

Vote Defence Force

APPROPRIATION MINISTER(S): Minister of Defence (M22), Minister for Veterans (M75)

APPROPRIATION ADMINISTRATOR: New Zealand Defence Force

RESPONSIBLE MINISTER FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

Overview of the Vote

The appropriations within Vote Defence Force total \$3,971 million for the 2020/21 financial year with the Minister of Defence responsible for \$3,898 million and the Minister for Veterans' Affairs responsible for \$73 million. Vote Defence Force includes \$2,518 million for Departmental Output Expenses and \$582 million for Multi-Category Appropriations (MCA) for the delivery of outputs. The Vote also includes \$808 million for capital expenditure, and \$718 million for capital injections, for the purchase and regeneration of capabilities and platforms that enhance and maintain the delivery of outputs. An additional \$63 million has been included for Non-Departmental Expenditure that supports veterans and their families.

The Minister of Defence is responsible for Defence Force appropriations in Vote Defence Force, totalling \$3,898 million for the 2020/21 financial year.

This includes \$3,090 million for Departmental Output Expenses covering the following:

- a total of \$2,518 million on Air (\$1,006 million), Army (\$979 million) and Navy (\$533 million) capabilities prepared for joint operations to provide the Government with a range of military forces to protect and advance the security and interests of New Zealand. These are held at appropriate levels of capability and preparedness to protect New Zealand's territorial sovereignty and to contribute to regional and global security efforts. Most of these forces will also contribute to a range of services to other government departments and the New Zealand community when not committed to operations overseas, and
- a total of \$572 million on Multi-Category Appropriations (MCA) for Advice to the Government, Operations Contributing to New Zealand's Security, Stability and Interests, and the Protection of New Zealand and New Zealanders.

Of the total output expenses, \$57 million is expected to be funded from third-party revenue (Revenue Department and Revenue Other) in 2020/21. The remainder is funded by Revenue Crown.

There is a capital expenditure appropriation of \$808 million for the purchase of assets.

The Minister of Defence is also responsible for a capital injection of \$718 million to the New Zealand Defence Force.

The Minister for Veterans is responsible for Veterans' Affairs appropriations in Vote Defence Force totalling \$73 million for the 2020/21 financial year.

This includes \$10 million for a Multi-Category Appropriation (MCA) for Policy Advice and Other Services for Veterans, and \$63 million of Non-Departmental Expenditure for the provision of benefits, entitlements and services that support veterans and their families.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	934,869	926,216	1,005,959
Army Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	931,095	923,380	979,154
Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.	468,185	464,167	533,367
Total Departmental Output Expenses	2,334,149	2,313,763	2,518,480
Departmental Other Expenses			
Loss on Sale of Physical Assets (M22) This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.	7,260	-	-
Total Departmental Other Expenses	7,260	-	-
Departmental Capital Expenditure			
New Zealand Defence Force - Capital Expenditure PLA (M22) This appropriation is limited to the purchase or development of assets by and for the use of the New Zealand Defence Force, as authorised by section 24(1) of the Public Finance Act 1989.	855,069	855,069	808,071
Total Departmental Capital Expenditure	855,069	855,069	808,071
Non-Departmental Output Expenses			
Development and Maintenance of Services Cemeteries (M75) This appropriation is limited to the development and maintenance of Services Cemeteries.	746	746	746
Total Non-Departmental Output Expenses	746	746	746
Benefits or Related Expenses			
Assessments, Treatment & Rehabilitation (M75) This appropriation is limited to the payment of the costs of assessments, treatment (including associated aids and appliances), and social and vocational rehabilitation provided for under the Veterans' Support Act 2014 and associated regulations.	12,052	11,377	-
Special Annuities (M75) This appropriation is limited to paying annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society.	78	77	-
Veterans' Independence Programme (M75) This appropriation is limited to provision of services and support to assist eligible veterans and their families.	13,928	13,378	-

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Veterans Support Entitlement (M75) This appropriation is limited to the payment of entitlements (in respect of the impairment or death of veterans determined to be related to qualifying operational service occurring at any time or qualifying routine service occurring prior to 1 April 1974) to veterans and their spouses, partners, children and dependants under the Veterans' Support Act 2014 and associated regulations and to the provision for grandparented loans of the differential between 3% or 5% Rehabilitation Loan rate and the current market rate as set out in the Rehabilitation Act 1941 for interest concessions on land and buildings.	68,383	67,208	-
Total Benefits or Related Expenses	94,441	92,040	-
Non-Departmental Other Expenses			
Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans (M75) This appropriation is limited to the ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions and for the annual comprehensive medical assessments for Vietnam veterans.	1,100	1,100	1,100
Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75) This appropriation is limited to providing for the fair value write down on the Veteran Trust loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.	203	203	203
Grant Payments to Non-Government Organisations (M75) This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	275	275	275
Impairment of Debt for Benefits or Related Expenses (M75) This appropriation is limited to the impairment and write-down of Crown Debt associated with previous payments of Benefits or Related Expenses administered by the New Zealand Defence Force.	250	250	250
Service Cost - Veterans' Entitlements (M75) This appropriation is limited to the present value of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.	20,000	12,800	20,000
Unwind of Discount Rate - Veterans' Entitlements (M75) This appropriation is limited to the unwinding of the discount rate (interest expense) of the liability for the Veterans' entitlements provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.	50,000	50,000	40,000
Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75) This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.	200	200	200
Initial Recognition of Liability for Veterans' Entitlements (M75) This appropriation is limited to the initial recognition in accordance with the new accounting standard Public Benefit Entity - International Public Sector Accounting Standard (PBE IPSAS) 39 Employee Benefits of the liability at 1 July 2018 (and subsequently at 1 July 2019) for Veterans' entitlements resulting from qualifying service or qualifying operational service in the current year or prior years provided for under Parts 3, 4 and 5 of the Veterans' Support Act and for annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as part of their qualifying service or qualifying operational service.	3,500,000	3,500,000	-
Total Non-Departmental Other Expenses	3,572,028	3,564,828	62,028

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Multi-Category Expenses and Capital Expenditure			
Advice to the Government MCA (M22)	17,326	17,314	17,258
The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.			
Departmental Output Expenses			
<i>Policy Advice</i>	3,914	3,910	3,914
This category is limited to the provision of advice (including second opinion advice and policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to defence and the NZDF.			
<i>Situational Awareness</i>	11,385	11,380	11,315
This category is limited to the provision of effective military intelligence services to the Government in support of decision-making for the defence and security of New Zealand.			
<i>Supporting Ministers</i>	2,027	2,024	2,029
This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.			
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22)	43,219	43,219	30,797
The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.			
Departmental Output Expenses			
<i>Military Operations in Support of a Rules-Based International Order</i>	42,560	42,560	30,288
This category is limited to the costs of generating operational military capabilities and the employment of the New Zealand Armed Forces for the conduct of operations, as directed by the Government.			
<i>Military Operations that Contribute to Regional Security</i>	659	659	509
This category is limited to the costs of providing specialised support to all-of-government efforts to maintain security and stability in New Zealand's immediate neighbourhood including responses to events that impact on the safety and wellbeing of regional populations, as directed by the Government.			
Policy Advice And Other Services For Veterans MCA (M75)	10,272	10,248	10,295
The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities, and the provision of services and payments to veterans.			
Departmental Output Expenses			
<i>Administration Services</i>	2,962	2,938	2,960
This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities, the coordination of commemorations, the provision of administration services to relevant boards and committees and the administration of contracts for service for maintenance and development work carried out in Service Cemeteries.			
<i>Policy Advice</i>	230	230	230
This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to Veterans' Affairs.			
<i>Services and Payments to Veterans</i>	7,080	7,080	7,105
This category is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions, and allowances and Surviving Spouse Pensions), the assessment and review of entitlement for burial in Service Cemeteries, the installation of ex-service memorials for eligible veterans, and the provision of case management for veterans and their families.			

Titles and Scopes of Appropriations by Appropriation Type	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Protection of New Zealand and New Zealanders MCA (M22)	517,568	510,560	523,494
The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.			
Departmental Output Expenses			
<i>Assistance to the Civil Power and Provision of a Public Service in Emergency Situations</i>	89,313	88,944	89,214
This category is limited to the costs of specialist military capabilities and Defence Force resources provided to the civil power in an emergency and for urgent work of national importance.			
<i>Defence International Engagement</i>	104,111	102,245	104,499
This category is limited to the provision of services and utility of the Defence Force to support foreign policy objectives that strengthen security and avert conflict.			
<i>Defence Support to the Community</i>	59,623	56,972	60,158
This category is limited to the costs of providing Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.			
<i>Military Assistance to Civil Authorities in Non-Emergency Situations</i>	40,236	40,163	39,939
This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.			
<i>Resource and Border Protection Operations</i>	224,285	222,236	229,684
This category is limited to the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.			
Total Multi-Category Expenses and Capital Expenditure	588,385	581,341	581,844
Total Annual Appropriations and Forecast Permanent Appropriations	7,452,078	7,407,787	3,971,169

Capital Injection Authorisations

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
New Zealand Defence Force - Capital Injection (M22)	975,358	822,768	717,714

Supporting Information

Part 1 - Vote as a Whole

1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Delivering on the Strategic Defence Policy Statement 2018	Air Force Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	48,166	55,243	56,268	56,249
	Army Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	48,962	60,262	67,937	72,168
	Navy Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	44,338	49,875	52,233	54,612
	Total	-	141,466	165,380	176,438	183,029
Security Capability Programme	Air Force Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	720	1,120	1,120	1,120
	Army Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	720	1,120	1,120	1,120
	Navy Capabilities Prepared for Joint Operations and Other Tasks Departmental Output Expense	-	360	560	560	560
	Total	-	1,180	2,800	2,800	2,800
Total Initiatives		-	143,266	168,180	179,238	185,829

1.2 - Trends in the Vote

Summary of Financial Activity

	2015/16	2016/17	2017/18	2018/19	2019/20		2020/21			2021/22	2022/23	2023/24
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	1,935,372	1,982,210	2,065,838	2,173,246	2,334,895	2,314,509	2,518,480	746	2,519,226	2,555,846	2,552,605	2,629,994
Benefits or Related Expenses	118,445	115,048	114,489	113,906	94,441	92,040	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	329	16,496	1,116	2,214	3,579,288	3,564,828	-	62,028	62,028	62,028	67,028	72,028
Capital Expenditure	336,550	411,885	468,965	722,045	855,069	855,069	808,071	-	808,071	1,452,660	572,688	376,213
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	495,854	509,079	514,661	554,518	588,385	581,341	581,844	-	581,844	584,811	581,494	596,228
<i>Other Expenses</i>	-	-	-	-	-	-	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	2,886,550	3,034,718	3,165,069	3,565,929	7,452,078	7,407,787	3,908,395	62,774	3,971,169	4,655,345	3,773,815	3,674,463
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

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

1.3 - Analysis of Significant Trends

Departmental Output Expenses

The increases in annual Departmental Output expenses between 2015/16 and 2023/24 are due to new funding as a result of the Defence Mid-Point Rebalancing Review, Defence White Paper 2016, the Strategic Defence Policy Statement 2018, and the Defence Capability Plan Review 2019 recommendations. The recommendations introduce into service new capabilities to enhance and maintain the outputs delivered by the New Zealand Defence Force.

Other major changes are due to new funding and expense transfers between years to enable the successful completion of components of the Defence Estate Regeneration and Consolidated Logistics Programmes, new funding for the increase in capital charge as a result of the acquisition of the Boeing P-8A Poseidon Aircraft for future air surveillance, and technical budget adjustments for movements in capital charge as a result of a decrease in the capital charge rate partially offset by increases as a result of the revaluation of assets.

Multi-Category Expenses and Capital Expenditure

The underlying baseline has been constant since 2016/17 with movements in the MCAs a result of the provision of Humanitarian Assistance and Disaster Recovery support and operation deployments to United Nations and Multi-National operations that contribute to New Zealand's Security, Stability and Interests.

Other Expenses

The 2016/17 other expense appropriations are higher than the general trend due to the impairment and write off of assets following the Kaikoura/ Hurunui Earthquakes in November 2016. The 2018/19 other expense appropriations are higher than the general trend due to a forecast loss on sale on New Zealand Defence Force property as a result of a Treaty settlement.

In 2019/20 a change in the accounting treatment of Veterans' Entitlements required the New Zealand Defence Force to recognise the total future liability of these entitlements. This has resulted in a \$3,500 million Non-Departmental Other Expenses appropriation in the 2019/20 year for the initial recognition of this liability. The change in accounting treatment of Veterans' Entitlements also required the creation of two new other expenses appropriations in 2019/20 following the discontinuation of the benefit or related expenses appropriations.

Capital Expenditure

The capital expenditure appropriation between 2015/16 and 2023/24 reflects the agreed level of investment in the New Zealand Defence Force as a result of Defence Mid-Point Rebalancing Review, Defence White Paper 2016, the Strategic Defence Policy Statement 2018, and the Defence Capability Plan Review 2019 recommendations. This includes introducing new capabilities into service to enhance and maintain the delivery of outputs. The increases in expenditure in 2018/19, 2019/20, 2020/21 and 2021/22 are primarily a result of forecast expenditure for the replacement and refresh of aging Air and Maritime platforms.

Benefits or Related Expenses

The major movements in annual Benefits or Related Expenses appropriations between 2015/16 and 2018/19 are primarily due to an increase in demand for Veteran services and payments and the increasing cost of services. During the 2019/20 year these appropriations were discontinued following a change in the accounting treatment of Veterans' Entitlements.

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22)

Scope of Appropriation

This appropriation is limited to the generation of Air Force capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	934,869	926,216	1,005,959
Revenue from the Crown	926,045	926,045	996,536
Revenue from Others	8,824	8,824	9,423

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the following:

- a surveillance and response capability prepared for counter sea operations in support of maritime warfare operations
- a surveillance and response capability prepared for intelligence, surveillance and reconnaissance operations in support of maritime security operations
- a naval air combat capability for embarkation in surface ships for maritime warfare and security operations
- a surveillance and response capability prepared to support special operations forces in the land and maritime environments
- a strategic air mobility capability prepared to deploy, sustain and recover deployed forces
- a theatre air mobility capability prepared for personnel movement and cargo operations within a designated area of operations, and
- a tactical air mobility capability prepared to support land operations, special operations forces, aeromedical evacuation and joint personnel recovery.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide naval operations capabilities prepared for maritime warfare and security operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide air surveillance and response capabilities prepared for counter sea and surveillance operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide fixed wing theatre air mobility capabilities prepared for intra-theatre air transport and air manoeuvre operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide tactical air mobility capabilities prepared for tactical air transport and air manoeuvre operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide strategic air mobility capabilities prepared for inter-theatre air transport operations.	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Delivering on the Strategic Defence Policy Statement 2018	2020/21	-	48,166	55,243	56,268	56,249
Security Capability Programme	2020/21	-	720	1,120	1,120	1,120
Generation of Air Force Capabilities to deliver Defence Policy	2019/20	6,730	6,599	6,499	6,499	6,499
Generation of People Capability to support delivery of Defence Policy	2019/20	1,740	1,740	1,740	1,740	1,740
Generation of Military Enablers to support delivery of Defence Policy	2019/20	1,398	1,317	1,317	1,317	1,317
Generation of Defence Estate to support delivery of Defence Policy	2019/20	2,447	2,447	2,447	2,447	2,447
Defence Force Future Air Surveillance Approval to Purchase the Boeing P-8A	2018/19	27,223	49,863	60,880	50,373	120,461
Defence White Paper 2016 - Operating Funding	2018/19	29,204	29,204	29,204	29,204	29,204

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Previous Government						
Defence White Paper 2016	2017/18	34,165	33,376	33,376	33,376	33,376
Underwater Intelligence, Surveillance and Reconnaissance equipment	2016/17	400	400	400	400	400
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	29,987	29,987	29,987	29,987	29,987

Reasons for Change in Appropriation

This appropriation increased by \$71.090 million to \$1,006 million for 2020/21. This increase between 2019/20 and 2020/21 relates to:

- increased funding of \$48.166 million to support delivery of the Strategic Defence Policy Statement 2018 by providing for military outputs at levels required to meet Government policy and capability priorities
- increased funding of \$22.640 million for the increase in capital charge as a result of the acquisition of the Boeing P-8A Poseidon Aircraft for future air surveillance
- increased funding of \$1.162 million for capital charge as a result of the revaluation of assets
- increased funding of \$729,000 transferred from other appropriations as the NZDF has adjusted how its funding is allocated to reflect the activities completed by the NZDF to deliver outputs
- increased funding of \$720,000 for the delivery of improvements to the NZDF's security capability
- increased funding of \$457,000 from rental income received from other tenants for increased expenditure in relation to the new Defence Headquarters building, and
- increased funding of \$300,000 for the provision of an alternate commercial runway at Base Ohakea for emergency purposes.

This is partially offset by:

- decreased funding of \$1.280 million approved in Tranche 2 of the Wellington Accommodation Project for increased leased costs incurred in 2019/20 in relation to the new Defence Headquarters building
- decreased funding of \$789,000 as a result of the Defence White Paper 2016 funding decisions for the introduction into service new capabilities to enhance and maintain the delivery of outputs
- decreased funding of \$645,000 for the completion of property maintenance transferred forward from prior years
- decreased funding of \$158,000 received from Service personnel for the provision of service housing and barracks
- decreased funding of \$131,000 for sustaining the generation of Air Force capabilities and achieve the levels of readiness, in line with the Strategic Defence Policy Statement 2018, as directed by Government, and
- decreased funding of \$81,000 for sustaining a diverse range of Defence wide capabilities that are critical to enabling readiness for military operations and other tasks, in line with the Strategic Defence Policy Statement 2018, as directed by Government.

Army Capabilities Prepared for Joint Operations and Other Tasks (M22)

Scope of Appropriation

This appropriation is limited to the generation of Army capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	931,095	923,380	979,154
Revenue from the Crown	915,902	915,902	963,606
Revenue from Others	15,193	15,193	15,548

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the following:

- Special Operations Forces prepared for theatre-level special operations to prevent terrorism and asymmetric threats reaching New Zealand's sovereign territory and those territories for which New Zealand has a strategic interest
- a designated high-readiness land combat capability prepared to respond to regional crises
- a combined arms land combat capability prepared to conduct stabilisation operations and support a host nation to protect the population, assist with the restoration of law and order and attend to the immediate humanitarian needs of the people, and
- a combined arms land combat capability prepared for global employment in complex warfighting in urban and open terrain either independently or within a coalition to conduct counter-insurgency operations and deter an aggressor from engaging in hostile activities against another state.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for special operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for combined arms operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for regional stabilisation operations.	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Delivering on the Strategic Defence Policy Statement 2018	2020/21	-	48,962	60,262	67,937	72,168
Security Capability Programme	2020/21	-	720	1,120	1,120	1,120
Generation of Military Enablers to support delivery of Defence Policy	2019/20	4,035	3,799	3,799	3,799	3,799
Generation of Defence Estate to support delivery of Defence Policy	2019/20	4,955	4,955	4,955	4,955	4,955
Generation of Army Capabilities to deliver Defence Policy	2019/20	2,715	2,073	2,073	2,073	2,073
Defence White Paper 2016 - Operating initiative	2018/19	36,397	36,397	36,397	36,397	36,397
Previous Government						
Defence White Paper 2016	2017/18	42,519	41,535	41,535	41,535	41,535
Defence Force Logistics	2016/17	8,192	9,483	9,483	9,483	9,483
Counter Hazard Explosives	2016/17	4,338	4,338	4,338	4,338	4,338
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	36,045	36,045	36,045	36,045	36,045

Reasons for Change in Appropriation

This appropriation increased by \$48.059 million to \$979.154 million for 2020/21. This increase between 2019/20 and 2020/21 relates to:

- increased funding of \$48.962 million to support delivery of the Strategic Defence Policy Statement 2018 by providing for military outputs at levels required to meet Government policy and capability priorities
- increased funding of \$1.291 million for Modernising the Delivery of New Zealand Defence Force Logistics and its introduction into service
- increased funding of \$908,000 from rental income received from other tenants for increased expenditure incurred in relation to the new Defence Headquarters building
- increased funding of \$720,000 for the delivery of improvements to the NZDF's security capability
- increased funding of \$649,000 for capital charge as a result of the revaluation of assets, and
- increased funding of \$649,000 for the delivery and implementation of Tranche Two of the Network Enabled Army Programme.

This is partially offset by:

- decreased funding of \$1.280 million approved in Tranche 2 of the Wellington Accommodation Project for increased lease costs incurred in 2019/20 in relation to the new Defence Headquarters building
- decreased funding of \$1.137 million following the completion of maintenance expenditure transferred forward from prior years
- decreased funding of \$984,000 as a result of the Defence White Paper 2016 funding decisions for the introduction into service new capabilities to enhance and maintain the delivery of outputs
- decreased funding of \$642,000, for sustaining the generation of Army Capabilities to achieve the levels of readiness, in line with the Strategic Defence Policy Statement 2018, as directed by Government
- decreased funding of \$553,000 received from Service personnel for the provision of service housing and barracks
- decreased funding of \$288,000 due to transfers from prior periods to support the delivery of the Consolidated Logistics Programme, and
- decreased funding of \$236,000 for sustaining a diverse range of Defence wide capabilities that are critical to enabling readiness for military operations and other tasks, in line with the Strategic Defence Policy Statement 2018, as directed by Government.

Navy Capabilities Prepared for Joint Operations and Other Tasks (M22)

Scope of Appropriation

This appropriation is limited to the generation of Navy capabilities that achieve the levels of readiness for military operations and other tasks as directed by the Government of New Zealand.

Expenses and Revenue

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	468,185	464,167	533,367
Revenue from the Crown	461,464	461,464	526,495
Revenue from Others	6,721	6,721	6,872

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the following:

- a naval combat capability with ships and organic aircraft prepared to conduct maritime warfare and security operations within a coalition naval task group, protect military and commercial shipping and related operations to enforce international law and prohibit the movement of specified items, people or vessels
- amphibious sealift capabilities prepared to project forces from sea and sustain deployed forces

- strategic replenishment capability prepared to project and sustain deployed maritime, land and air forces
- naval patrol capabilities prepared to carry out surveillance, deter unlawful activity and interdict vessels of interest; to contribute to government efforts to secure borders, protect resources and enable New Zealand law to be enforced at sea and assist regional nations in ensuring the security of their respective maritime domains
- a deployable maritime capability prepared to conduct operations that safeguards access to and the use of harbours, inshore waters and littoral zones in New Zealand and wherever NZDF forces are required to operate
- maritime capabilities, available for employment as a single ship or multi-ship international deployment in support of scheduled defence international engagement initiatives, and
- a shore-based capability able to implement naval cooperation and guidance for shipping and provide for the naval supervision of shipping in a crisis.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of Government directed readiness levels achieved and maintained to provide naval combat capabilities prepared for maritime warfare operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide naval combat capabilities prepared for maritime security operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide naval patrol capabilities prepared for domestic and regional resource and border protection operations.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for amphibious sealift.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for replenishment.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for littoral warfare support.	100%	100%	100%
Percentage of Government directed readiness levels achieved and maintained to provide maritime trade operations capabilities prepared for naval guidance and supervision of shipping.	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Delivering on the Strategic Defence Policy Statement 2018	2020/21	-	44,338	49,875	52,233	54,612
Security Capability Programme	2020/21	-	360	560	560	560
Generation of Navy Capabilities to deliver Defence Policy	2019/20	9,028	8,828	8,828	8,828	8,828
Generation of people Capability to support delivery of Defence Policy	2019/20	7,761	7,761	7,761	7,761	7,761
Generation of Defence Estate to support delivery of Defence Policy	2019/20	1,348	1,348	1,348	1,348	1,348
Generation of Military Enablers to support delivery of Defence Policy	2019/20	1,119	1,054	1,054	1,054	1,054
Defence White Paper 2016 - Operating Funding	2018/19	20,171	20,171	20,171	20,171	20,171
Previous Government						
Maritime Sustainment Capability	2020/21	-	22,359	22,359	22,359	22,359
Defence White Paper 2016	2017/18	22,173	21,660	21,660	21,660	21,660
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	14,476	14,476	14,476	14,476	14,476

Reasons for Change in Appropriation

This appropriation increased by \$65.182 million to \$533.367 million for 2020/21. This increase between 2019/20 and 2020/21 relates to:

- increased funding of \$44.338 million to support delivery of the Strategic Defence Policy Statement 2018 by providing for military outputs at levels required to meet Government policy and capability priorities
- increased funding of \$22.359 million for operating expenditure for the Maritime Sustainment Capability
- increased funding of \$684,000 for capital charge as a result of the revaluation of assets
- increased funding of \$360,000 for the delivery of improvements to the NZDF's security capability, and
- increased funding of \$328,000 from rental income received from other tenants for increased expenditure incurred in relation to the new Defence Headquarters building.

This is partially offset by:

- decreased funding of \$1.292 million following the completion of maintenance expenditure transferred forward from prior years
- decreased funding of \$640,000 approved in Tranche 2 of the wellington Accommodation Project for increased lease costs incurred in 2019/20 in relation to the new Defence Headquarters building

- decreased funding of \$513,000 as a result of the Defence White Paper 2016 funding decisions for the introduction into service of new capabilities to enhance and maintain the delivery of outputs
- decreased funding of \$200,000 for sustaining the generation of Navy capabilities to achieve the levels of readiness for military operations, in line with the Strategic Defence Policy Statement 2018, as directed by Government
- decreased funding of \$177,000 received from Service personnel for service housing and barracks, and
- decreased funding of \$65,000 for sustaining a diverse range of Defence wide capabilities that are critical to enabling readiness for military operations and other tasks, in line with the Strategic Defence Policy Statement 2018, as directed by Government.

2.3 - Departmental Capital Expenditure and Capital Injections

New Zealand Defence Force - Capital Expenditure PLA (M22)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the New Zealand Defence Force, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	846,740	846,740	797,902
Intangibles	8,329	8,329	10,169
Other	-	-	-
Total Appropriation	855,069	855,069	808,071

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve maintained and upgraded capabilities of NZDF equipment and infrastructure in support of the delivery of NZDF's services.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Expenditure supports the delivery of the department's output performance measures in accordance with the Defence Mid-Point Rebalancing Review, 2016 Defence White Paper and the Defence Capability Plan Review 2019.	Achieved	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Reasons for Change in Appropriation

This appropriation decreased by \$46.998 million to \$808.071 million for 2020/21 to reflect the spending profile on major projects agreed in the Defence White Paper 2016 and in line with the Strategic Defence Policy Statement 2018 and the Defence Capability Plan Review 2019.

*Capital Injections and Movements in Departmental Net Assets***New Zealand Defence Force**

Details of Net Asset Schedule	2019/20 Estimated Actual \$000	2020/21 Projected \$000	Explanation of Projected Movements in 2020/21
Opening Balance	6,927,066	7,749,834	
Capital Injections	822,768	717,714	Capital injections for projects to enhance and maintain the capability of the New Zealand Defence Force in line with the Defence White Paper 2016, the Defence Strategic Policy Statement 2018 and the Defence Capability Plan Review 2019. The capital injections in 2020/21 re for the purchase of P-8A Poseidon Aircraft for future air surveillance (\$685.113 million), Defence Estate Regeneration Programme (\$22.297 million), Defence Logistics Programme (\$5.739 million), Defence Frigate Systems Upgrade (\$2.469 million), Dive and Hydrographic vessel (\$1.200 million), and the Veterans' Affairs Payment and Rehabilitation Plan Management System (\$896,000).
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	7,749,834	8,467,548	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Development and Maintenance of Services Cemeteries (M75)

Scope of Appropriation

This appropriation is limited to the development and maintenance of Services Cemeteries.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	746	746	746

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the development and maintenance of Services Cemeteries.

How Performance will be Assessed and End of Year Reporting Requirements

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The annual maintenance and development works plan outcomes are achieved.	95%	95%	95%
<i>Services cemeteries will be maintained in accordance with the Standard of Care agreements:</i>			
Service cemeteries have a Standard of Care agreement in place.	95%	95%	95%
Planned monitoring visits completed.	100%	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister for Veterans' Affairs in a report appended to the NZDF Annual Report.

Service Providers

There are approximately 185 annual maintenance grant payments made to local councils across New Zealand for each Services Cemetery. Works grants are also made to contractors around New Zealand for maintenance works.

3.4 - Non-Departmental Other Expenses

Ex-Gratia Payments and Comprehensive Medical Assessments for Vietnam Veterans (M75)

Scope of Appropriation

This appropriation is limited to the ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions and for the annual comprehensive medical assessments for Vietnam veterans.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,100	1,100	1,100

What is Intended to be Achieved with this Appropriation

As well as achieving the payment of ex-gratia payments and annual comprehensive medical assessments to eligible Vietnam veterans, it is intended that this appropriation will also allow for the monitoring of trends in the health and wellbeing of up to 3,000 Vietnam veterans and their families with the associated provision of this information to veterans.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount for this annual appropriation for a non-departmental other expense is less than \$5 million.

Conditions on Use of Appropriation

Reference	Conditions
Accepted Conditions	A condition of the Institute of Medicine of the United States National Academy of Sciences "Sufficient Evidence of Association" list, or one of the five conditions accepted as being related to parental dioxin exposure.
Comprehensive Medical Assessments	An assessment of the impact of services and exposure to a toxic environment on Vietnam veterans.

Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75)

Scope of Appropriation

This appropriation is limited to providing for the fair value write down on the Veteran Trust loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	203	203	203

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the fair value write-down on the Veteran Trusts' Loans and the thirty-year endowment to the Vietnam Veterans and their Families Trust.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as performance information is unlikely to be informative.

Grant Payments to Non-Government Organisations (M75)*Scope of Appropriation*

This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	275	275	275

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide grant payments to Non-Government Organisations in their support of veterans and their families.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance act 1989 as the amount for this annual appropriation for a non-departmental other expense is less than \$5 million.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Grant Payment for Non-Government Organisations	2017/18	275	275	275	275	275

Impairment of Debt for Benefits or Related Expenses (M75)

Scope of Appropriation

This appropriation is limited to the impairment and write-down of Crown Debt associated with previous payments of Benefits or Related Expenses administered by the New Zealand Defence Force.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	250	250	250

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the write-down of Crown debtors by the NZDF.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as performance information is unlikely to be informative.

Service Cost - Veterans' Entitlements (M75)

Scope of Appropriation

This appropriation is limited to the present value of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	20,000	12,800	20,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to recognise the service costs related to the future liability to provide support for veterans through the ongoing provision of medical assessments and treatments; the provision of services; and the payment of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying operational service.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as performance information is unlikely to be informative.

Unwind of Discount Rate - Veterans' Entitlements (M75)*Scope of Appropriation*

This appropriation is limited to the unwinding of the discount rate (interest expense) of the liability for the Veterans' entitlements provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying service or qualifying operational service.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	50,000	50,000	40,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to recognise the unwinding of discount rates to provide support for veterans through the ongoing provision of medical assessments and treatments; the provision of services; and the payment of entitlements resulting from qualifying service or qualifying operational service in the current year or prior years, provided for under Parts 3, 4 and 5 of the Veterans' Support Act 2014, and annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society as a part of their qualifying operational service.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as performance information is unlikely to be informative.

Reasons for Change in Appropriation

This appropriation decreased by \$10 million to \$40 million in 2020/21. This decrease relates to the expected reduction in service costs as a result of lower interest rates.

Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75)*Scope of Appropriation*

This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.

Expenses

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	200	200	200

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve increased support for veterans to attend commemorations and revisit battlefields over the Vietnam 50th anniversary commemoration period and beyond.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount for this annual appropriation for a non-departmental other expense is less than \$5 million.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Previous Government						
Increased Support for Contributions to Veterans' Commemorative Activities	2016/17	200	200	200	200	200

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Advice to the Government (M22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.

Scope of Appropriation

Departmental Output Expenses

Policy Advice

This category is limited to the provision of advice (including second opinion advice and policy advice led by other agencies) to support decision-making by Ministers on Government policy matters relating to defence and the NZDF.

Situational Awareness

This category is limited to the provision of effective military intelligence services to the Government in support of decision-making for the defence and security of New Zealand.

Supporting Ministers

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	17,326	17,314	17,258
Departmental Output Expenses			
Policy Advice	3,914	3,910	3,914
Situational Awareness	11,385	11,380	11,315
Supporting Ministers	2,027	2,024	2,029
Funding for Departmental Output Expenses			
Revenue from the Crown	17,294	17,294	17,217
Policy Advice	3,906	3,906	3,903
Situational Awareness	11,367	11,367	11,293
Supporting Ministers	2,021	2,021	2,021
Revenue from Others	32	32	41
Policy Advice	8	8	11
Situational Awareness	18	18	22
Supporting Ministers	6	6	8

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of policy advice, situational awareness and support to Ministers in discharging their portfolio responsibilities.

How Performance will be Assessed for this Appropriation

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The supply of high quality individual products, as shown in the tables below.	Meet	Met	Meet

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

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Departmental Output Expenses			
Policy Advice			
This category is intended to achieve the provision of accurate, timely and responsive policy advice.			
The provision of policy advice to the Government and contribution to policy advice led by other agencies that is accurate, timely and offers practical and cost-effective approaches to fulfil the Government's defence priorities.	Meet	Met	Meet
The satisfaction of the Minister of Defence with the policy advice service, as per the refreshed satisfaction survey.	At least 3.5 out of 5 or 70%	At least 3.5 out of 5 or 70%	At least 3.5 out of 5 or 70%
Technical quality of policy advice papers assessed by a survey with a methodical robustness of 90%. (The higher the robustness score, the stronger the methodical quality of the completed assessment).	See Note 1	See Note 1	See Note 1
Situational Awareness			
This category is intended to achieve the provision of timely, accurate and high-quality intelligence support.			
The percentage of timely and high-quality reports that meet expectations to inform the Government of matters of foreign defence interest and support the Government's decision-making processes.	Not less than 90%	Not less than 90%	Not less than 90%
Supporting Ministers			
This category is intended to achieve the provision of quality and timely support to Ministers.			
The percentage of timely, accurate and high-quality advice that meets expectations to support Ministers of Defence and Veterans' Affairs portfolios and meets legislative obligations.	Not less than 90%	Not less than 90%	Not less than 90%

Note 1 - Measure for technical quality of policy advice papers - At least 70% of assessed papers score 3 or higher, 30% score 4 or higher, and no more than 10% score 2.5 or less.

End of Year Performance Reporting

Performance will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Defence White Paper 2016 - Operating Funding	2018/19	3,194	3,194	3,194	3,194	3,194
Previous Government						
Defence White Paper 2016	2016/17	3,425	3,425	3,425	3,425	3,425
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	166	166	166	166	166

Reasons for Change in Appropriation

This appropriation decreased by \$68,000 to \$17.258 million in 2020/21. This decrease between 2019/20 and 2020/21 relates to decreased funding of \$79,000 as a result of the Defence White Paper 2016 funding decisions for the introduction into service of new capabilities to enhance and maintain the delivery of outputs,

This was partially offset by:

- increased funding of \$9,000 from rental income received from other tenants for increased expenditure incurred in relation to the new Defence Headquarters building
- increased funding of \$2,000 for capital charge as a result of the revaluation of assets.

Operations Contributing to New Zealand's Security, Stability and Interests (M22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas at the Government's direction.

Scope of Appropriation

Departmental Output Expenses

Military Operations in Support of a Rules-Based International Order

This category is limited to the costs of generating operational military capabilities and the employment of the New Zealand Armed Forces for the conduct of operations, as directed by the Government.

Military Operations that Contribute to Regional Security

This category is limited to the costs of providing specialised support to all-of-government efforts to maintain security and stability in New Zealand's immediate neighbourhood including responses to events that impact on the safety and wellbeing of regional populations, as directed by the Government.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	43,219	43,219	30,797
Departmental Output Expenses			
Military Operations in Support of a Rules-Based International Order	42,560	42,560	30,288
Military Operations that Contribute to Regional Security	659	659	509
Funding for Departmental Output Expenses			
Revenue from the Crown	42,760	42,760	30,488
Military Operations in Support of a Rules-Based International Order	42,296	42,296	30,024
Military Operations that Contribute to Regional Security	464	464	464
Revenue from Others	459	459	309
Military Operations in Support of a Rules-Based International Order	264	264	264
Military Operations that Contribute to Regional Security	195	195	45

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enhance all-of-government capacity to respond to regional crises and contribute to military operations in support of a rules-based international order.

How Performance will be Assessed for this Appropriation

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Operations Contributing to New Zealand's Security, Stability and Interests MCA.			
Achieve the conduct of military operations and other tasks that support the Government's strategic interests.	Meet	Met	Meet
Enhance all-of-government capacity to respond to regional crises.	Meet	Met	Meet

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

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Military Operations in Support of a Rules-Based International Order			
This category is intended to achieve the provision of operations that contribute to New Zealand's security, stability and interests.			
<i>Performance will be assessed on the maintenance of the Government's military commitments to the missions shown below (as at 1 April 2019).</i>			
Contribute to United Nations Mission UNTSO (Middle East) [Operation Scoria].	Meet	Met	Meet
Contribute to United Nations Mission UNMISS (South Sudan) [Operation Sudden].	Meet	Met	Meet
Contribute to UNCMAC (Republic of Korea) [Operation Monitor].	Meet	Met	Meet
<i>Lead and contribute to regional contingency military operations, as listed (No mandated operations).</i>			
Contribute military forces to MFO Sinai (Operation Farad).	Meet	Met	Meet
Contribute military forces to Operation Arika (Afghanistan) [Operation Rua II].	Meet	Met	Meet
Contribute military forces to Operation Troy (Middle East).	Meet	Met	Meet
Contribute military forces to Operation Pukeko (NZDF officers in Headquarters and Support Staff, Middle East).	Meet	Met	Meet
Contribute to Operation Mohua (Middle East).	Meet	Met	Meet
Contribute to Operation Solar (Middle East).	Meet	Met	Meet
Contribute to Operation Whio (UNSCAR sanctions against North Korea).	Meet	Met	Meet
Military Operations that Contribute to Regional Security			
This category is intended to achieve the provision of operations that contribute to New Zealand's security, stability and interests.			
Percentage of the agreed notice to move met for a Joint Task Force comprising relevant force elements and military capabilities to assist with regional humanitarian assistance and disaster relief missions when directed.	100%	100%	100%
Percentage of the agreed notice to move met for strategic airlift and sealift capabilities to assist with regional non-combatant evacuation operations when not deployed on military operations elsewhere.	100%	100%	100%
Percentage of the agreed notice to move met for a specialised, high-readiness task group, with integral airlift and/or sealift capabilities available to act independently or with regional security partners to assist regional nations restore law and order and provide immediate aid to the population.	100%	100%	100%

End of Year Performance Reporting

Performance will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Previous Government						
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	704	704	704	704	704

Reasons for Change in Appropriation

This appropriation decreased by \$12.422 million to \$30.797 million for 2020/21. This decrease between 2019/20 and 2020/21 relates to:

- decreased funding of \$17.282 million for the support of United Nations and Multi-National force operations through the provision of training in the Middle East, and
- decreased funding of \$150,000 due to reductions in cost recoveries following the 2019/20 refuelling of a Canadian C-17 as part of NZDF's response to the Australian bushfires.

This is partially offset by increased funding of \$5.010 million for United Nation operations, Multi-National operations, and deployments in the Middle East.

Policy Advice And Other Services For Veterans (M75)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities, and the provision of services and payments to veterans.

Scope of Appropriation

Departmental Output Expenses

Administration Services

This category is limited to the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities, the coordination of commemorations, the provision of administration services to relevant boards and committees and the administration of contracts for service for maintenance and development work carried out in Service Cemeteries.

Policy Advice

This category is limited to the provision of policy advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters relating to Veterans' Affairs.

Repatriation of New Zealanders Interred Overseas as a Result of a Military Burial: Te Auraki (The Return)

This category is limited to the repatriation of service personnel and dependants buried abroad as a result of a military burial since 1 January 1955.

Services and Payments to Veterans

This category is limited to the assessment, review and payment of entitlements and benefits (War Disablement Pensions and related concessions, and allowances and Surviving Spouse Pensions), the assessment and review of entitlement for burial in Service Cemeteries, the installation of ex-service memorials for eligible veterans, and the provision of case management for veterans and their families.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	10,272	10,248	10,295
Departmental Output Expenses			
Administration Services	2,962	2,938	2,960
Policy Advice	230	230	230
Services and Payments to Veterans	7,080	7,080	7,105
Funding for Departmental Output Expenses			
Revenue from the Crown	10,272	10,272	10,295
Administration Services	2,962	2,962	2,960
Policy Advice	230	230	230
Services and Payments to Veterans	7,080	7,080	7,105

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the provision of policy advice, other support to Ministers in discharging their policy decision making and other portfolio responsibilities, and the provision of services and payments to veterans.

How Performance will be Assessed for this Appropriation

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Policy Advice and Other Services for Veterans MCA.			
The satisfaction of veterans as expressed in the annual Veteran Survey rating of overall satisfaction with Veterans' Affairs Services and Payments to Veterans.	70%	70%	85%
The satisfaction of the Minister of Veterans' Affairs with the policy advice service, as per the refreshed satisfaction survey.	At least 3.5 out of 5 or 70%	At least 3.5 out of 5 or 70%	At least 3.5 out of 5 or 70%

Note 1 - The Standard will be identified based on the revised Ministerial Satisfaction Survey and updated in the Supplementary Estimates. All agencies are required to use the refined Ministerial Satisfaction Survey from 2019/20 to assess ministerial satisfaction with the policy service. The survey is currently under review and the refined survey will be released before 30 June 2019.

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

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Administration Services			
This category is intended to achieve the provision of services to Ministers to enable them to discharge their portfolio (other than policy decision making) responsibilities, assisting with the coordination of commemorations and the provision of administration services to relevant boards and panels and contracts for work carried out in Services Cemeteries.			
<i>Provide Ministerial Servicing and Support:</i>			
Replies to requests within 20 working days, if not otherwise agreed.	95%	95%	95%
Responses accepted without substantive amendment.	95%	95%	95%
<i>Provide Administration support to Boards and Panels as set out in the Veterans' Support Act 2014.</i>			
Administrative Support meets Board/Panel requirements.	100%	100%	Meet
<i>Assist with the coordination of New Zealand's participation in the commemoration of significant military anniversaries:</i>			
Participation will be delivered in accordance with agreed parameters and budget.	Meet	Met	Meet
Policy Advice			
This category is intended to achieve the provision of policy advice to the Minister to support decision making by the Minister on Government policy matters relating to Veterans' Affairs.			
Replies to requests within 20 working days, if not otherwise specified.	95%	95%	95%
The first drafts of all policy products presented to the Minister will be accepted.	95%	95%	95%
All revocations, replacements and new Statements of Principles are reported and decided by the Minister for Veterans and Cabinet Legislation Committee regarding adoption.	100%	100%	100%
Repatriation of New Zealanders Interred Overseas as a Result of a Military Burial: Te Auraki (The Return)			
This category is intended to achieve the successful repatriation, where agreed, of New Zealanders interred overseas as a result of a military burial.			
The percentage of families that are satisfied with the repatriation of their relative.	100%	100%	Ceased Activity

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Services and Payments to Veterans			
This category is intended to achieve the assessment, determination, review and appeal of entitlements and services to veterans and their spouses, children and dependants, provided for under the Veterans' Support Act 2014 (including grand-parented entitlements and services under the repealed War Pensions Act 1954 where claims were lodged before 7 December 2014), the assessment and review of eligibility for burial in Services Cemeteries, the installation of ex-service memorials for eligible veterans, and the provision of case management services for veterans and their families.			
Assessments and Reviews:			
Where all information is provided, Veterans' Affairs will make a decision on the claim within 30 working days of it being received.	100%	100%	100%
All amendments to and replacements of, Statements of Principles (SOPs), are reported to the Veterans' Health Advisory Panel for consideration and decisions by the Minister of Veterans' Affairs regarding adoption.	100%	100%	Transferred to Policy Advice
Reviews will be completed within 65 days of receipt.	100%	100%	100%
Provide Case Management:			
Within five working days of accepting a veteran's claim for entitlements Veterans' Affairs must appoint a Case Manager.	95%	95%	95%
Within 13 weeks after Veterans' Affairs accepts a veteran's claim for entitlements under Scheme One or Two, Veterans' Affairs in association with the Rehabilitation Advisor must determine whether the veteran is likely to need social or vocational rehabilitation and if so prepare a rehabilitation plan in consultation with the veteran.	100%	100%	100%
Deal with Enquiries:			
Calls will be resolved on first contact.	80%	80%	90%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2020 to be presented to the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Promoting and supporting the health and wellbeing of veterans and their families	2018/19	608	636	664	157	157
Defence White Paper 2016	2018/19	120	120	120	120	120
Previous Government						
Defence White Paper 2016	2017/18	248	243	243	243	243
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	159	159	159	159	159

Reasons for Change in Appropriation

This appropriation increased by \$23,000 to \$10.295 million for 2020/21. This increase between 2019/20 and 2020/21 relates to increased funding of \$28,000 for promoting and supporting the health and wellbeing of veterans and their families.

This is partially offset by decreased funding of \$5,000 as a result of the Defence White Paper 2016 funding decisions for the introduction into service of new capabilities to enhance and maintain the delivery of outputs.

Protection of New Zealand and New Zealanders (M22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.

Scope of Appropriation

Departmental Output Expenses

Assistance to the Civil Power and Provision of a Public Service in Emergency Situations

This category is limited to the costs of specialist military capabilities and Defence Force resources provided to the civil power in an emergency and for urgent work of national importance.

Defence International Engagement

This category is limited to the provision of services and utility of the Defence Force to support foreign policy objectives that strengthen security and avert conflict.

Defence Support to the Community

This category is limited to the costs of providing Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.

Military Assistance to Civil Authorities in Non-Emergency Situations

This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.

Resource and Border Protection Operations

This category is limited to the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.

Expenses, Revenue and Capital Expenditure

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	517,568	510,560	523,494
Departmental Output Expenses			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	89,313	88,944	89,214
Defence International Engagement	104,111	102,245	104,499

	2019/20		2020/21
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Defence Support to the Community	59,623	56,972	60,158
Military Assistance to Civil Authorities in Non-Emergency Situations	40,236	40,163	39,939
Resource and Border Protection Operations	224,285	222,236	229,684
Funding for Departmental Output Expenses			
Revenue from the Crown	493,498	493,498	498,472
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	87,806	87,806	87,666
Defence International Engagement	96,565	96,565	96,484
Defence Support to the Community	48,580	48,580	48,588
Military Assistance to Civil Authorities in Non-Emergency Situations	39,086	39,086	38,953
Resource and Border Protection Operations	221,461	221,461	226,781
Revenue from Others	24,070	21,645	25,022
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	1,507	1,507	1,548
Defence International Engagement	7,546	7,546	8,015
Defence Support to the Community	11,043	8,618	11,570
Military Assistance to Civil Authorities in Non-Emergency Situations	1,150	1,150	986
Resource and Border Protection Operations	2,824	2,824	2,903

What is Intended to be Achieved with this Appropriation

This appropriation is intended to contribute to the protection of New Zealand's sovereignty and the provision of security for New Zealanders.

How Performance will be Assessed for this Appropriation

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The degree of satisfaction expressed by authorities requesting assistance in accordance with their annual programmes.	100%	100%	100%
Regular evaluation of significant issues, the capacity to react to requests for assistance and the provision of adequate support from the limited resources available.	Meet	Met	Meet

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

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations			
This category is intended to achieve the contribution to all-of-government efforts that provide for public safety, protection of national infrastructure, emergency response and recovery operations in order to satisfy critical humanitarian needs.			
Percentage of the levels of operational capability and readiness as directed met to maintain the national counter-terrorist capability.	100%	100%	100%
Percentage of the levels of operational capability and readiness as directed met to generate the necessary capabilities to deal with complex chemical, biological, radiological, explosives and improvised explosive devices and maintain the readiness of the national response capability in support of the New Zealand Police.	100%	100%	100%
Percentage of agreed notice to move met for the specialised Counter-Terrorist Group to respond to New Zealand Police requests for assistance.	100%	100%	100%
Percentage of agreed notice to move met for the specialised Explosive Ordnance Disposal Squadron to respond to requests to assist New Zealand Police operations.	100%	100%	100%
Subject to the availability of resources, the percentage of requests met to assist New Zealand Police law enforcement operations.	100%	100%	100%
Percentage of contingency forces and specialised military capabilities available to assist the civil power deal with major disasters when not deployed on operations.	100%	100%	100%
Percentage of agreed notice to move met for specialised military capabilities to assist the civil power to conduct search and rescue and recovery operations within New Zealand and the maritime search and rescue and regional rescue coordination centre areas.	100%	100%	100%
Percentage of contingency plans in place to assist the civil power evacuate persons from high-risk environments in New Zealand.	100%	100%	100%
Percentage of requests met to augment the capacity of Fire and Emergency New Zealand to deal with a wide range of incidents involving safety of life, protection of property and related actions to mitigate the effects of fire.	100%	100%	100%
Percentage of contingency plans in place to assist the civil power mitigate the effects of a maritime disaster and degradation of the marine environment.	100%	100%	100%
Percentage of contingency plans in place to assist the civil power within the agreed notice to move to conduct aeromedical evacuation and medical rescue at sea at the Government's direction.	100%	100%	100%
Subject to availability of resources, the percentage of requests met for specialised military capabilities to assist New Zealand Police operations to maintain law and order and public safety.	100%	100%	100%

	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of contingency plans in place to mobilise the Armed Forces to assist the Department of Corrections to maintain the integrity of prisons when normal custodial arrangements fail.	100%	100%	100%
Percentage of NZDF participation in central and local governments' planning and multi-agency training exercises to enhance the all-of-government preparedness for responses to community-scale crises.	100%	100%	100%
Defence International Engagement			
This category is intended to support foreign policy objectives that strengthen security and avert conflict.			
Ensure the programme of military engagement through a network of multilateral and bilateral military relationships provides for a range of interactions that informs Defence of emerging advances in military operations, provides for professional development, fosters interoperability and enhances the reputation of New Zealand and the NZDF.	Meet	Met	Meet
Percentage of exercises and related activities participated in that support the Government's foreign policy objectives through recognised alliance and other arrangements that foster peace and security.	100%	100%	100%
Percentage of approved Senior Officer visit programme completed that maintains a strong network of professional relationships and complements the Government's broader foreign policy objectives.	100%	100%	100%
Percentage of maritime deployments, exercises with security partners and ship visits to selected nations completed that are cognisant of the Government's foreign policy and defence engagement priorities and satisfies all-of-government efforts to enhance New Zealand's reputation.	100%	100%	100%
Percentage of regional activities participated in that contribute to the Government's foreign policy objectives to improve the resilience, economic and social wellbeing of Pacific Island nations.	100%	100%	100%
Percentage of multilateral and bilateral confidence and security building activities participated in that contribute to initiatives that prevent the proliferation of weapons of mass destruction and further New Zealand's foreign policy objectives, as directed by the Government.	100%	100%	100%
Percentage of resident and non-resident Defence representation maintained through the assignment of Defence Attaches and Advisers in host nations and in accordance with the Government's direction.	100%	100%	100%
The NZDF remains well-informed about defence doctrine and advances in defence-related technology through: 1. maintaining active participation in specific military fora to enable the NZDF to remain well-informed about military doctrine, current military operations and future changes and exchanges of information related to the profession-of-arms; and 2. maintaining a network of relationships with external scientific and technology organisations that contribute to the development of solutions for the Government, the Defence Force, and New Zealand's national security agencies and supports the provision of military capability and promotion of security.	Meet	Met	Meet

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Defence Support to the Community			
This category is intended to provide Defence Force resources for the betterment of the community at large and to inform the public's awareness of the proficiency and practice of the Armed Forces.			
Percentage of satisfaction with the NZDF's provision of leadership and skills training for the New Zealand Cadet Forces to develop confident, responsible young citizens who are valued in their community by providing them with safe, enjoyable and challenging opportunities.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of the Ministry of Social Development requirements for trainees selected for Limited Service Volunteer courses to gain life skills, develop core values, teamwork and trust, which boost self-esteem and confidence.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of the Ministry of Education Youth Life Skills programme requirements for Service Academies and the provision of leadership development and outdoors adventure-based training opportunities within high schools.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of the New Zealand Police Blue Light Trust with NZDF services to enhance the Trust's youth development programmes nationwide.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of Service Museum Trust Boards with NZDF support to Service Museums and the development, management and display of New Zealand's military history collections for the preservation of New Zealand's military history and culture for the enjoyment of future generations.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction to support significant national and local events that benefit the community through the provision of services at hui of significance and national and local events, including ceremonial and military displays that contribute to the success of the occasion and enhances the identity and professional reputation of the NZDF.	Not less than 90%	Not less than 90%	Not less than 90%
Military Assistance to Civil Authorities in Non-Emergency Situations			
This category is intended to provide periodic Defence Force resources, services and non-emergency assistance to the Government and civil authorities.			
Percentage of requests met to provide military guards, suitably tailored for the occasion, military bands and associated support to support State ceremonial activities that represent the nation and meet the Government's direction.	100%	100%	100%
Percentage of requests met to provide military guards, suitably tailored for the occasion, military bands and associated support to support significant military anniversaries, nationally recognised commemorative events and significant commemorative events overseas.	100%	100%	100%
Percentage of requests met to provide representational staff for the Viceregal House, military guards, suitably tailored for the occasion, military bands, air, land and sea transport and associated support for viceregal activities.	100%	100%	100%
Percentage of requests met to provide air, land and sea transport for members of the Government and guests of the State to support the Government's internal and external transportation requirements.	100%	100%	100%

Assessment of Performance	2019/20		2020/21
	Final Budgeted Standard	Estimated Actual	Budget Standard
Resource and Border Protection Operations			
This category is intended to provide the sharing of information and provision of resources to support all-of-government efforts to protect New Zealand's borders and offshore maritime interests.			
Percentage of information on maritime traffic, suitably adapted for civil needs that is passed to the National Maritime Coordination Centre in an actionable timeframe so that government agencies are informed of activities going-on in the maritime zones of national interest to New Zealand.	100%	100%	100%
Percentage of the total agreed pre-planned air surveillance tasks requested by the National Maritime Coordination Centre met.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of the total air surveillance response tasks requested by the National Maritime Coordination Centre within the agreed notice to move to meet the Centre's requirement to investigate vessels of interest and respond to actual or potential non-compliance with New Zealand and international legislation met.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of the total agreed pre-planned maritime tasks requested by the National Maritime Coordination Centre met.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of the total response tasks requested by the National Maritime Coordination Centre within the agreed notice to move to meet the Centre's requirement to investigate vessels of interest and respond to actual or potential non-compliance with New Zealand and international legislation met.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of the NZDF's specialised military capabilities to support Antarctic New Zealand's operations in New Zealand and on the Antarctic continent, including contributions to the joint United States/New Zealand logistics pool to support New Zealand's right to sovereignty over the Ross Dependency and continuous presence on the Antarctic continent.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of satisfaction of the Ministry of Foreign Affairs and Trade for the NZDF's provision of specialised military capabilities to support New Zealand's efforts to manage marine living resources on and about the Antarctic continent.	Not less than 90%	Not less than 90%	Not less than 90%
Percentage of total pre-planned tasks requested by the National Maritime Coordination Centre to conduct pre-planned missions to service the offshore islands and demonstrate New Zealand's sovereignty met.	Not less than 90%	Not less than 90%	Not less than 90%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Chief of Defence Force in the NZDF Annual Report for the year ended 30 June 2021 to be presented in the House.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2019/20 Final Budgeted \$000	2020/21 Budget \$000	2021/22 Estimated \$000	2022/23 Estimated \$000	2023/24 Estimated \$000
Current Government						
Generation of Defence Estate to support delivery of Defence Policy	2019/20	2,463	2,463	2,463	2,463	2,463
Generation of Military Enablers to support delivery of Defence Policy	2019/20	1,695	1,597	1,597	1,597	1,597
Defence Force Future Air Surveillance Approval to Purchase the Boeing P-8A	2018/19	6,806	12,466	15,219	12,594	30,116
Defence White Paper 2016 Operating Initiative	2018/19	13,060	13,060	13,060	13,060	13,060
Defence White Paper 2016 - Operating Funding	2017/18	12,510	12,510	12,510	12,510	12,510
Previous Government						
Defence Mid-Point Rebalancing Review - Funding Track	2016/17	8,163	8,163	8,163	8,163	8,163

Reasons for Change in Appropriation

This appropriation increased by \$5.926 million to \$523.494 million for 2020/21. This increase between 2019/20 and 2020/21 relates to:

- increased funding of \$5.660 million for the increase in capital charge as a result of the acquisition of P-8A Poseidon Aircraft for future air surveillance
- increased funding of \$607,000 to expand the delivery of the Limited Service Volunteer Programme
- increased funding of \$491,000 from rental income received from other tenants for increased expenditure incurred in relation to the new Defence Headquarters building
- increased funding of \$409,000 from the Ministry of Foreign Affairs and Trade for the delivery of the Pacific Leaders Development Programme
- increased funding of \$336,000 for capital charge as a result of the revaluation of assets, and
- increased funding of \$171,000 for the provision of security for the Asia Pacific Economic Conference 2021.

This is partially offset by:

- decreased funding \$926,000 following the completion of maintenance expenditure transferred forward from prior years
- decreased funding of \$291,000 as a result of the Defence White paper 2016 funding decisions for the introduction into service of new capabilities to enhance and maintain the delivery of outputs
- decreased funding of \$233,000 received from Service personnel for the provision of service housing and barracks

- decreased funding of \$200,000 from the Department of Conservation for supporting the clean-up of the Fox River, and
- decreased funding of \$98,000 for sustaining a diverse range of Defence wide capabilities that are critical to enabling readiness for military operations and other task, in line with the Strategic Defence Policy Statement 2018, as directed by Government.