

Vote Defence Force

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

DEPARTMENT ADMINISTERING THE VOTE: New Zealand Defence Force (A27)

RESPONSIBLE MINISTER FOR NEW ZEALAND DEFENCE FORCE: Minister of Defence

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27) 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.	941,604	19,843	961,447
Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27) 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.	1,067,537	(24,921)	1,042,616
Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27) 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.	666,580	4,333	670,913
Total Departmental Output Expenses	2,675,721	(745)	2,674,976
Departmental Other Expenses			
Loss on Sale of Physical Assets (M22) (A27) This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.	-	7,260	7,260
Total Departmental Other Expenses	-	7,260	7,260
Departmental Capital Expenditure			
New Zealand Defence Force - Capital Expenditure PLA (M22) (A27) 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.	1,564,126	(106,792)	1,457,334
Total Departmental Capital Expenditure	1,564,126	(106,792)	1,457,334
Non-Departmental Output Expenses			
Development and Maintenance of Services Cemeteries (M75) (A27) This appropriation is limited to the development and maintenance of Services Cemeteries.	746	-	746
Total Non-Departmental Output Expenses	746	-	746
Non-Departmental Other Expenses			
Fair Value Write Down on Veteran Trust Loans and Thirty-Year Endowment (M75) (A27) 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
Grant Payments to Non-Government Organisations (M75) (A27) This appropriation is limited to grant payments to Non-Government Organisations in their support of veterans and their families.	275	-	275
Impairment of Debt for Benefits or Related Expenses (M75) (A27) 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

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Military Veterans Kaupapa Inquiry Claimant Costs (M22) (A27) This appropriation is limited to the costs of claimants, their witnesses and necessary support people to participate in the Wai 2500 Military Veterans Kaupapa Inquiry.	-	250	250
Service Cost - Veterans' Entitlements (M75) (A27) 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	(8,000)	12,000
Support for Early Childhood Education Services Associated with Defence Bases (M22) (A27) This appropriation is limited to support for Early Childhood Education services whose ongoing operation is essential to the viability of Defence bases.	-	350	350
Support for Vietnam Veterans (M75) (A27) This appropriation is limited to annual comprehensive medical assessments for Vietnam veterans, the monitoring of trends in the health and wellbeing of Vietnam veterans and providing this information to veterans, and ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions.	3,100	2,000	5,100
Unwind of Discount Rate - Veterans' Entitlements (M75) (A27) 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.	45,000	50,000	95,000
Veteran Assistance to Attend Commemorations and Revisit Battlefields (M75) (A27) This appropriation is limited to providing assistance to veterans to enable them to attend official commemorations or revisit battlefields.	200	-	200
Total Non-Departmental Other Expenses	69,028	44,600	113,628
Multi-Category Expenses and Capital Expenditure			
Advice to the Government MCA (M22) (A27) The single overarching purpose of this appropriation is to support Ministers in discharging their portfolio responsibilities.	14,894	2,866	17,760
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.	3,938	(657)	3,281
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.	8,907	3,273	12,180
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.	2,049	250	2,299

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Operations Contributing to New Zealand's Security, Stability and Interests MCA (M22) (A27) The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities overseas at the Government's direction.	30,883	5,704	36,587
Departmental Output Expenses			
<i>Military Operations in Support of a Rules-Based International Order</i> 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.	30,368	4,704	35,072
<i>Military Operations that Contribute to Regional Security</i> 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.	515	1,000	1,515
Policy Advice And Other Services For Veterans MCA (M75) (A27) 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.	11,575	550	12,125
Departmental Output Expenses			
<i>Administration Services</i> 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.	2,881	75	2,956
<i>Policy Advice</i> 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.	230	-	230
<i>Services and Payments to Veterans</i> 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.	8,464	475	8,939
Protection of New Zealand and New Zealanders MCA (M22) (A27) The single overarching purpose of this appropriation is to protect New Zealand's sovereignty and provide security and other services for New Zealanders.	531,376	12,119	543,495
Departmental Output Expenses			
<i>Assistance to the Civil Power and Provision of a Public Service in Emergency Situations</i> 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.	89,379	14,500	103,879
<i>Defence International Engagement</i> 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.	100,372	12,119	112,491
<i>Defence Support to the Community</i> 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.	61,131	1,000	62,131

Titles and Scopes of Appropriations by Appropriation Type	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<i>Military Assistance to Civil Authorities in Non-Emergency Situations</i> This category is limited to the costs of Defence Force resources, services and non-emergency assistance periodically provided to the Government and civil authorities.	40,214	12,500	52,714
<i>Resource and Border Protection Operations</i> 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.	240,280	(28,000)	212,280
Total Multi-Category Expenses and Capital Expenditure	588,728	21,239	609,967
Total Annual Appropriations and Forecast Permanent Appropriations	4,898,349	(34,438)	4,863,911

Capital Injection Authorisations

	2022/23		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
New Zealand Defence Force - Capital Injection (M22) (A27)	914,870	9,165	924,035

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2022/23				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	2,676,467	(745)	-	(745)	2,675,722
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	69,028	7,260	44,600	51,860	120,888
Capital Expenditure	1,564,126	(106,792)	-	(106,792)	1,457,334
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	588,728	21,239	-	21,239	609,967
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	4,898,349	(79,038)	44,600	(34,438)	4,863,911
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	-	-	-

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Air Force Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	941,604	19,843	961,447
Revenue from the Crown	930,476	19,813	950,289
Revenue from Others	11,128	30	11,158

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide naval aviation capabilities prepared for maritime warfare and security operations (see Notes 1 and 2)	92%	(6.3%)	85.7%
Percentage of Government directed readiness levels achieved and maintained to provide tactical air mobility capabilities prepared for tactical air transport and air manoeuvre operations	90%	5%	95%
Percentage of Government directed readiness levels achieved and maintained to provide strategic air mobility capabilities prepared for inter-theatre air transport operations (see Note 3)	100%	(6.2%)	93.8%

Note 1 - This performance standard has been amended to state "naval aviation" to provide additional clarity about the output being assessed.

The reduction in the Supplementary Estimates Performance Standards for 2022/23 is due to:

Note 2 - Obsolescence-driven serviceability issues causing unavailability of SH-2G(I) Seasprite helicopters reducing Naval Aviation readiness.

Note 3 - Unserviceability of Boeing 757 engines reducing Strategic Air Mobility readiness.

Reasons for Change in Appropriation

This appropriation increased by \$19.843 million to \$961.447 million for 2022/23 due to:

- \$17 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs
- \$2.813 million for New Zealand Defence Force retention funding, and
- \$30,000 for a grant from the New Zealand Aviation Federation.

Army Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,067,537	(24,921)	1,042,616
Revenue from the Crown	1,048,342	(24,921)	1,023,421
Revenue from Others	19,195	-	19,195

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for global complex warfighting operations	100%	(100%)	0%
Percentage of Government directed readiness levels achieved and maintained to provide land combat capabilities prepared for regional stabilisation operations	100%	(67%)	33%

The reduction in the Supplementary Estimates Performance Standards for 2022/23 are due to:

- The impact of the prolonged deployment of Army in support of the All of Government response to COVID-19 resulting in the degradation of trained states.
- Unprecedented attrition having a significant impact on the ability to regenerate capability.

These performance delivery variations were pre-identified in the Schedule to the NZDF Annual Plan; Directed Outputs for 2022/23.

Reasons for Change in Appropriation

This appropriation decreased by \$24.921 million to \$1,042.616 million for 2022/23 due to:

- \$30.800 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs, and
- \$350,000 as a result of a fiscally neutral transfer to the appropriation Support for Early Childhood Education Services Associated with Defence Bases.

This is partially offset by increases of:

- \$5.494 million for New Zealand Defence Force retention funding, and
- \$735,000 for the Logistics Management Information System.

Navy Capabilities Prepared for Joint Operations and Other Tasks (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	666,580	4,333	670,913
Revenue from the Crown	657,984	4,333	662,317
Revenue from Others	8,596	-	8,596

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentage of Government directed readiness levels achieved and maintained to provide naval combat capabilities prepared for maritime warfare operations (see Note 1)	100%	(43%)	57%
Percentage of Government directed readiness levels achieved and maintained to provide naval combat capabilities prepared for maritime security operations (see Note 1)	100%	(29%)	71%
Percentage of Government directed readiness levels achieved and maintained to provide naval patrol capabilities prepared for domestic and regional resource and border protection operations (see Note 2)	100%	(7%)	93%
Percentage of Government directed readiness levels achieved and maintained to provide projection and sustainment capabilities prepared for amphibious sealift (see Note 3)	100%	(10%)	90%

The reduction in the Supplementary Estimates Performance Standards for 2022/23 are due to:

Note 1 - The frigates HMNZS Te Kaha and Te Mana undergoing their introduction into service post the frigate system upgrade project. During this period they will have limited warfare and security capability.

Note 2 - High levels of attrition across the workforce resulting in Navy being unable to safely crew all platforms across the Naval Patrol Force. As a result, three of four naval patrol vessels have gone into extended readiness arrangements. The naval patrol effect has and will continue to be covered by the remaining fleet elements with some limits. Should the number of pre-planned taskings increase over the remainder of the financial year, this performance measure may see further reduction.

Note 3 - HMNZS Canterbury's force generation being impacted by emergent maintenance issues reducing the readiness for amphibious sealift capability.

Reasons for Change in Appropriation

This appropriation increased by \$4.333 million to \$670.913 million for 2022/23 due to:

- \$2.333 million for New Zealand Defence Force retention funding, and
- \$2 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs.

2.2 - Departmental Other Expenses

Loss on Sale of Physical Assets (M22) (A27)

Scope of Appropriation

This appropriation is limited to providing for the loss on sale of certain New Zealand Defence Force commercial properties.

Expenses

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	7,260	7,260

What is Intended to be Achieved with this Appropriation

This appropriation intends to reflect the loss on sale of certain New Zealand Defence Force commercial properties, including those arising from Treaty of Waitangi settlements.

How Performance will be Assessed and End of Year Reporting Requirements

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Expenditure reflects the loss on sale of certain New Zealand Defence Force commercial properties	Meet	Meet	Meet

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 2023 to be presented to the House.

Reasons for Change in Appropriation

This appropriation increased by \$7.260 million for 2022/23 due to an expense transfer from 2021/22 to 2022/23 to fund any potential loss on disposal of property under treaty settlements.

2.3 - Departmental Capital Expenditure and Capital Injections

New Zealand Defence Force - Capital Expenditure PLA (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,554,797	(100,234)	1,454,563
Intangibles	9,329	(6,558)	2,771
Other	-	-	-
Total Appropriation	1,564,126	(106,792)	1,457,334

Reasons for Change in Appropriation

This appropriation decreased by \$106.792 million to \$1,457.334 million for 2022/23 due to forecast adjustments to reflect re-phasing of capital projects. The forecast adjustments relate to a significant number of smaller investments which have been impacted by supply chain issues, resource and personnel gaps, and the need to reprioritise funding to use for working capital. Reforecasts were completed in line with the current view of project approvals, funding availability, and the change in the forecasted delivery of capital projects activity and expenditure payments.

Capital Injections and Movements in Departmental Net Assets

New Zealand Defence Force

Details of Net Asset Schedule	2022/23 Main Estimates Projections \$000	2022/23 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2022/23
Opening Balance	9,282,254	9,274,853	Supplementary Estimates opening balance reflects the audited results as at 30 June 2022.
Capital Injections	914,870	924,035	\$9.165 million for the tagged contingency drawdown relating to Frigate Communications.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	10,197,124	10,198,888	

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Military Veterans Kaupapa Inquiry Claimant Costs (M22) (A27)

Scope of Appropriation

This appropriation is limited to the costs of claimants, their witnesses and necessary support people to participate in the Wai 2500 Military Veterans Kaupapa Inquiry.

Expenses

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	250	250

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable participation of claimants, their witnesses and necessary support people in the Wai 2500 Military Veterans Kaupapa Inquiry.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Reasons for Change in Appropriation

This is a new appropriation established in 2022/23.

Service Cost - Veterans' Entitlements (M75) (A27)

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.

Reasons for Change in Appropriation

This appropriation decreased by \$8 million to \$12 million for 2022/23 due to a saving initiative submitted by the NZDF as part of Budget 2023 to align baseline funding with current levels of NZDF deployments which are likely to result in veterans entitlement costs.

Support for Early Childhood Education Services Associated with Defence Bases (M22) (A27)

Scope of Appropriation

This appropriation is limited to support for Early Childhood Education services whose ongoing operation is essential to the viability of Defence bases.

Expenses

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	350	350

What is Intended to be Achieved with this Appropriation

This appropriation is intended to provide support for Early Childhood Education services whose ongoing operation is essential to the viability of Defence bases.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Service Providers

Provider	2022/23			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Waiouru Kindergarten and Early Childcare Education Services	-	350	350	Permanent
Total		350	350	

Reasons for Change in Appropriation

This is a new appropriation established in 2022/23.

Support for Vietnam Veterans (M75) (A27)

Scope of Appropriation

This appropriation is limited to annual comprehensive medical assessments for Vietnam veterans, the monitoring of trends in the health and wellbeing of Vietnam veterans and providing this information to veterans, and ex-gratia payments to Vietnam veterans and/or members of their family with accepted conditions.

End of Year Performance Reporting

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(ii) of the Public Finance Act, as additional performance information is unlikely to be informative because this appropriation is limited to support for Vietnam Veterans and the number of Veterans accessing the support is outside the control of the New Zealand Defence Force.

Reasons for Change in Appropriation

The appropriation increased by \$2 million to \$5.100 million in 2022/23 due to a forwards transfer of funding from the 2025/26 financial year as a result of projected ex-gratia payments being in excess of current appropriation levels. This transfer was required because the number of applications received seeking ex-gratia payments for Vietnam Veterans is outside of the control of the New Zealand Defence Force and cannot be predicted with certainty.

Unwind of Discount Rate - Veterans' Entitlements (M75) (A27)

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.

Reasons for Change in Appropriation

This appropriation increased by \$50 million to \$95 million for 2022/23 to reflect the increase in the Risk-Free Forward Discount Rate.

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

4 - Multi-Category Expenses and Capital Expenditure

Advice to the Government (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	14,894	2,866	17,760
Departmental Output Expenses			
Policy Advice	3,938	(657)	3,281
Situational Awareness	8,907	3,273	12,180
Supporting Ministers	2,049	250	2,299
Funding for Departmental Output Expenses			
Revenue from the Crown	14,853	2,750	17,603
Policy Advice	3,927	(750)	3,177
Situational Awareness	8,885	3,250	12,135
Supporting Ministers	2,041	250	2,291
Revenue from Others	41	116	157
Policy Advice	11	93	104
Situational Awareness	22	23	45
Supporting Ministers	8	-	8

Reasons for Change in Appropriation

This appropriation increased by \$2.866 million to \$17.760 million for 2022/23 due to:

- \$3 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs, and
- \$116,000 for security guard force officers provided by New Zealand Defence Force to the Government Communications Security Bureau.

This is partially offset by a \$250,000 funding decrease as a result of a fiscally neutral transfer of funds within the Vote to a newly established appropriation Military Veterans Kaupapa Inquiry Claimant Costs.

Operations Contributing to New Zealand's Security, Stability and Interests (M22) (A27)

Overarching Purpose Statement

The single overarching purpose of this appropriation is the employment of New Zealand's Armed Forces overseas and provision of military capabilities 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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	30,883	5,704	36,587
Departmental Output Expenses			
Military Operations in Support of a Rules-Based International Order	30,368	4,704	35,072
Military Operations that Contribute to Regional Security	515	1,000	1,515
Funding for Departmental Output Expenses			
Revenue from the Crown	30,574	5,704	36,278
Military Operations in Support of a Rules-Based International Order	30,104	4,704	34,808
Military Operations that Contribute to Regional Security	470	1,000	1,470

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Revenue from Others	309	-	309
Military Operations in Support of a Rules-Based International Order	264	-	264
Military Operations that Contribute to Regional Security	45	-	45

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

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
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</i>			
Contribute to Operations Solar (Middle East)	-	Meet	Meet
Contribute to Operation Mohua (Middle East)	-	Meet	Meet

Operations Solar and Mohua are government directed commitments that have been omitted from previous estimates. These standards are now being included to rectify this. Both standards are assessed on a meet/met basis in line with other government directed commitments.

Reasons for Change in Appropriation

This appropriation increased by \$5.704 million to \$36.587 million for 2022/23 due to:

- \$4.704 million as a result of continued New Zealand assistance of Ukraine, and
- \$1 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs.

Policy Advice And Other Services For Veterans (M75) (A27)

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.

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,575	550	12,125
Departmental Output Expenses			
Administration Services	2,881	75	2,956
Policy Advice	230	-	230
Services and Payments to Veterans	8,464	475	8,939
Funding for Departmental Output Expenses			
Revenue from the Crown	11,575	550	12,125
Administration Services	2,881	75	2,956
Policy Advice	230	-	230
Services and Payments to Veterans	8,464	475	8,939

Reasons for Change in Appropriation

This appropriation increased by \$550,000 to \$12.125 million for 2022/23 as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs.

Protection of New Zealand and New Zealanders (M22) (A27)

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

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	531,376	12,119	543,495
Departmental Output Expenses			
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	89,379	14,500	103,879
Defence International Engagement	100,372	12,119	112,491
Defence Support to the Community	61,131	1,000	62,131
Military Assistance to Civil Authorities in Non-Emergency Situations	40,214	12,500	52,714
Resource and Border Protection Operations	240,280	(28,000)	212,280

	2022/23		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Funding for Departmental Output Expenses			
Revenue from the Crown	504,213	7,650	511,863
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	87,779	14,500	102,279
Defence International Engagement	90,513	7,650	98,163
Defence Support to the Community	49,417	1,000	50,417
Military Assistance to Civil Authorities in Non-Emergency Situations	39,196	12,500	51,696
Resource and Border Protection Operations	237,308	(28,000)	209,308
Revenue from Others	27,163	4,469	31,632
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations	1,600	-	1,600
Defence International Engagement	9,859	4,469	14,328
Defence Support to the Community	11,714	-	11,714
Military Assistance to Civil Authorities in Non-Emergency Situations	1,018	-	1,018
Resource and Border Protection Operations	2,972	-	2,972

Reasons for Change in Appropriation

This appropriation increased by \$12.119 million to \$543.495 million for 2022/23 due to:

- \$7.250 million as a result of a fiscally neutral transfer within the Vote to align funding to the delivery of outputs
- \$2.969 million due to an expense transfer from the 2021/22 to the 2022/23 financial year for the Pacific Leadership Development Programme
- \$1.500 million to meet the contractual pay requirements for the Singapore Auxiliary Police Force, and
- \$400,000 for assistance for Ukraine ICC secondment.