	6,303	3	6,306	7,225	1

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
3,602	Community Development and Engagement Advice	3,332	2	3,334	3,616	1
170	Community Archives Support	-	-	-	-	
10,226	Total Community Information and Advisory Services MCA	9,635	5	9,640	10,841	
Government Digital Services MCA						
Departmental Output Expenses						
982	Government Chief Privacy Officer	1,677	2	1,679	1,414	1
19,417	Government Digital Strategy, System Investment and Leadership	17,154	7	17,161	23,535	1
23,070	System Capabilities, Services and Platforms	27,572	8	27,580	30,549	1
43,469	Total Government Digital Services MCA	46,403	17	46,420	55,498	
Local Government Administration MCA						
Departmental Output Expenses						
-	Local Government Services	3,419	2	3,421	3,861	1
Non-Departmental Output Expenses						
-	Taumata Arowai	7,830	-	7,830	7,830	1
Non-Departmental Other Expenses						
-	Chatham Islands Council	3,776	-	3,776	3,776	2
-	Crown-owned Assets at Lake Taupō – Maintenance Costs	602	-	602	924	2
Non-Departmental Capital Expenditure						
-	Capital Investments - Lake Taupō	21	-	21	172	2
-	Total Local Government Administration MCA	15,648	2	15,650	16,563	
National Archival and Library Services MCA						
Departmental Output Expenses						
-	Knowledge and Information Services	127,533	47	127,580	151,641	1
Non-Departmental Output Expenses						
-	Public Lending Right for New Zealand Authors	2,414	-	2,414	2,400	2
Non-Departmental Capital Expenditure						
-	Heritage Collections – Annual	2,315	-	2,315	2,406	2
-	Total National Archival and Library Services MCA	132,262	47	132,309	156,447	

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance* *
Policy and Related Services MCA						
Departmental Output Expenses						
-	Crown Entity Monitoring	422	-	422	511	1
-	Policy and Related Services - Community and Voluntary Sector	1,805	1	1,806	2,143	1
-	Policy and Related Services - Ethnic Communities	2,247	1	2,248	2,329	1
-	Policy and Related Services - Government Digital Services	2,308	2	2,310	2,434	1
-	Policy and Related Services - Internal Affairs	7,631	6	7,637	8,129	1
-	Policy and Related Services - Ministerial Services	438	1	439	426	1
-	Policy and Related Services - Racing	2,186	1	2,187	3,230	1
-	Total Policy and Related Services MCA	17,037	12	17,049	19,202	
Regulatory Services MCA						
Departmental Output Expenses						
6,678	Charities Regulation	6,441	5	6,446	6,724	1
46,438	Regulatory Services	44,368	24	44,392	48,005	1
53,116	Total Regulatory Services MCA	50,809	29	50,838	54,729	
Services Supporting the Executive MCA						
Departmental Output Expenses						
5,931	Coordination of Official Visits and Events	4,488	1	4,489	5,400	1
29,637	Support Services to Members of the Executive	30,880	17	30,897	32,887	1
9,015	VIP Transport Services	8,747	3	8,750	9,000	1
Non-Departmental Other Expenses						
-	Depreciation on Official Residences	161	-	161	297	2
-	Official Residences - Maintenance Costs	690	-	690	707	2
-	Services Supporting the Executive - Travel	8,687	-	8,687	12,397	2
Non-Departmental Capital Expenditure						
-	Capital Investments - Official Residences	123	-	123	267	2
44,583	Total Services Supporting the Executive MCA	53,776	21	53,797	60,955	

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
Support for Statutory and Other Bodies MCA						
Departmental Output Expenses						
12,432	Commissions of Inquiry and Similar Bodies	3,821	2	3,823	3,859	1
157	Statutory and Advisory Body Support – Archives New Zealand	171	-	171	171	1
58	Statutory and Advisory Body Support - National Library	60	-	60	59	1
1,004	Statutory Body Support - Gambling Commission	605	-	605	1,158	1
1,106	Statutory Body Support - Local Government Commission	1,094	-	1,094	1,413	1
352	Support for Grant Funding Bodies - Community and Voluntary Sector	326	-	326	362	1
11,317	Support for Grant Funding Bodies - Internal Affairs	11,007	7	11,014	12,174	1
Non-Departmental Other Expenses						
-	Public Inquiries	522	-	522	628	2
26,426	Total Support for Statutory and Other Bodies MCA	17,606	9	17,615	19,824	
Ministerial Support Services MCA						
Departmental Output Expenses						
344	Crown Entity Monitoring	-	-	-	-	
388	Ministerial Support Services - Community and Voluntary Sector	-	-	-	-	
231	Ministerial Support Services - Ethnic Communities	-	-	-	-	
209	Ministerial Support Services – Government Digital Services	-	-	-	-	
756	Ministerial Support Services - Internal Affairs	-	-	-	-	
852	Ministerial Support Services - Local Government	-	-	-	-	
389	Ministerial Support Services - Ministerial Services	-	-	-	-	
303	Ministerial Support Services - Racing	-	-	-	-	
3,472	Total Ministerial Support Services MCA	-	-	-	-	

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance* information*
Policy Advice MCA						
Departmental Output Expenses						
727	Policy Advice - Community and Voluntary Sector	-	-	-	-	
970	Policy Advice - Ethnic Communities	-	-	-	-	
609	Policy Advice – Government Digital Services	-	-	-	-	
6,765	Policy Advice - Internal Affairs	-	-	-	-	
16,518	Policy Advice - Local Government	-	-	-	-	
1,533	Policy Advice - Racing	-	-	-	-	
27,122	Total Policy Advice MCA	-	-	-	-	
457,602	Total Multi-Category Expenses and Capital Expenditure appropriations	509,098	205	509,303	582,719	
Summary of Departmental Appropriations						
32,521	Departmental Output Expenses	79,424	11	79,435	82,165	
451,443	Multi-Category Expenses and Capital Expenditure Appropriations (MCA)	457,090	205	457,295	522,930	
483,964	Total Appropriations for Departmental Expenses	536,514	216	536,730	605,095	
92,864	Total Appropriations for Departmental Capital Expenses	80,386	-	80,386	85,500	
576,828	Total Departmental Annual and Permanent Appropriations and Multi-Year Appropriation	616,900	216	617,116	690,595	

Actual 2020 \$000		Expenditure before remeasurement 2021 \$000	Remeasurement 2021 \$000	Expenditure after remeasurement 2021 \$000	Appropriation voted* 2021 \$000	Location of end of year performance information* *
Summary of Non-Departmental Appropriations						
15,512	Non-Departmental Output Expenses	13,315	-	13,315	13,315	
50,653	Benefits or Related Expenses	55,123	-	55,123	53,500	
88,713	Non-Departmental Other Expenses	330,637	2,531	333,168	409,093	
24,159	Multi-Category Expenses and Capital Expenditure Appropriations (MCA)	49,549	-	49,549	59,789	
179,037	Total Appropriations for Non-Departmental Expenses	448,624	2,531	451,155	535,697	
2,415	Total Appropriations for Non-Departmental Capital Expenses	44,415	-	44,415	49,361	
181,452	Total Non-Departmental Annual and Permanent Appropriations and Multi-Year Appropriation	493,039	2,531	495,570	585,058	
758,280	Total Annual and Permanent Appropriations and Multi-Year Appropriation	1,109,939	2,747	1,112,686	1,275,653	

* These are the appropriations from the Supplementary Estimates, adjusted for any transfers under section 26A of the PFA.

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Department, as detailed below:

1. The Department's annual report.
2. No reporting due to an exemption obtained under section 15D of the PFA.

Statement of Departmental and non-Departmental expenditure and capital appropriations (cont.)

for the year ended 30 June 2021
Multi-Year Appropriations

Actual 2020 \$000		Actual 2021 \$000	Location of end of year performance information**
	Appropriation for Departmental Output Expenses:		
	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Operating Expenses (3 January 2019 to 30 June 2023)		
56,066	Original Appropriation	56,066	1
(8,790)	Cumulative Adjustments	92,000	
47,276	Total adjusted approved appropriation	148,066	
7,768	Cumulative actual expenditure at 1 July	30,775	
23,007	Current year actual expenditure	40,304	
30,775	Cumulative actual expenditure at 30 June	71,079	
16,501	Appropriation remaining at 30 June	76,987	
	Appropriation for Non-Departmental Other Expenses:		
	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions – Commissioners' Fee (3 January 2019 to 30 June 2023)		
6,123	Original Appropriation	6,123	1
-	Cumulative adjustments	2,248	
6,123	Total adjusted approved appropriation	8,371	
583	Cumulative actual expenditure at 1 July	1,826	
1,243	Current year actual expenditure	1,250	
1,826	Cumulative actual expenditure at 30 June	3,076	
4,297	Appropriation remaining at 30 June	5,295	
	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs (3 January 2019 to 30 June 2023)		
15,335	Original Appropriation	15,335	1
-	Cumulative adjustments	(1,862)	
15,335	Total adjusted approved appropriation	13,473	
-	Cumulative actual expenditure at 1 July	203	
203	Current year actual expenditure	1,167	
203	Cumulative actual expenditure at 30 June	1,370	
15,132	Appropriation remaining at 30 June	12,103	
	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions -Legal Assistance Costs (14 October 2019 to 30 June 2023)		
8,790	Original Appropriation	8,790	1
-	Cumulative adjustments	6,656	
8,790	Total adjusted approved appropriation	15,446	
-	Cumulative actual expenditure at 1 July	121	
121	Current year actual expenditure	816	
121	Cumulative actual expenditure at 30 June	937	
8,669	Appropriation remaining at 30 June	14,509	

Actual 2020 \$000		Actual 2021 \$000	Location of end of year performance information**
Appropriation for Non-Departmental Capital Expenditure			
Fire Service Reform – Capital Injection (1 July 2020 – 30 June 2023)			
	- Original Appropriation	51,300	1
	- Cumulative adjustments	-	
	- Total adjusted approved appropriation	51,300	
	- Cumulative actual expenditure at 1 July	-	
	- Current year actual expenditure	19,292	
	- Cumulative actual expenditure at 30 June	19,292	
	- Appropriation remaining at 30 June	32,008	
Fire and Emergency New Zealand - Rebuild and Upgrade of Fire Stations (20 September 2016 – 30 June 2021)			
111,940	Original Appropriation	111,940	1
	- Cumulative adjustments	-	
111,940	Total adjusted approved appropriation	111,940	
92,850	Cumulative actual expenditure at 1 July	92,850	
	- Current year actual expenditure	19,089	
92,850	Cumulative actual expenditure at 30 June	111,939	
19,090	Appropriation remaining at 30 June	1	

** The numbers in this column represent where the end-of-year performance information has been reported for each appropriation administered by the Department, as detailed below:

1. The Department's annual report.
2. No reporting due to an exemption obtained under section 15D of the PFA.

Reconciliation between total appropriations for Departmental expenses and the Departmental statement of comprehensive revenue and expense

for the year ended 30 June 2021

Actual 2020 \$000		Actual 2021 \$000
484,169	Total expenses in Departmental statement of comprehensive revenue and expense	536,514
(205)	Remeasurements	216
483,964	Total appropriations for Departmental expenses	536,730

Reconciliation between total appropriations for non-Departmental expenses and the schedule of non-Departmental expenditure

for the year ended 30 June 2021

Actual 2020 \$000		Actual 2021 \$000
182,168	Total expenses in schedule of non-Departmental expenditure	448,624
(3,131)	Remeasurements	2,531
179,037	Total appropriations for non-Departmental expenses	451,155

Statement of Departmental expenditure and capital expenditure incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2021

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions:

Two instances of expenditure exceeding appropriation occurred during 2020/21, in December 2020 and February 2021.

The Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions required additional funding in 2020/21 to continue its work, pending government policy and funding decisions which were to be made later in 2020/21. The Commission identified risks of over-expenditure and sought additional funding, however in both cases the expenditure exceeding appropriation occurred before Joint Ministers approved the funding.

The unappropriated expenditure was within the scope of the appropriation.

The final value of the unappropriated expenditure for this appropriation was,

- December \$0.638 million,
- February \$0.331 million.

There was no unappropriated expenditure for the year ended 30 June 2020.

Statement of non-Departmental expenditure and capital expenditure incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2021

Rates Rebate Scheme:

Actual expenditure for the Rates Rebate Scheme (the Scheme) exceeded the budget as a result of the inherent difficulty in forecasting demand for the Scheme due to a number of external factors beyond the control of the Department. The Department has no ability to stop approving claims for rebates if the appropriation limit has been reached, as the right to receiving a rebate, provided that all qualifying criteria are met, is set in legislation (within the Rates Rebate Act 1973).

This expenditure was within the scope of the appropriation.

The final value of the unappropriated expenditure for this appropriation was \$1.623 million.

Racing Safety Development Fund:

Expenditure exceeding appropriation occurred due to an administrative error which resulted in a grant relating to 2019/20 being recognised in 2020/21. If an accrual had been recognised in 2019/20, then both the 2019/20 and 2020/21 appropriations would have fallen within their respective limits.

This expenditure was within the scope of the appropriation.

The final value of the unappropriated expenditure for this appropriation was \$0.028 million.

There was no unappropriated expenditure for the year ended 30 June 2020.

Statement of Departmental capital injections

for the year ended 30 June 2021

Actual 2020 \$000		Actual 2021 \$000	Approved appropriation
	Vote Internal Affairs		
16,008	Department of Internal Affairs – Capital Injection	36,429	44,693

Statement of capital injections incurred without, or in excess of, appropriation or other authority

for the year ended 30 June 2021

The Department has not received any capital injections without, or in excess of, authority for the year ended 30 June 2021. (2019/20: nil)