

Statement of Intent | 1 July 2005



Te Puni Kōkiri



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## Foreword

Ki te hunga e whaiwāhi ana ki ēnei tuhinga, tēnei te mihi atu ki a koutou i runga i ngā āhuatanga katoa o Aōtearoa, o te ao whānui. Ki ngā mate kua tangihia e koutou, e tātou rānei, moe mai koutou, okioki. Ka tau mai ki a tātou ngā kanohi ora o rātou mā, tēnā tātou katoa.

It is well established that Māori will play an essential part in New Zealand's future. Success for Māori means success for New Zealand. Te Puni Kōkiri is committed to Māori success, but more than that, Te Puni Kōkiri is committed to Māori succeeding *as Māori*. This is because Māori have been telling us and research supports the notion that a strong Māori identity and culture contributes to improved Māori well-being overall.<sup>6 11</sup>

The previous Statement of Intent recognised that Te Puni Kōkiri contributed towards both Māori Specific Outcomes and Universal Outcomes in order to achieve the Strategic Outcome of *Māori succeeding as Māori*. While this outcome has not changed, Te Puni Kōkiri has refined its approach to Māori Affairs policy, seeking to achieve a better balance between realising Māori potential and remedying deficit. Therefore, we will place a greater emphasis on leading policy advice that promotes the strengths of Māori.

This approach has arisen from Te Puni Kōkiri's desire to capitalise on the momentum of success that is reflected in the improved economy, improved Māori performance across a number of indices and the increasing mood of confidence demonstrated by Māori communities. Specific indicators of Māori progress and achievement are increases in Māori employment, participation in tertiary education and industry training, progress in the return of assets and Treaty settlements, and greater opportunities for whānau and Māori community and business development. Clearly, now is an opportune time to build on these achievements, and to assert a policy approach focusing on achieving success, developing strengths, and promoting growth and continuous development.

It is encouraging that the approach outlined in this Statement of Intent aligns well with the outcomes of the recent Hui Taumata. The research supporting the Hui and the contributions made during the Hui showed that the key pathway for transforming the experience of Māori from dependency to development is through education, employment and enterprise. The Hui also confirmed that Māori must lead their own development and that government should play a supporting role. This Statement of Intent is also closely aligned with that philosophical position.

The challenge now for Te Puni Kōkiri is to deliver on the intent of this Statement. This will be achieved by Te Puni Kōkiri continuing to work strategically, being committed to Māori success and building upon the greater internal and external confidence.

Signing this Statement of Intent affirms that the information within it is consistent with the policies and performance expectations of the Government.

Noho ora mai rā ki o koutou marae kāinga, ki raro i ngā manaakitanga a te wāhi ngaro.

Signed



Hon. Parekura Horomia  
Minister of Māori Affairs

Signed



Leith Comer  
Chief Executive

## Strategic Outcome

'Māori succeeding as Māori'

## Role

Te Puni Kōkiri is principal advisor on government-Māori relationships, leading Māori Public Policy, and managing Relationships and Information

## Purpose

Realising Māori Potential

## Approach

Te Puni Kōkiri  
*'Moving forward together'*

## Key Statements



Te Puni Kōkiri's efforts are directed towards its Strategic Outcome which recognises the importance of Māori as individuals, in organisations and in collectives, achieving a sustainable level of success. Such success is demonstrated by Māori:

- participating in and benefiting from education and economic opportunities, including employment, that assist them to reach their full potential
- institutions that are robust and effectively managed
- flourishing as people within a strong culture
- flourishing in enterprise
- creating and maintaining healthy families
- being innovative models for other businesses, organisations, communities, or countries
- having beneficial partnerships with local, national and international stakeholders, including businesses.



We are a state agency solely focused on Māori. This places Te Puni Kōkiri in a unique position to provide leadership and support to its stakeholders in making the most effective contribution to the Strategic Outcome. This is achieved by leading and supporting government through high quality policy advice, effective monitoring, and building and maintaining strong relationships.

Te Puni Kōkiri recognises the Strategic Outcome cannot be achieved without the collaboration and efforts of key stakeholders, including the wider state sector agencies, whānau, hapū, iwi, Māori organisations and communities, local and international businesses, and other organisations.

Instrumental to Te Puni Kōkiri's ability to carry out its role effectively are:

- its networks with Māori and other partners

- its organisational and staff commitment to realising Māori potential
- the proportion of Māori staff in leadership, policy and monitoring roles, and in roles working alongside Māori
- the proportion of staff who have an understanding of Māori aspirations and who can build positive relationships with Māori individuals and groups
- the public’s perception that Te Puni Kōkiri provides a single point of contact for people interested in issues, opportunities and/or information related to Māori.



To achieve this purpose Te Puni Kōkiri is developing the Māori Potential Approach (see p33) to realising Māori potential; and achieving balance between realising potential and remedying deficit. This is influenced by a number of factors:

More emphasis on ...	Less emphasis on...
Multi-dimensional Māori potential, strengths, and opportunities	Single dimension repair of deficit, disparity and dysfunction
Investing in Māori as an integrated, but culturally distinct, indigenous community	Targeting Māori as a socio-economically disadvantaged ethnic minority
Investment in Māori people	Predominant focus on institutional responses

The Māori Potential Approach is guided by the following principles:

- 1. Māori Potential:** seek opportunities for Māori to change their life circumstances, improve their life choices and achieve a better quality of life. The principle recognises that Māori are multi-dimensional, aspirational people who are supported by a distinctive culture and value system.
- 2. Culturally Distinct:** respect Māori as first people of Aotearoa New Zealand and recognise and value the cultural capital with which Māori enrich their communities. This reflects the role of Māori and their indigenous culture within the wider society.
- 3. Māori Capability:** build the capability of Māori people, extend their sense and range of choices and power to act. This principle reflects the need for Māori to view themselves as the catalysts to affect change.





Te Puni Kōkiri means 'a group moving forward together'. This has two components – internal and external collaboration. Internally, Te Puni Kōkiri comprises three main business units (wāhanga) and the Māori Trust Office. These business units are supported by staff in Wellington and in ten regional offices across the country. In order for Te Puni Kōkiri to work effectively as an organisation, all parts of the organisation must work with a common purpose, commitment and focus.

External collaboration by Te Puni Kōkiri is also critical to our effectiveness. This will be enhanced by its ability to strengthen relationships with:

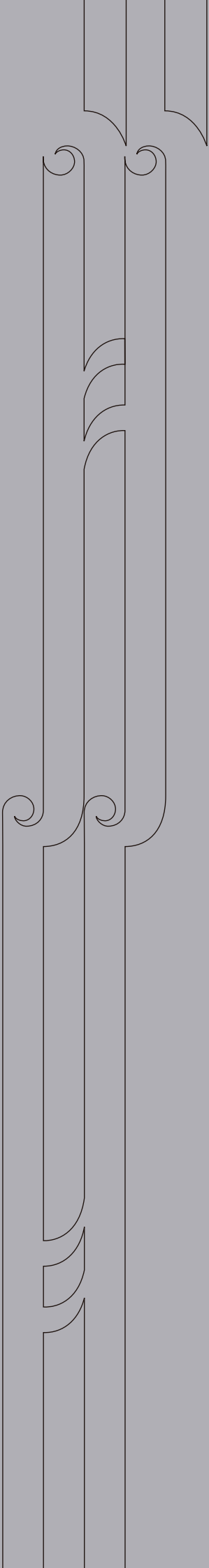
- Māori
- the state sector
- business and communities.



# FUTURE

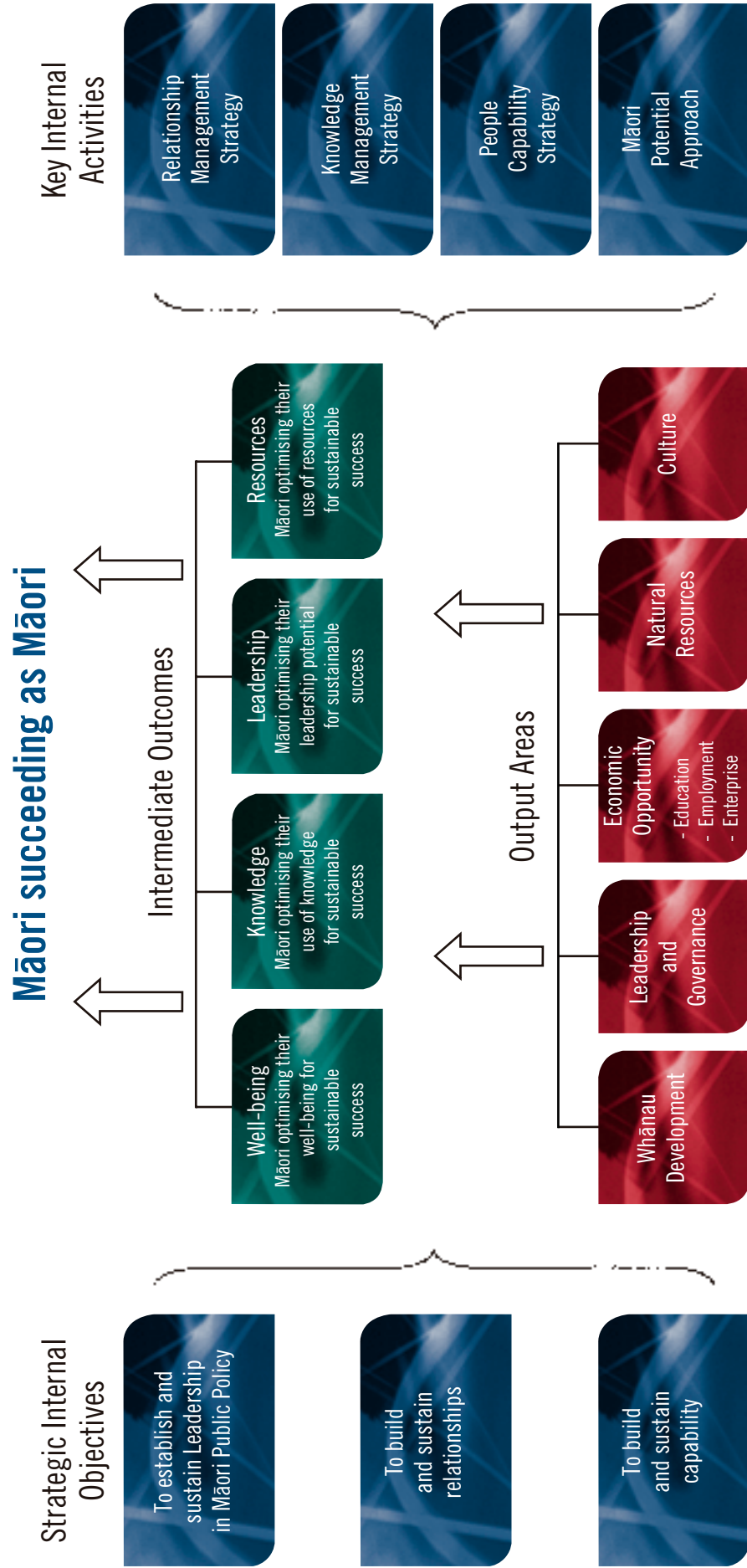
*Our medium term direction and short term focus*

- > Outcome Framework
- > Strategic Outcome, Intermediate Outcomes, Indicators
- > Key Output Areas
- > Strategic Internal Objectives and Key Internal Activities
- > Risk Management



# Outcome Framework

This Framework shows the links between the Strategic Outcome *Māori succeeding as Māori*, the four Intermediate Outcomes that Te Puni Kōkiri is contributing to, and five **Output Areas** to be delivered through an agreed Output Plan. The Strategic Internal Objectives and Key Internal Activities resemble specific strategies and development initiatives that Te Puni Kōkiri will pursue in achieving outcomes for Māori.



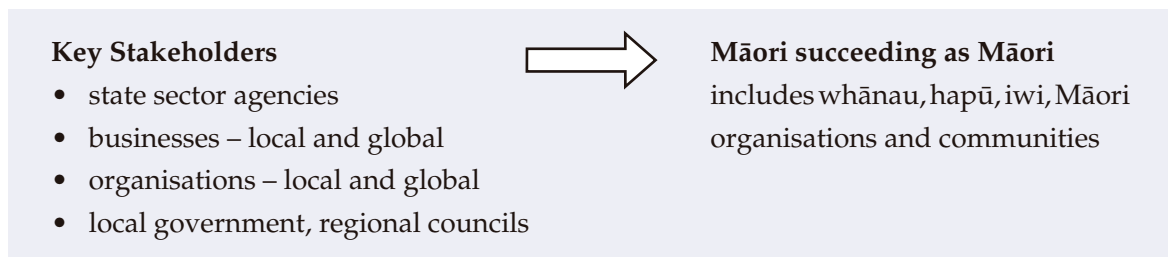


Te Puni Kōkiri is working towards achievement of the Strategic Outcome: *Māori succeeding as Māori*. This outcome was confirmed in our *Statement of Intent 2004/05* after considering:

- the Government’s key goals,<sup>2</sup> which highlight the need for New Zealand to achieve sustainable development
- Māori vision for Māori,<sup>2,9</sup> which supports Māori maximising their potential when they are able to participate and succeed in New Zealand and the world as Māori
- the fact that Māori are a diverse population, living in different places with different needs
- the evidence showing the link between ethnic and cultural identity and social and economic well-being.<sup>3</sup>

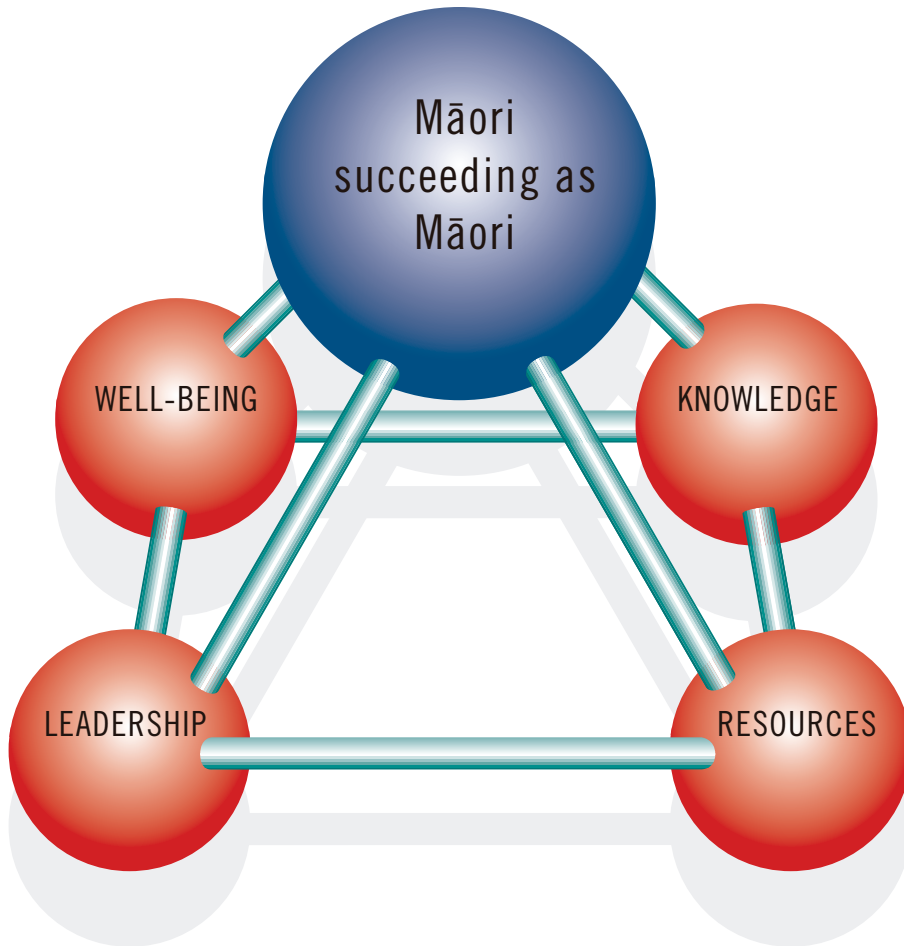
Achieving this outcome will mean Māori are successfully playing a part in Māori, New Zealand and global societies, without compromising what it means for them to be Māori. Te Puni Kōkiri will focus its contribution on leading and influencing government through policy advice and monitoring, strengthening partnerships through relationship management, and supporting Māori to realise their potential.

The following diagram shows the key stakeholders who we expect to be contributing to Māori succeeding as Māori:





Link between Strategic and Intermediate Outcomes



## Intermediate Outcomes

Te Puni Kōkiri is working towards achievement of four Intermediate Outcomes:


- Māori optimising their **Well-being** for sustainable success
- Māori optimising their use of **Knowledge** for sustainable success
- Māori optimising their **Leadership** potential for sustainable success
- Māori optimising their use of **Resources** for sustainable success.

For Māori to succeed as Māori, there are four areas of importance: Well-being, Knowledge, Leadership and Resources. Te Puni Kōkiri is one of many contributors to these Intermediate Outcomes. Other stakeholders including state sector agencies also contribute to these outcomes through specific initiatives.

The next section has a general description of what these Intermediate Outcomes mean, Indicators followed by Key Output Areas, Strategic Internal Objectives and Key Internal Activities where Te Puni Kōkiri's efforts will be focused.

The Indicators for each outcome represent an early selection at this stage of our indicator development. We have included a wider range of indicators to help illustrate what Māori experience might look like. However, the work of Te Puni Kōkiri will contribute to some and not all of these indicators. We have signalled the indicators we expect to contribute towards at this stage of our thinking. As we are refining our work-programme for 2005/06, we will be positioned to finalise the indicators our work will contribute to, when this process is completed.





## Māori optimising their Well-being for sustainable success

### Why is this Outcome important?

Māori success is contingent upon a state of well-being that comes from their successful participation in and gaining from opportunities. For Māori to succeed *as Māori*, they must strengthen their cultural knowledge. They must be able to acquire and transfer their knowledge, as well as maintain and protect it.

The extent and quality of engagement in society is a measure of well-being. Investment in well-being has been shown to contribute to greater engagement by citizens in civil society, formal state institutions, and improved social cohesiveness overall.<sup>19</sup> It is also consistent with key government strategies, such as, the *Growth and Innovation Framework*<sup>18</sup> and *Opportunities for All New Zealanders*.<sup>13</sup> *Opportunities for All New Zealanders* also acknowledges the ability of Māori to live as Māori. This highlights the importance of addressing Māori cultural needs.

Participation in whānau and community life is a cultural imperative for many Māori, as Māori society is premised on whakapapa links and activities involving the collective. Māori well-being is crucial to their future successful participation in Māori, New Zealand and global societies.

Well-being for Māori encompasses whānau well-being.<sup>15</sup> There is strength in the connection between individuals and the collective, including whānau. Whānau is pivotal to the well-being of its members.<sup>14</sup> Māori individuals are stronger in their identity, have confidence and self-assurance, and are positively engaged in New Zealand and global societies when whānau are cohesive, culturally centred and strong.

### This Intermediate Outcome also involves:

- Māori realising their preferred quality of life in New Zealand
- Māori enjoying a high standard of living
- recognising the importance of the environment to Māori well-being and the unique role they play as its guardians (Kaitiaki)
- improving health, education, and employment opportunities for Māori as for all New Zealanders
- key stakeholders taking an increased responsibility for supporting Māori to realise their potential.

Indicators that suggest Māori are achieving this Outcome include:

- Māori organisations and whānau ensuring effective programmes and initiatives for the well-being of individuals and groups are on-going
- Māori providers and communities generating health and well-being initiatives that demonstrate best practice and are leading examples for providers in New Zealand and overseas
- Māori being represented among and are leading practitioners engaged in well-being programmes for whānau and whānau members.

Indicators the work of Te Puni Kōkiri will be contributing to:

- an on-going trend of maximising protective behaviour and attitudes associated with positive health outcomes for whānau and whānau members
- more Māori participating in marae and other community activities
- the profile of Māori household and individual incomes are at least similar to or better than the average national profile
- at least parity with national average rates for Life expectancy at birth, Independent life expectancy, and Mortality.



## Māori optimising their use of Knowledge for sustainable success

### Why is this Outcome important?

Māori must succeed in all areas of life. Historical and modern-day knowledge, including Māori history and contemporary Māori knowledge is vital to this success. For example, the ability to use languages other than English and expertise in using telecommunications is important to them succeeding internationally, while Māori cultural knowledge is vital for Māori to succeed *as Māori*.

Māori already have strengths in Māori cultural knowledge or Mātauranga Māori. Mātauranga Māori includes learning about traditional customs, practices, history and beliefs. The Māori cultural revival, which gained momentum during the 1980's, has helped ensure Māori cultural knowledge is maintained, passed on appropriately to others, well researched, and the cultural integrity protected. Research into Māori language and culture shows that most Māori support the development of Māori culture and language, while most non-Māori acknowledge the importance of Māori to New Zealand's heritage.<sup>10</sup>

Māori are leveraging off their cultural knowledge. This is demonstrated particularly through tourism ventures aimed at providing tourists with more authentic Māori experiences, their arts and crafts, and more recently, the education and cultural industries including music, film and television in New Zealand and internationally.<sup>12</sup> Māori also have a strong knowledge base in areas of agriculture and fishing.

There are areas where Māori could increase their knowledge and expertise. These areas include Information Technology (IT) and scientific research and technology that are important for New Zealand's economic future.<sup>12</sup> Compared to New Zealand's neighbours, particularly some countries in South East Asia, New Zealanders have less experience in these industries. Finance is an area where Māori would benefit from improving their knowledge base. This is particularly important as access to finance has been identified as a key factor for successful Māori enterprise.<sup>12</sup>

The challenge for Māori is to improve their knowledge base in these areas, and for key stakeholders to support them.

### This Intermediate Outcome also involves:

- recognising the importance of Mātauranga Māori to Māori people and culture flourishing
- supporting the transmission, maintenance, storage and protection of Māori cultural knowledge by Māori
- supporting Māori in their use of their cultural knowledge, while protecting its possible exploitation.

Indicators that suggest Māori are achieving this Outcome include:

- increasing trend of Māori taking-up and completing trade apprenticeships
- increasing trend of Māori participating in early child-hood education
- increasing levels of achievement for literacy and numeracy, and qualifications at secondary school
- increasing trend of Māori youth either staying at school, or choosing pathways to higher education and employment rather than unemployment
- increasing trend of Māori enrolling and graduating in IT, the Sciences, and Commerce at tertiary level or through work-place training
- increasing trend of Māori engaged in post-graduate research
- Māori educational institutions being recognised as best practice or leading edge alternatives to providers in New Zealand and overseas
- increasing trend of Māori participating in the Banking and Finance industry
- Māori leaders actively nurturing the generational transmission of whakapapa and their cultural knowledge to sustain the cultural resource of whānau, hapū and iwi
- Māori organising, competing and showcasing their cultural performances at national and international venues.

Indicators the work of Te Puni Kōkiri will be contributing to:

- increasing use and proficiency of the Māori language
- high Māori participation in tertiary education and vocational skills training
- evidence of more Māori organisations using Māori cultural knowledge in their governance processes and operation.

## Māori optimising their **Leadership** potential for sustainable success

### Why is this Outcome important?

The ability of Māori to lead in all areas of life, including their own development, and influence of others to support Māori initiatives is a key to Māori success. The increase in shared management of natural resources with central and local government, Māori land trusts and incorporations, and Māori in business (including the management of multi-million dollar assets) has led to the need for quality of leadership by Māori and government.<sup>5 16</sup>

The interest in Māori leadership is a reflection of the growing interest in quality leadership and governance throughout the western-world.<sup>4</sup> Increasingly more organisations and governments recognise the value of quality leadership to improved economic performance and social well-being, including social cohesiveness.<sup>19</sup> For organisations to be successful, there is a need for a 'cultural match' between the governance structures and procedures of an organisation and those it serves. For Māori, this would mean governance structures and procedures are attuned to Māori cultural values and practices.<sup>1</sup>

The Māori economy, with its focus on the primary sector, particularly agriculture and fishing is well-positioned for continuing expansion as world demand for food is poised to increase.<sup>12</sup> Quality Māori leadership will ensure Māori are taking advantage of this trend.

Māori leadership succession by age has tended to draw upon a small pool which means younger Māori are likely to assume leadership roles. Both older and younger Māori may benefit from further training and development to acquire necessary skills to lead. Māori leaders undertake a range of social, cultural, economic and political activities. The communal nature of whakapapa-based collectives presents unique challenges to Māori leaders. Support for Māori leaders, including executive leaders is needed to assist with the variety of challenges presented to them.

*Māori succeeding as Māori* in relation to quality Māori leadership would mean Māori leaders, including executive leaders, would be practising appropriate aspects of their culture (including te reo Māori) as an expression of their leadership. Māori engaged in enterprise would ensure products and services are of a high quality and mana (prestige, integrity and dignity) of Māori culture, including taonga (treasures such as traditional Māori designs), are retained.<sup>12</sup>

As global citizens, Māori are and will continue to be leading others overseas and to have proficiency in foreign languages, while competently expressing their cultural identity.

### This Intermediate Outcome also involves:

- recognising Māori are primarily responsible for selecting Māori leaders
- encouraging the deepening of expertise in Māori language and culture for current and potential Māori leaders
- enhancing the development of executive leadership skills for Māori leaders
- key stakeholders taking an increased responsibility for supporting Māori to realise their leadership potential as Māori.

### Indicators that suggest Māori are achieving this Outcome include:

- evidence that increasingly more whānau are involved in the administration of collective assets
- evidence of increasing numbers of Māori executive leaders utilising their language and culture as part of their leadership expression
- Māori individuals recognised as success models for others within New Zealand and possibly overseas
- increasing participation and representation in local and central government, and local organisations.

### Indicators the work of Te Puni Kōkiri will be contributing to:

- Māori increasingly exercising their kaitiakitanga (guardianship) responsibilities over natural resources
- Māori organisations are recognised as models for best practice and leading edge within New Zealand and possibly overseas
- evidence that Māori organisations are actively planning for succession
- evidence of increasing numbers of Māori leaders proficient in management and executive leadership

## Māori optimising their use of **Resources** for sustainable success

### Why is this Outcome important?

This Intermediate Outcome involves Māori individuals and groups identifying, creating and participating in opportunities to develop and make the most of resources for sustainable success. Resources may include, for example, **People** through their labour, skills, knowledge, and ability to support and care for others; **Natural** (land, forests, lakes, fisheries etc); **Material**, including houses; **Economic**, including financial assets and equity; and **Knowledge**, including contemporary and traditional Māori cultural knowledge. Owning and controlling resources is vital to Māori success.

The importance of Māori people to the future of New Zealand is well established. The youthfulness of the Māori population indicates that in 2021, they are likely to make up 16% of the working age population (15 – 64 years).<sup>17</sup> Māori employment will be important for Māori and New Zealand's sustainable growth. It has been estimated that \$1 billion would be the value added to the New Zealand economy if the Māori skill base is raised and the unemployment gap is closed.<sup>7</sup> Levels of income and employment have an impact on the choices Māori are able to make about their lives. Income and employment opportunities are influenced by educational achievement, training and employment experience. In 2005/06, a Key Output Area such as Economic Opportunities will include outputs for Education, Employment and Enterprise (p29).

Successful Māori enterprise is also important for New Zealand's future. Māori own considerable commercial assets. In 2001, the value of Māori commercial assets was conservatively estimated at \$9 billion. Half of this figure related to farming, fisheries and forestry. Approximately 40% related to Māori business in the services industry. The remaining 10% was made up of the estimated asset value for six successful Māori businesses, land administered by the Māori Trustee (not all Māori land), and Māori Trust Boards. Māori are becoming increasingly entrepreneurial, and this is reflected in the increasing numbers of Māori who are self-employed.<sup>8</sup> However, research also suggests there is a need to investigate Māori businesses' access to finance, and provide appropriate support.<sup>12</sup>

### This Intermediate Outcome also involves:

- supporting Māori initiatives to retain, nurture, protect and sustain their asset base (Natural, Material and Knowledge).

Indicators that suggest Māori are achieving this Outcome include:

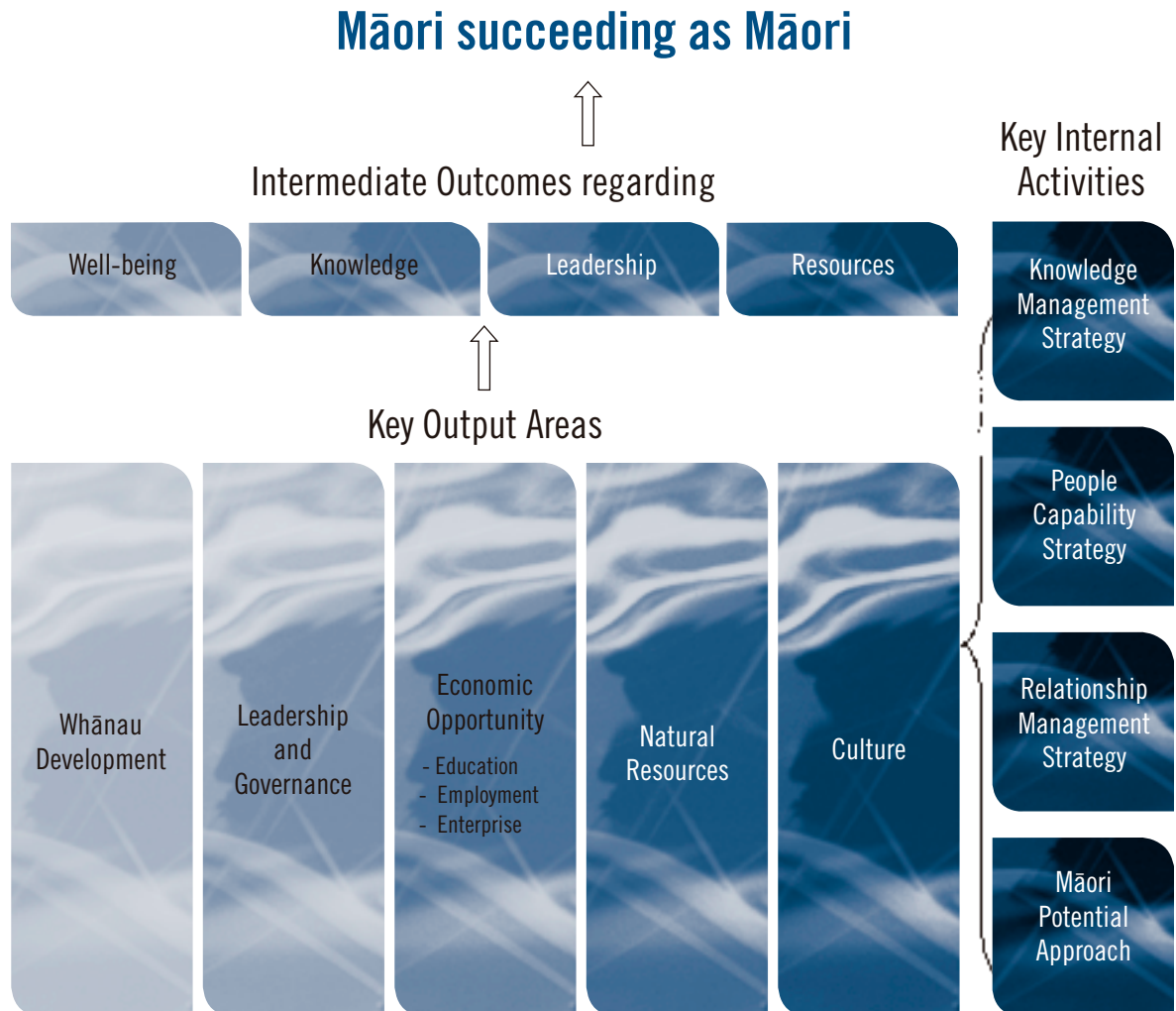
- National and international venues showcasing Māori culture and heritage are socially and financially successful
- Māori expertise in the sustainable management and protection of their cultural identity and heritage is recognised and adopted as best practice in New Zealand and overseas
- at least parity with the average employment rate.

Indicators the work of Te Puni Kōkiri will be contributing to:

- on-going Māori initiatives to ensure the appropriate utilisation, protection and sustainable maintenance of resources
- evidence that Māori businesses are actively contributing to the social and economic well-being of whānau and communities
- Māori are applying their expertise in the management of their resources, including knowledge, to create new market opportunities
- at least parity with the average weekly income.



This diagram shows the link between the **Outcomes, Key Output Areas, and the Key Internal Activities.**



## Key Output Areas for 2005/06

### Whānau Development

#### Why this is a Key Output Area for Te Puni Kōkiri

This Output Area relates to the development and strengthening of whānau (Māori family group) in order to realise their social and economic potential. Whānau historically and currently is the primary unit of Māori society. Whānau is the principal transmitter of Māori cultural knowledge and identity to its members.<sup>15</sup> Strong whānau links are vital to the success and well-being of whānau members and communities. They provide the catalyst for bringing about positive change among their members and within their wider collectives of hapū (sub-tribe) and iwi (tribal group).

Few studies measured the impact of whānau on Māori well-being. One study has shown that the quality of relationships between whānau members can lead towards a more positive perception of their own health reinforced by fewer visits to a GP and a lesser likelihood of smoking.<sup>3</sup>

A focus on whānau development is important because whānau is pivotal to the well-being and success of its members. Māori individuals are stronger in their identity, have confidence and self-assurance to be positively engaged in New Zealand and global societies when whānau are positioned to support its members to realise their potential.

Work in this Output Area will include programmes, and policy initiatives, advice, research and evaluation. This work may also involve:

#### *Policy advice aimed at*

- identifying the expectations, interests and rights of whānau and how these are expressed and/or impacted upon in a modern community or society
- developing indicators that describe success for whānau and what this may look like in the short, medium and long term
- identifying the fundamental values, practices and principles that constitute or contribute to whānau success
- developing a framework and rationale that might underpin whānau development strategies and initiatives
- identifying best practice or leading edge models within the public, private, community and volunteer sectors that contribute to whānau success.

## Programmes

- to encourage and support whānau led and/or based initiatives that contribute to strengthening whānau and to the restoration and rebuilding of whānau.
- *Whānau Development – Action and Research programmes* – aimed at strengthening whānau and communities by enhancing community knowledge to improve their learning situations, and inform Māori public policy.
- *Whānau Development – Sport and Culture* – programmes aimed at strengthening whānau and communities by building participation and success in sport, and strengthening Māori cultural capacity.
- *Whānau Development – Enterprise* – aimed at encouraging whānau enterprise initiatives (see Economic Opportunities p29).
- *Kaitātaki-A-Rohe (KAR)* – aimed at creating an environment where government can work with whānau, hapū, iwi, Māori communities and organisations to progress their development requirements through the assistance of a Māori development worker. This initiative bridges an identified gap in the developmental pathway of service providers and the Capacity Building programme criteria.
- *Local Level Solutions (LLS)* – this programme is aimed at developing Māori communities by investing in initiatives developed at the local level. LLS responds to whānau, hapū, iwi and Māori self-identified priorities and assists them to continue their work and achieve long-term goals for their communities.
- *Special Housing Action Zones (SHAZ)* – the primary objective is to resolve serious housing needs within a designated Special Housing Action Zone by facilitating and resourcing a hapū, iwi and/or an appropriate community response. A secondary objective is to ensure each housing intervention produces at least one parallel intervention relevant to Government's social policy goals, such as, improved health, employment or training opportunities for hapū, iwi, and local community members.

## Leadership and Governance

### Why this is a Key Output Area for Te Puni Kōkiri

The ability of Māori to lead their own development is crucial to Māori succeeding as Māori. Te Puni Kōkiri is leading the development of a macro-policy framework to support the successful governance of Māori organisations. Te Puni Kōkiri's work in relation to this framework and other initiatives for building Māori leadership potential is underpinned and guided by the following concepts:

- *Māori capability*: investment in Māori cultural and executive leadership, and in the knowledge and participation of Māori as members of organisations that govern their interests.
- *Sustainable outcomes*: there is a growing recognition that effective, well-governed organisations are a key factor in supporting sustainable economic, social and cultural outcomes.<sup>19</sup> Developing and realising the effective governance of Māori interests offers a key opportunity to help enable sustainable economic, social and cultural success for Māori. What is good for Māori is also good for New Zealand.
- *Cultural distinction*: overseas studies show that organisations are more likely to be successful if they are being governed in a way that is consistent with the cultural interests of its members.<sup>1</sup> This has also been reinforced in respect of Māori at the recent Hui Taumata.

Work within this Output Area will include policy advice on how to improve opportunities for Māori organisations. It will focus on melding their cultural requirements and investments, and strengthen the management and governance of Māori organisations, by ensuring those organisations involved in the delivery of government service contracts, achieve high quality outcomes and accountability to stakeholders. Other work will include:

- research into the attributes of effective leadership and governance and its presence in Māori organisations
- review and evaluation of legislation, policy and investments relating to the leadership and governance of Māori organisations
- the development and co-ordination of an agreed strategy to strengthen the practice of effective leadership and governance by Māori organisations
- advice on legislation, policies and programmes to enhance accountable decision-making by Māori organisations.

## Economic Opportunities

### Why this is a Key Output Area for Te Puni Kōkiri

The importance of Māori to New Zealand's future is well established. Their active and meaningful participation in society, whether local, national or global, relies on personal and collective wealth and income status. Having a secure cultural identity enhances people's participation in society. Research has shown the link between ethnic and cultural identity and social and economic well-being. For example, a study of 134 Māori over 15 years of age found a positive link between having a secure Māori cultural identity and social and economic well-being in the areas of health, education and employment.<sup>3</sup>

Generating income and creating wealth arises out of successful engagement with the economy. Employment is crucial to wealth creation as it is the most common way of generating wealth. Educational achievement and skills levels are important for creating employment opportunities; and successful Enterprise is important for job and wealth creation.

Māori need support to identify emerging business opportunities, and gain access to the tools and resources to take advantage of these opportunities. Developing skills in finance, leadership and management is crucial to Māori success.

This Output Area includes programmes such as the Māori Business Facilitation Service (MBFS), Enterprise Development, and Capacity Building (General) and policy advice detailed below.

#### *Programmes*

- *MBFS* – this provides a range of mentoring services to Māori and aims to increase Māori participation in the commercial sector
- *Enterprise Development* – these include enabling whānau to develop enterprise initiatives (Whānau Development – Enterprise) and expanding the MBFS to provide specialist mentors/ advisors
- *Capacity Building – General* – a key focus is to support the development of strategies, structures, systems and skills that enable Māori to achieve their own development aspirations.

#### *Policy advice*

Te Puni Kōkiri will provide advice on how to enhance the capability and performance of Māori in the market economy, including:

- how to encourage Māori to be engaged, innovative and successful market participants (while acknowledging the successfulness of Māori to-date)
- how to support Māori in their move along a continuum of state-sponsored participation into self-driven participation

- research into the state of Māori business and entrepreneurs' access to markets and finance and the quality of business performance and management capability
- developing strategies, programmes and products to support Māori engagement in the economy. These strategies, programmes and products will be aimed at improving leadership and management capability and exploring ways to improve access to markets and finance
- monitoring and evaluating existing policies and programmes directed at Māori business development or those which have a significant impact on Māori market participation generally.

## Natural Resources

### Why this is a Key Output Area for Te Puni Kōkiri

Whānau, hapū and iwi have a range of interests in natural resources, which includes kaitiakitanga (guardianship) over resources for both customary use and protection purposes as well as for economic opportunity. Access to natural resources (including Māori owned land) enables Māori to participate in a range of activities which include, farming, horticulture, viticulture, forestry, fisheries and aquaculture.

Te Puni Kōkiri has a number of roles in supporting relationships and information processes with Māori to assist local level facilitation with whānau, hapū and iwi on natural resource issues. Te Puni Kōkiri supports the relationship between Māori and local government on matters relating to natural resources. Te Puni Kōkiri also supports state sector agencies on natural resource issues with a focus on:

- issues of kaitiakitanga and access to natural resources for both customary use and economic opportunities
- assisting in the development of a database of iwi within regional and territorial council areas
- connecting state sector agencies with Māori in the regions
- supporting Māori to engage with central and local government on natural resource issues.

Work in this Output Area will involve:

- identifying iwi contact groups within the regions
- research into the traditional utilisation by whānau, hapū and iwi of natural resources
- identifying the benefits to be derived by whānau, hapū and iwi through the development and sustainable use of natural resources
- identifying policies and processes that enable whānau, hapū and iwi to engage in economic opportunity; and the practice of kaitiakitanga over natural resources.

A blue banner with a subtle pattern of light rays, containing the word "Culture" in white text.

## Culture

### Why this is a Key Output Area for Te Puni Kōkiri

The importance of Māori culture including language has been identified in the descriptions of the Intermediate Outcomes for Well-being and Knowledge on pages 17 and 19. It has also been shown that Māori cultural knowledge is vital for Māori succeeding *as Māori*.

Strengthening Māori culture and language is consistent with government strategic policy as presented in *Opportunities for All New Zealanders*.<sup>13</sup> This strategy acknowledges that although Māori share the collective goals that contribute to New Zealand's social well-being such as good health and high standards of living, the ability of Māori to live as Māori suggests the need for government to address Māori cultural needs.

For Te Puni Kōkiri, this Output Area involves research, policy development and monitoring advice relating to:

- use of/and advantage(s) from – promoting, for example, personal, economic and social value, for Māori arising from their culture, language and heritage
- identity/engagement – promoting greater active Māori identification and engagement with their culture, language and heritage
- development – promoting an environment of creativity and innovation for Māori to develop their culture, language and heritage for their economic, social and cultural benefit
- integrity/diversity – upholding, protecting and promoting the integrity (including diversity) of Māori language, knowledge and culture, including cultural ideas and practices of whānau, hapū and iwi
- strengthening/Māori control – strengthening the institutions, practices and activities that sustain and promote Māori language and knowledge, culture and cultural ideas and practices of whānau, hapū and iwi; and Māori control of and input into those institutions, practices and activities
- government responsibility – the role and responsibilities of government in actively supporting Māori use, promotion, guardianship and maintenance of their culture, language and heritage.



## Strategic Internal Objectives

The following three Strategic Internal Objectives will enable Te Puni Kōkiri to better fulfil its role, and thereby, enhancing its contribution to *Māori succeeding as Māori*. Its achievements will be supported by significant financial and human resources.

These Objectives are:

- to establish and sustain leadership of Māori Public Policy
- to build and sustain relationships
- to build and sustain capability.

### To establish and sustain leadership of Māori Public Policy

That Māori will play an essential part in New Zealand's future is acknowledged by government. The exclusive focus on Māori and the added advantage of having regional offices and strengthened relationships with them has implications for our work. One implication is the capacity of Te Puni Kōkiri staff to appreciate the importance of Māori identity and culture to realising Māori potential. Another is the vital information gained from our regional offices, particularly through our Information Advisor positions, to help ensure Te Puni Kōkiri policy advice is highly practical and relevant to those it serves.

In 2005/06, the Key Output Areas such as Whānau Development, Leadership and Governance, and Economic Opportunities, and Key Internal Activities such as the Relationship Management Strategy, Knowledge Management Strategy, People Capability Strategy, and the Māori Potential Approach will help Te Puni Kōkiri achieve this Strategic Objective. The focus and commitment to building relationships and capability means Te Puni Kōkiri will be well-positioned to establish and sustain leadership of Māori Public Policy.

### Key Internal Activities that will contribute to this Objective

#### Testing and refining the Māori Potential Approach

Te Puni Kōkiri is leading the development of a macro-policy approach to Māori Public Policy through our work on the Māori Potential Approach. *Māori succeeding as Māori* relies on **realising Māori potential** in ways that are culturally authentic and attuned. To ensure this and to do so

in a consistent, co-ordinated, and transparent way, a macro policy approach may be applied that has the following dimensions:

- Achieving the Intermediate Outcomes of Māori optimising their experiences in the areas of Well-being, Knowledge, Leadership and Resources for sustainable success
- Recognising the Approach has the following **principles**:
  - Māori are multi-dimensional and diverse
  - Māori are integrated but culturally distinct communities
  - Māori people are powerful actors in their own lives.

This set of principles will guide a shift towards a focus on the positive opportunities for interaction between key stakeholders and Māori (including government and Māori). While disparities between Māori and non-Māori will be considered, the Approach places greater emphasis on indicators for areas of opportunity and success for Māori.

In 2005/06, we will continue to refine and test the Māori Potential Approach by:

- applying it to our work for the Whānau Development Action and Research projects, and the People Capability Strategy
- producing a Māori Potential Baseline report that will provide an analysis of Māori status and performance against the outcome statements and indicators identified on the Māori Potential Framework
- producing an operating manual to guide Te Puni Kōkiri staff on how to apply the Māori Potential Approach
- producing an operating manual to guide other state sector agencies on how the Māori Potential Approach might be applied
- increasing our understanding and capture of indicators of Māori experience, including those for whānau as part of Te Puni Kōkiri's information collection development. Considering these indicators along with more readily available universal socio-economic indicators, will allow for more informed decision making by those who contribute to *Māori succeeding as Māori*.

When the Māori Potential Approach is refined and tested, it will help to identify priority areas for policy intervention, purchasing decisions, research, monitoring and evaluation, measuring performance and outcomes reporting, through the application of its key component and tool, the Māori Potential Framework. Once refining is completed, the Māori Potential Approach will be available for use by other state sector agencies.



## Implementing the Knowledge Management Strategy

Te Puni Kōkiri acknowledges the importance of quality Knowledge Management to our work. Quality Knowledge Management will enable staff to maximise the knowledge Te Puni Kōkiri can access, create, and share - particularly with key stakeholders. Strengthening of research, analysis and information capacity began during 2004/05. One aspect was the appointment of Information Advisors within the regions, while another was the bringing together of our information management, analysis, and research capabilities into our Policy Quality Assurance Directorate (QAD).

Te Puni Kōkiri will build on these two structural developments by progressing associated information collection and dissemination systems and processes. A recent review of our Information Management policy, procedures and practices within Te Puni Kōkiri considered the benefits and operational challenges Information Advisor positions will contribute to our procedures and information sets.

Our work for this activity will include:

- building on a stock-take of our information resources, by conducting an information audit which would also include how staff use information
- revising our Information Management Policy for Te Puni Kōkiri
- up-dating our Knowledge Management Strategy for Te Puni Kōkiri
- on-going implementation and review of the initiatives above
- reviewing, maintaining and upgrading our Information Technology systems to ensure they are still relevant, are not prone to malfunction and abuse, and breakdowns are kept to a minimum.

## To build and sustain relationships

The day-to-day running of marae, and other social or business successes locally and overseas, shows Māori are forging strategic relationships with a range of stakeholders. Te Puni Kōkiri has an important part to play in connecting Māori with key stakeholders, including state sector agencies. These connections can serve to provide vital information that will assist Māori to realise their potential, and other key stakeholders to support them.

In 2005/06, Te Puni Kōkiri will implement a Relationship Management Strategy to strengthen our approach to building and sustaining relationships with Māori. This will complement work Te Puni Kōkiri is jointly leading with the Ministry of Justice in producing Crown/Māori Relationship Instruments (CMRI) for state sector use, to guide relationships between Māori and government as representatives of the Crown.

### The Key Internal Activity that will contribute to this Objective

#### Implementing the Relationship Management Strategy

Te Puni Kōkiri acknowledges the importance of high quality relationships and generation of relevant information to implement our Strategic and Intermediate Outcomes. An improved Relationship Management Strategy will assist our organisation to widen and deepen relationships across our organisation, those we have with Māori, and those with other key stakeholders who also have a role to improving outcomes for Māori.

Our network of regional offices and how they generate relationships and information for policy interventions is being strengthened. In particular, the implementation of the Relationship Management Strategy involves:

- Activating, developing and realising Māori Potential through our relationships
- Building stronger relationships with whānau, hapū, iwi, Māori organisations and communities, to enable them to develop sustainable opportunities for themselves
- Strengthening partnerships between Māori and other key stakeholders
- Gathering information from the regions to inform Māori development activities and investment in Māori people
- Using information gathered to inform policy development
- Facilitating timely involvement for government engagement with Māori and increasing our connectivity with them.

Implementing the Relationship Management Strategy will strengthen our ability to collect regional and local level information on Māori views, experiences, and issues to inform policy interventions; and provide advice to regional agencies and organisations (including both central and local government) to assist them in delivering to and improving outcomes for Māori.

## To build and sustain capability

Māori people hold the key to their progress within New Zealand and global society. The importance of Māori to the future of the New Zealand economy and society is also well-known. In 2005/06, Te Puni Kōkiri will contribute to building and sustaining the capability of Māori, through work in the Key Output Areas.

Te Puni Kōkiri has recognised the importance of building and sustaining the capability of staff and ensuring internal systems and processes support them. The overall effectiveness of Te Puni Kōkiri depends on how well it manages the eight key success factors that remain unchanged from those published in the *Statement of Intent – 1 July 2004*, and are listed under 'Risk Management' on pages 40 – 42.

### The Key Internal Activity that will contribute to this Objective

#### Implementing the People Capability Strategy

Our *People Capability Strategy to 2010* is aimed at attracting, developing and retaining a sustainable supply of highly skilled people who will effectively contribute to *Māori succeeding as Māori*. A recent review of our people capability has identified recruitment and retention of experienced staff as key focus areas for Te Puni Kōkiri.

This activity will include:

- continuing to review and refine our Human Resources Framework, and development of associated strategies and initiatives
- establishing learning and career development frameworks for our leaders and other employees that will ensure our people are able to achieve and sustain high performance in their current roles and to be developed to take on future roles, including leadership in Te Puni Kōkiri and the wider public service
- establishing recruitment, selection and development processes that can identify, select and develop new and returning entrants with the potential to take on Te Puni Kōkiri roles
- valuing and rewarding our people for their effective contribution to their work and the outcomes through, for example, appropriate remuneration.

We will continue to refine and implement our People Capability Strategy, with its focus on how we can make Te Puni Kōkiri a career destination for talented graduates, experienced professionals and public servants, and ways we can recruit, develop and retain permanent staff.

## Pay and Employment Equity in the Public Service

Te Puni Kōkiri will consider the pilot study evaluations being undertaken within a number of public service entities. Findings will be analysed to provide direction and planning for any new initiatives required to comply with Government policy on pay and employment equity. Staff will be consulted in respect of initiatives before implementation.

## Risk Management

Te Puni Kōkiri incorporates risk awareness and management into its standard planning and management practices. In terms of Managing for Outcomes, we continue to be particularly interested in the risks associated with our ability to contribute to the outcomes detailed in our Outcomes Framework (p13). These risks, first articulated in our Statement of Intent 1 July 2004, are centred on the risks inherent in not meeting our key success factors. They are outlined in the following table, along with the response we will use to minimise each risk.

KEY SUCCESS FACTOR	RISK	RESPONSE
<i>Staff with appropriate capabilities who can lead, influence and connect</i>	We may have a reduced capability, owing to a current disproportionate ratio of experienced staff to inexperienced staff.	<p>Our <i>People Capability Strategy 2010</i> focuses on recruitment and retention of staff. We will be refining and implementing this strategy in 2005/06.</p> <p>Our new structure includes increased numbers of senior positions. We will recruit staff into these positions who can apply to their work:</p> <ul style="list-style-type: none"> <li>• a Māori perspective</li> <li>• an understanding of the Treaty of Waitangi</li> <li>• skills as leaders, influencers and connectors</li> <li>• appropriate qualifications, experience and credibility.</li> </ul> <p>In recruiting staff we will look to tap into a wide pool of candidates by using a variety of media to advertise our vacancies and new strategic direction.</p>
<i>Clarity of purpose and clarity of role</i>	If staff do not understand our purpose and/or role they may undertake work that is inconsistent with our strategic direction. This will reduce our effectiveness in the areas where we wish to make a difference.	<p>Senior management will be held collectively responsible for ensuring all staff understand, and can articulate, our strategic direction which encompasses the Māori Potential Approach, including:</p> <ul style="list-style-type: none"> <li>• the role of each wāhanga (division) and its contribution to the strategic direction</li> <li>• their particular team's role and its contribution to the strategic direction</li> <li>• their own role and its contribution to the strategic direction.</li> </ul>



KEY SUCCESS FACTOR	RISK	RESPONSE
<i>Flexibility in approach</i>	If we are inflexible in our approach we may miss unplanned opportunities that arise in our areas of interest.	When opportunities and/or issues arise, we will review our work priorities to ensure we are using resources in a way that maximises our effectiveness.
<i>Understanding and having the ability to meet the needs of the Minister of Māori Affairs</i>	We may not provide high quality, timely advice to the Minister of Māori Affairs.	Senior management will be held collectively responsible for ensuring all staff are aware of the relationship between providing high quality, timely advice to the Minister and how the Minister may use the advice to advocate for and influence government responsiveness to Māori throughout the state sector.
<i>Working alongside Māori</i>	Our work relies on our knowledge of Māori aspirations and initiatives, and how Māori see the role of Te Puni Kōkiri in assisting them. There is a risk Te Puni Kōkiri will not learn of initiatives in a timely manner, and therefore be unable to assist effectively.	Working alongside Māori is a key focus of our work. We have introduced Information Advisor positions in regional offices, supporting the flow of information between Te Puni Kōkiri and Māori. This two-way flow will assist in policy development, decision-making, performance measurement and impact evaluation.
	The needs, rights, and aspirations of whānau, hapū, iwi, Māori organisations and communities are not fully aligned with Government priorities in relation to the wider good of New Zealand.	<p>We will provide free and frank policy advice that advances evidence-based solutions-focused arguments. We will:</p> <ul style="list-style-type: none"> <li>• keep Government informed about Māori needs and aspirations</li> <li>• keep other key stakeholders, including public and private sector agencies informed</li> <li>• encourage our staff to frame arguments based on principles and models most persuasive to the audience.</li> </ul>

KEY SUCCESS FACTOR	RISK	RESPONSE
<p><i>Access to knowledge pertinent to Māori succeeding as Māori</i></p>	<p>Without access to knowledge pertinent to Māori succeeding as Māori, our ability to mount evidence based arguments for particular policies, programmes or approaches will be jeopardised.</p>	<p>We have established a directorate with responsibility for capturing and disseminating information relevant to Māori participation and success as Māori. All staff are expected to access and use this information in their work.</p> <p>Our Knowledge Management Strategy focuses on enabling staff to maximise the knowledge Te Puni Kōkiri can access, create and share, particularly with key stakeholders.</p>
<p><i>Using systems and processes that enable our activities</i></p>	<p>If our systems and processes do not provide staff with effective and efficient ways to undertake their work, we risk both non-compliance and unproductive use of staff time.</p>	<p>We have on-going review and revision of systems and processes, to ensure they enable and encourage an achievement-based culture. This includes implementing appropriate risk management.</p>
<p><i>Providing an environment that enables Māori to participate and succeed as Māori in the Public Service</i></p>	<p>If we do not provide an environment that enables Māori to participate and succeed as Māori in the Public Service we risk undermining the very things that we represent and losing our Māori staff.</p>	<p>The <i>People Capability Strategy to 2010</i> focuses on realising the potential of our people to provide leadership and influence the development of initiatives that enable Māori participation and success as Māori.</p>

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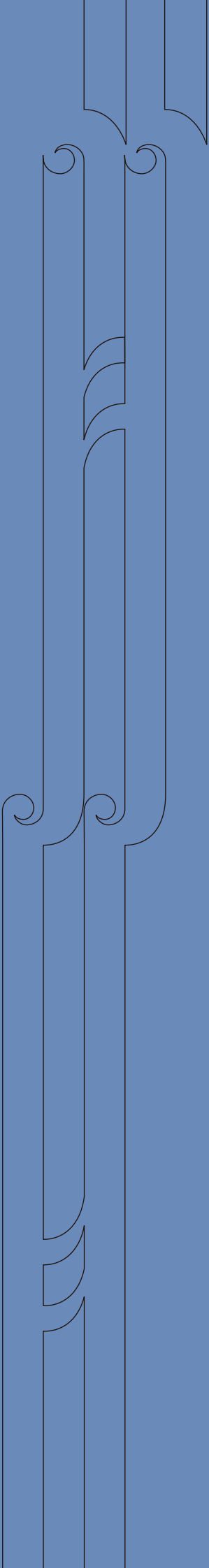
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# FORECASTS

- > Statement of Responsibility
- > Statement of Forecast Service Performance
- > Financial Statements
- > Output Performance



## Statement of Responsibility

The information contained in this Statement of Intent for Te Puni Kōkiri has been prepared in accordance with section 38 of the Public Finance Act 1989.

As Chief Executive of Te Puni Kōkiri, I acknowledge, in signing this Statement, my responsibility for the information contained in this Statement of Intent.

The performance forecast for each class of outputs in the Statement of Forecast Service Performance is as agreed with the Minister responsible for Vote: Māori Affairs administered by Te Puni Kōkiri.

The financial performance forecast for Te Puni Kōkiri in the Forecast Financial Statements is as agreed with the Minister of Māori Affairs, who is the Minister responsible for the financial performance of Te Puni Kōkiri.

The information contained in this Statement of Intent is consistent with existing appropriations, and with the appropriations set out in the Appropriation (2005/06 Estimates) Bill.

Signed



Leith Comer  
Chief Executive  
11 April 2005

Countersigned



Pauline Dennis  
Acting Group Manager Finance  
11 April 2005

## Statement of Service Performance

### OUTPUT EXPENSES

#### POLICY AND MONITORING – SOCIAL AND CULTURAL

##### Description

The Minister will purchase:

- advice on the development of policies and programmes that specifically impact on the social and cultural status of Māori people and resources
- monitoring of other state sector agencies' initiatives, aimed at influencing policies and programmes to deliver equitable social and cultural outcomes for Māori.

Te Puni Kōkiri policy advice will include strategic advice to government on the effective use of resources and interventions in order to enhance Māori social and cultural development.

##### Performance Measures

Generic quantity, quality and timeliness performance measures exist for Ministerial Servicing and Policy Advice and are detailed at the end of this section.

The outputs to be produced will involve research, policy development and monitoring advice that are aligned to the Key Output Areas and some indicators identified in the *Future* section pages 16 to 32.

##### Cost

Outputs in this class will be provided within the agreed appropriated sum of \$6,495,000 (exclusive of GST).

#### POLICY AND MONITORING - ECONOMIC AND ENTERPRISE

##### Description

The Minister will purchase:

- advice on the development of policies and programmes that specifically impact on the economic and enterprise status of Māori people and resources
- monitoring of other state sector agencies' initiatives, aimed at influencing policies and programmes to deliver equitable economic and enterprise outcomes for Māori
- provision of Māori business development services.



Te Puni Kōkiri policy advice will include strategic advice to government on the effective use of resources and interventions in order to enhance Māori economic development. These policies will seek to ensure the Māori resource base is retained and developed for future generations.

### Performance Measures

Generic quantity, quality and timeliness performance measures exist for Ministerial Servicing and Policy Advice and are detailed at the end of this section.

The outputs will provide advice on how to enhance the capability and performance of Māori in the market economy, and they will align to the Key Output Areas and some indicators identified in the *Future* section of the Statement of Intent on pages 16 to 32.

In addition, the following will be provided for (figures are GST exclusive):

- Māori Business Facilitation Service (MBFS) – The provision of \$2,560,000 to mentor aspiring and existing Māori business
- Business Development – the provision of \$1,778,000 to expand the quality and scope of MBFS and performance of Māori and Māori organisations in governance arrangements
- Whānau Development – Enterprise – The allocation of \$1,511,000 to support whānau based enterprise development and growing Māori business through sustainable Māori business sector and professional networks

### Cost

Outputs in this class will be provided within the agreed appropriated sum of \$13,801,000 (exclusive of GST).

## POLICY – CROWN-MĀORI RELATIONSHIPS

### Description

The Minister will purchase advice on the relationship between Māori and the Crown and on the links between that relationship and outcomes for Māori. It includes all Treaty policy issues and advice on the impact of legislation not addressed in any other output class.

### Performance Measures

Generic quantity, quality and timeliness performance measures exist for Ministerial Servicing and Policy Advice and are detailed at the end of this section.

The outputs will provide advice on issues that relate to defining, and enhancing the inter-relationships between whānau, hapū, iwi and the Crown, and intra-relationships of the Crown and Māori established by the Treaty of Waitangi. All outputs delivered will be aligned to the Key Output Areas and indicators identified in the *Future* section of this Statement of Intent on pages 16 to 32.

## Cost

Outputs in this class will be provided within the agreed appropriated sum of \$6,432,000 (exclusive of GST).

## RELATIONSHIPS AND INFORMATION

### Description

This class of outputs involves working actively at a local level to assist Māori to achieve their aspirations. It includes interacting with whānau, hapū, iwi, Māori, Māori communities and organisations, other state sector agencies, local government, non-government and the private sector. It includes the effective flow of information to and from Head Office to ensure the views of Māori in the regions are informing policy advice and activities.

### Performance Measures

Generic quantity, quality and timeliness performance measures exist for Ministerial Servicing and are detailed at the end of this section.

The outputs that will be delivered will be aligned with our Relationship Management Strategy, Key Output Area and some indicators focused on:

- connecting whānau, hapū, iwi, Māori communities and Māori organisations with people (inside and outside government) and resources (including funds) that can accelerate initiatives aimed at increasing Māori participation
- strengthening partnerships with and between Māori, and other stakeholders
- collection and analysis of local level information to guide our policy advice
- providing a platform for local inter-agency collaboration.

### *Quantity*

The expected deliverables will include:

- regular (at least quarterly) proactive reports on all Regional issues or activities prepared and referred to the Minister
- monthly reports on the status of deliverables in regional work programmes including:
- information on the number of interventions completed
- time spent on each of the programmes/services.

### *Quality*

- Increased satisfaction amongst whānau, hapū, iwi, Māori communities and Māori organisations with the services provided. This will be measured by stakeholder surveys.

### *Timeliness*

All specified reporting deadlines will be met and assessed by comparison against deadlines set in the work programmes, and modified during the course of the year.

### **Cost**

Outputs in this class will be provided within the agreed appropriated sum of \$9,645,000 (exclusive of GST).

## **OPERATIONS MANAGEMENT**

### **Description**

This class of outputs involves provision of Māori business development services and high quality services to support Māori development through the design, delivery, and management of community investment programmes.

This output class complements our Relationships and Information services by providing programmes, funding, and operational support. It also supports our future policy advice development by providing information on 'flax-roots' learning experiences.

### **Performance Measures**

Generic quantity, quality and timeliness performance measures exist for Ministerial Servicing and are detailed at the end of this section.

All outputs delivered will be aligned with Key Output Areas and some indicators identified in the *Future* section of this Statement of Intent, pages 16 to 32.

### *Quantity*

The following programmes and funding (exclusive of GST) will be administered:

- Capacity Building – General - the allocation of \$6,160,000 to proposals to assess and build capacity from whānau, hapū, iwi, Māori organisations and Māori communities.
- Capacity Building – Strengthening Management and Governance - the allocation of \$1,867,000 to strengthen Māori organisations' accountability to their stakeholders.
- Whānau Development – Sport & Culture – the allocation of \$1,511,000 to support and assist community led and/or based sports and cultural activities that bring whānau together.
- Kaitātaki-A-Rohe - the allocation of \$3,300,000 for key workers.
- Special Housing Action Zones – the allocation of \$456,000 to capacity building support for this programme.
- Local Level Solutions (LLS) – the allocation of \$3,543,000 to proposals for improving services or asset management from hapū, iwi and Māori.

- Direct Resourcing (DR) – the allocation of \$3,663,000 to proposals for developing Māori Communities.
- Māori Regional Tourism Organisations – the allocation of \$175,000 to this programme.
- Kapohia ngā Rawa – the allocation of \$2,911,000 to guide young Māori towards sustainable choices and appropriate decision-making.

### *Quality*

Work will be produced according to the following quality standards:

- The administration of capacity building programmes will meet the standards outlined in the Te Puni Kōkiri *Capacity Administration Guidelines* manuals
- Monitoring and reporting on the progress and achievements of approved:
  - Capacity Building projects
  - Kaitātaki-A-Rohe - key workers
  - Special Housing Action Zones projects
  - Local Level Solutions projects
  - Direct Resourcing projects
  - Māori Regional Tourism Organisations
  - Kapohia ngā Rawa
  - Whānau Development – Sport & Culture projects.
- Increased satisfaction amongst whānau, hapū, iwi, Māori communities and Māori organisations with the services provided measured through stakeholder surveys.

### *Timeliness*

All specified reporting deadlines will be assessed by comparison against deadlines set in the work programmes, and modified during the course of the year.

### Cost

Outputs in this class will be provided within the agreed appropriated sum of \$13,909,000 (exclusive of GST).

## SERVICES TO THE MĀORI TRUSTEE

### Description

This class of outputs involves the provision of full office services to the Māori Trustee, including personnel, accommodation and corporate support.

The Māori Trustee (as established by The Māori Trustee Act 1953) exists:

- to protect and enhance the interests of Māori clients and their resources
- to manage the adverse effects of fragmented and multiple ownership of Māori land

- to provide fair, proper and prudent administration and management of clients' assets within the principles and obligations of trusteeship and agency.

### Performance Measures

Te Puni Kōkiri will provide the quantity and quality of services as detailed in the agreement between the Chief Executive of Te Puni Kōkiri and the Māori Trustee.

### Cost

Outputs in this class will be provided within the agreed appropriated sum of \$4,586,000 (exclusive of GST).

## Financial Statements

### FINANCIAL HIGHLIGHTS

Appropriations for Te Puni Kōkiri in 2005/2006 total \$156.497 million (GST exclusive).

	2004/2005		2005/2006
	Budget	Estimated Actual	Budget
	\$000s	\$000s	\$000s
Revenue Crown	52,118	52,118	54,145
Revenue other	450	450	723
Output Expenses	52,568	52,568	54,868
Net surplus	-	-	-
Taxpayers' funds	3,835	3,835	4,835
Net cash flows from operating and investing activities	(2,180)	(2,180)	(2,761)

Te Puni Kōkiri also expects to receive a capital injection of \$1,000,000 for capital investment.

In addition, Te Puni Kōkiri administers on behalf of the Crown (GST inclusive):

- \$67.268 million for non departmental output classes;
- \$500,000 for benefits and other unrequited expenses
- \$31.939 million for other expenses;
- \$1.922 million for capital contributions.

Details of what the appropriations will be spent on appear in Parts B1, C, D and E of Vote Māori Affairs in the 2005/06 Estimates.

## Statement of Financial Performance

for the year ending 30 June 2006

	2004/2005		2005/2006
	Budget	Estimated Actual	Budget
	\$000s	\$000s	\$000s
<b>REVENUE</b>			
Crown	52,118	52,118	54,145
Other	450	450	723
<b>Total Revenue</b>	<b>52,568</b>	<b>52,568</b>	<b>54,868</b>
<b>OUTPUT EXPENSES</b>			
Personnel	23,286	23,286	28,096
Pension expenses	231	231	415
Rental & leasing costs	2,607	2,607	2,570
Audit fees	118	118	118
Other operating expenses	24,550	24,550	21,299
Depreciation	1,466	1,466	1,982
Capital charge	310	310	388
<b>Total Output expenses</b>	<b>52,568</b>	<b>52,568</b>	<b>54,868</b>
Net Surplus/(Deficit)	-	-	-

## Statement of Estimated Financial Position and Forecast Financial Position

as at 30 June 2006

	<b>AS AT 30 JUNE 2004 Actual \$000s</b>	<b>AS AT 30 JUNE 2005 Forecast and Estimated Actuals \$000s</b>	<b>AS AT 30 JUNE 2006 Forecast \$000s</b>
<b>ASSETS</b>			
Cash in hand	4	3	3
Bank	7,676	5,035	3,274
Short term receivables & advances	182	50	50
Prepayments	315	200	200
Capital work in progress	0	0	0
Physical assets	3,270	3,363	6,124
<b>Total Assets</b>	<b>11,447</b>	<b>8,651</b>	<b>9,651</b>
<b>LIABILITIES</b>			
Payables & provisions	1,977	1,000	1,000
Other accrued liabilities	2,416	2,000	2,000
GST Payable	17	150	150
Provision for restructuring	1,009		
Provision payment of surplus	937	0	0
Provision Employee Entitlements	1,731	1,666	1,666
<b>Total Liabilities</b>	<b>8,087</b>	<b>4,816</b>	<b>4,816</b>



## Statement of Forecast Movements in Taxpayers' Funds

	2004/2005		2005/2006
	Budget	Estimated Actual	Budget
	\$000s	\$000s	\$000s
Opening Balance	3,360	3,360	3,835
Add-Capital Contributions	475	475	1,000
Less- Capital Repayments			
Result per Operating Statement			
<b>Closing General Funds</b>	<b>3,835</b>	<b>3,835</b>	<b>4,835</b>
<b>Total Liabilities and Taxpayers' Funds</b>	<b>11,922</b>	<b>8,651</b>	<b>9,651</b>

## Statement of Forecast Cash Flows

for the year ending 30 June 2006

	2004/2005		2005/2006
	Budget	Estimated Actual	Budget
	\$000s	\$000s	\$000s
<b>OPERATING ACTIVITIES</b>			
<i>Cash Provided From:</i>			
Supply of outputs Crown	52,118	52,118	54,145
Supply of outputs Other	697	697	723
<i>Cash Disbursed To:</i>			
Output expenses (excl. Capital charge)	(53,126)	(53,126)	(52,498)
Capital charge	(310)	(310)	(388)
<b>Net Operating Cash Flows</b>	<b>(621)</b>	<b>(621)</b>	<b>1,982</b>
<b>INVESTING ACTIVITIES</b>			
<i>Cash Provided From:</i>			
Sale of physical assets	200	200	200
<i>Cash Disbursed To:</i>			
Purchase of physical assets	(1,759)	(1,759)	(4,943)
<b>Net Cash Flows Investing</b>	<b>(1,559)</b>	<b>(1,559)</b>	<b>(4,743)</b>
<b>FINANCING ACTIVITIES</b>			
<i>Cash Provided From:</i>			
Capital Contributions	475	475	1,000
<i>Cash Disbursed To:</i>			
Payment of surplus Crown Capital Repayments	(937)	(937)	-
<b>Net Financing Cash Flows</b>	<b>(462)</b>	<b>(462)</b>	<b>1,000</b>
<b>Net Increase/(Decrease) in Cash Held</b>	<b>(2,642)</b>	<b>(2,642)</b>	<b>(1,761)</b>
Opening Cash Balance	7,680	7,680	5,038
<b>Closing Cash Balance</b>	<b>5,038</b>	<b>5,038</b>	<b>3,277</b>

## Reconciliation of Net Cash Flows from Operating Activities to Net Deficit in Operator Statement

for the year ending 30 June 2006

	2004/2005		2005/2006
	Budget	Estimated Actual	Budget
	\$000s	\$000s	\$000s
<b>OPERATING SURPLUS</b>			
<i>Plus Non-Cash Expenses</i>			
Depreciation	1,466	1,466	1,982
<i>Working Capital Movement</i>			
Increase/(Decrease) in Accrued Liabilities	(2,269)	(2,269)	-
Increase/(Decrease) in Prov. Employee Entitlements	(65)	(65)	-
Increase/(Decrease) in Receivables & Advances	247	247	-
<b>Net Operating Cash Flows</b>	<b>(621)</b>	<b>(621)</b>	<b>1,982</b>

## Details of Fixed Assets, By Category

for the year ending 30 June 2006

	30 June 2005		30 June Forecasted Position		Net Book Value \$000s
	Estimated Actual Position \$000s	Cost \$000s	Accumulated Depreciation \$000s		
Office Equipment	27	668	635		33
IT Equipment	728	2,806	2,206		600
Furniture and Leasehold Improvements	1,044	6,129	3,026		3,103
Motor vehicles	996	3,048	1,243		1,805
Other assets	568	3,800	3,217		583
<b>Total</b>	<b>3,363</b>	<b>16,451</b>	<b>10,327</b>		<b>6,124</b>

## Departmental Capital Expenditure

(to be incurred in accordance with section 24 of the Public Finance Act 1989)

Category	Forecast	Actual	Estimated	Actual	Actual	Actual
	2005/06 \$000s	2004/05 \$000s	Budget 2004/05 \$000s	2003/04 \$000s	2002/03 \$000s	2001/02 \$000s
Computer hardware	250	443	443	284	384	238
Computer software	400	170	170	90	291	1,208
Office Equipment	30	10	10	9	0	
Furniture & fittings	2,803	150	150	123	21	164
Motor Vehicles	1,460	986	986	65	142	168
	<b>4,943</b>	<b>1,759</b>	<b>1,759</b>	<b>571</b>	<b>838</b>	<b>1,778</b>

*The forecast capital equipment for the 2005/06 is primarily routine replacement of IT equipment, motor vehicles and for refurbishment of office premises*

## Statement of Objectives Specifying the Financial Performance Forecast for Te Puni Kōkiri

for the year ending 30 June 2006

Performance Indicators	Unit	2004/2005		2005/2006
		Budget	Estimated Actual	Budget
<b>OPERATING RESULTS</b>				
Revenue: other	\$000s	450	450	723
Output Expenses	\$000s	52,568	52,568	54,868
Operating Surplus before Capital Charge	\$000s	310	310	388
Net Surplus	\$000s	0	0	0
<b>WORKING CAPITAL</b>				
Net Current Assets	\$000s	472	472	(1,289)
Current Ratio	%	91	91	137
Average Debtors outstanding	days	60	60	60
Average Creditors outstanding	days	30	30	30
<b>RESOURCE UTILISATION</b>				
<i>Physical Assets</i>				
Total Physical Assets at year end	\$000s	3,363	3,363	6,124
Value per Employee	\$000s	9	9	15
Additions as % of Physical Assets	%	52	52	81
<i>Taxpayers Funds</i>				
Level at year end	\$000s	3,835	3,835	4,835
Level per employee	\$000s	10	10	12
<b>FORECAST NET CASH FLOWS</b>				
Surplus/(deficit) Operating Activities	\$000s	(621)	(621)	1,982
Surplus/(deficit) Investing Activities	\$000s	(1,559)	(1,559)	(4,743)
Surplus/(deficit) Financing Activities	\$000s	(462)	(462)	1,000
Net Increase/(decrease) in Cash Held	\$000s	(2,642)	(2,642)	(1,761)
<b>HUMAN RESOURCES</b>				
Staff Turnover	%	15	28	20
Average length of service	Years	5.1	5.2	5.2
Total staff	No.	406	375	411

## Forecast for each Class of Outputs

for the year ending 30 June 2006

Te Puni Kōkiri has agreed to provide output classes in 2005/2006 as agreed with the Minister of Māori Affairs and various purchasers in terms of their nature, timeliness, quality and quantity specifications and cost.

### SUMMARY OF DEPARTMENTAL OUTPUT CLASSES

Departmental output classes to be delivered by Te Puni Kōkiri, and their associated revenue, expenses and surplus or deficit are summarised below:

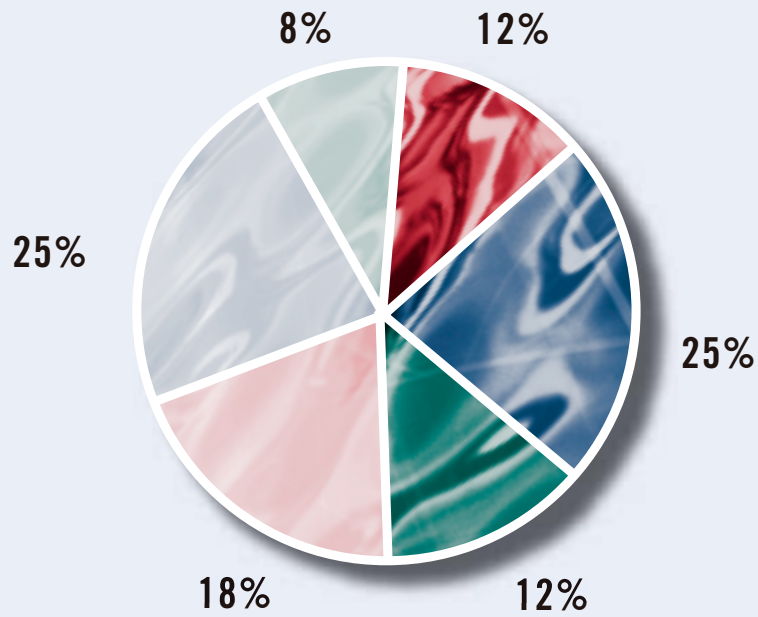
## Output Operating Statements: 2005/2006







Figures are GST exclusive

	Revenue Crown \$000s	Revenue Other \$000s	Total Revenue \$000s	Surplus (Deficit) \$000s
Policy and Monitoring – Social and Cultural	6,145	350	6,495	-
Policy and Monitoring – Economic and Enterprise	13,428	373	13,801	-
Policy - Crown Māori Relationships	6,432	-	6,432	-
Relationships/Information	9,645	-	9,645	-
Operations Management	13,909	-	13,909	-
Services to the Māori Trustee	4,586	-	4,586	-
<b>Total</b>	<b>54,145</b>	<b>723</b>	<b>54,868</b>	<b>-</b>

## Allocation of Resources to Output Classes

### REVENUE CROWN



	Policy and Monitoring – Social and Cultural	<b>12%</b>
	Policy and Monitoring – Economic and Enterprise	<b>25%</b>
	Policy – Crown Māori Relationships	<b>12%</b>
	Relationships / Information	<b>18%</b>
	Operations Management	<b>25%</b>
	Services to the Māori Trustee	<b>8%</b>

## Supporting Statements

### STATEMENT OF SIGNIFICANT UNDERLYING ASSUMPTIONS

The Forecast Financial Statements have been prepared in accordance with Section 34A of the Public Finance Act 1989 and are consistent with generally accepted accounting practice. The purpose of the Forecast Financial Statements is to facilitate parliamentary consideration of the appropriations for, and planned performance of, Te Puni Kōkiri.

Actual results achieved for the year to 30 June 2006 are likely to vary from information presented in these statements and the variances may be material.

These Forecast Financial Statements have been prepared on the basis of assumptions as to future events that the Chief Executive of Te Puni Kōkiri reasonably expects to occur at the date this information was prepared. It is not intended that this published information will be updated.

These Forecast Financial Statements have been compiled on the basis of government policies, and Te Puni Kōkiri's Output Plan agreed with the Minister of Māori Affairs at the time the statements were finalised. The statements assume the functions and duties of Te Puni Kōkiri will remain consistent with those set out in the Ministry of Māori Development Act 1991.

### REPORTING ENTITY

Te Puni Kōkiri is a government department as defined by section 2 of the Public Finance Act 1989.

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

These forecast statements comply with generally accepted accounting practice and are in accordance with applicable Financial Reporting Standards approved by the Accounting Standards Review under the Financial Reporting Act 1993.

#### Measurement System

The prospective financial statements have been prepared on an historical cost basis.

#### Revenue

Te Puni Kōkiri derives revenue through the provision of outputs to the Crown for service to third parties. Such revenue is recognized when earned and is reported in the financial period to which it relates.



## Specific Accounting Policies

### *Fixed Assets*

Fixed Assets, other than Leasehold Improvements and Land and Building as at 1 January 1992, were incorporated at historical cost less accumulated depreciation or modified historical cost. Subsequent additions are at cost.

### *Depreciation*

Depreciation on revalued fixed assets is based on the revalued amount. Depreciation rates are on a straight line basis over the estimated useful life of the assets. They are:

Leasehold Improvements	over the unexpired period of the lease
Furniture and Equipment	5 Years
EDP Equipment	4 Years
Motor Vehicles	5 Years
Software Developments	3 $\frac{1}{3}$ Years

### *Cost Allocation*

Te Puni Kōkiri has determined the cost of output classes using the cost allocation system outlined below.

### *Criteria for direct costs*

**Direct Costs** are those costs that are directly attributed to an output.

### *Criteria for indirect costs*

**Indirect Costs** are those costs that cannot be attributed in an economically feasible manner, to a specific output.

These include depreciation and capital charge which are charged to outputs on the basis of asset utilisation. Property and other premises costs, such as, maintenance, are charged on the basis of floor area occupied for the production of each output. Personnel costs are allocated to outputs on the basis of budgeted staff hours.

Corporate overheads are allocated to outputs on the basis of staff hours budgeted in each output.

*Accounts Receivable*

Accounts receivable are recorded at realisable value.

*Goods and Services Tax*

Income, expenditure, assets and liabilities are recorded exclusive of GST.

**CHANGES IN ACCOUNTING POLICIES**

There are no changes to accounting policies planned for 2005/2006.

## Output Performance

### MINISTERIAL SERVICING PERFORMANCE

Outputs	Delivery Timeframe
Responses to Ministerial correspondence	Within one month
Parliamentary questions	Individually agreed
Briefings	Individually agreed
Speech notes	Individually agreed
Official Information Act requests	Within 20 working days
Cabinet Submissions	Individually agreed
Ombudsman Complaints	Within 20 working days
Reports to the Māori Affairs Committee	Individually agreed

Te Puni Kōkiri aims to provide responses on time in 95% or more cases. Te Puni Kōkiri's performance must achieve a ministerial satisfaction rating of "good", "very good", or "excellent" in the Four Monthly Survey of Ministerial Satisfaction. The possible values are "poor", "adequate", "satisfactory", "good", "very good", and "excellent".

### SCHEDULE OF QUALITY STANDARDS

Te Puni Kōkiri will seek a four monthly written response from the Minister on its performance against the quality standards outlined on p68.

All policy advice produced will be in accordance with the Te Puni Kōkiri Quality Assurance Handbook. Cabinet papers will comply with the Cabinet Manual.

In addition to the Minister's satisfaction survey, the completion and referral of high quality policy advice (as defined by the quality characteristics) will be assessed throughout the year by an independent expert in Public Sector policy.

All specified reporting deadlines will be met and assessed by comparison against deadlines set in the work programmes.

## QUALITY STANDARDS

The quality characteristics are as follows:

Characteristic	Criteria
<b>Purpose</b>	The aims of any papers/briefings Te Puni Kōkiri is responsible for have been clearly stated and all the issues addressed.
<b>Logic</b>	The assumptions behind the advice/briefings provided are explicit, and the arguments are logical and supported by facts.
<b>Accuracy</b>	The facts in the papers/briefings prepared by Te Puni Kōkiri are accurate and all material facts have been included.
<b>Options</b>	An adequate range of options have been presented and each option is assessed for benefits, costs and consequences to the Government and the community.
<b>Consultation</b>	There is evidence of adequate consultation with interested parties and possible objections to the proposals have been identified where appropriate.
<b>Practicality</b>	Problems of implementation, technical feasibility, timing and consistency with other policies have been considered.
<b>Presentation</b>	The format meets Cabinet Office standards or other relevant requirements. The material is effectively and concisely summarised, has short sentences in plain English and is free of spelling and grammatical errors.
<b>Timeliness</b>	Papers are completed and presented within specified deadlines.