

# NEW ZEALAND POLICE

## 2010/11 ANNUAL REPORT

### **New Zealand Police Annual Report**

for year ended 30 June 2011

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Minister of Police Wellington

Pursuant to the provisions of section 101 of the Policing Act 2008 and section 44(1) of the Public Finance Act 1989, I submit my report on the operations of the New Zealand Police for the year ended 30 June 2011.

**Peter Marshall MNZM**

Commissioner of Police

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# Commissioner's Overview

## Introduction

I am pleased to present the first annual report of my tenure as Commissioner. Because I took up the post in April, the credit for many of the initiatives of this successful, if challenging, year lies with my predecessor, Commissioner Broad. I am proud to advance and build on the achievements of his term.

The year has been dominated by the tragedies of the Christchurch earthquakes and Pike River coal mine. Despite those huge, complex policing operations, our officers continued to drive down crime, improve road safety and implement the Policing Excellence change programme, increasing our focus on crime prevention.

## Christchurch and Pike River tragedies

Three operations put New Zealand Police into the international spotlight during the year – the earthquakes of 4 September 2010 and 22 February 2011, and the disaster at Pike River coal mine on 19 November 2010.

There was no immediate loss of life in the Darfield (Christchurch) earthquake in September, though the widespread destruction and disruption demanded a huge response from Police and other agencies. The February operation, however, was on a very different scale. More than 1,200 additional police from home and abroad were deployed in Christchurch at the operation's peak, including 323 Australian police.

Police staff from around the country have been deployed in Christchurch on a rotating roster and, though this commitment is being reduced, it is likely the local strength will need to be supplemented for some time. The long-term shape of policing in the area requires careful planning. Management structures have been adapted so day-to-day policing can continue despite the additional demands arising from the earthquake.

Police staff suffered loss and trauma like many others. As District Commander Dave Cliff said, 'Our staff have been nothing short of heroic'.

One positive outcome was a restating and strengthening of our international relationships, particularly with our Australian counterparts. Among the police and specialist personnel who helped in Christchurch, 439 came from overseas. It was a truly international response.

The people of Christchurch will never forget the men and women who came to their aid, and I'm sure those emergency and rescue workers will never forget their experiences here. When catastrophic flooding hit Queensland, New Zealand was the first country to respond with help. When the earthquakes struck Canterbury, that help and support was returned. For this, New Zealand is grateful.

Pike River was different in scale to Christchurch, but no less traumatic for those affected. Pike River saw one of the largest-ever Police search operations, involving staff from throughout New Zealand. Family liaison was a critical component of this operation. Pike River remains a hugely emotional issue, with the 29 lost miners' bodies unrecovered, and a Royal Commission of Inquiry under way.

## Policing Excellence

We are redefining how we work through the Policing Excellence change programme, examining everything we do to see if it can be done more efficiently and effectively. The programme highlights intelligence-led policing and shifts the emphasis toward prevention – fewer crimes means fewer victims.

We envisage a four percent redeployment of resources into prevention by 2014/15 which is expected to deliver outcomes of a 13 percent reduction in recorded crime and a 19 percent reduction in non-traffic prosecutions by 2014/15. As at 30 June 2011 we are starting to realise these benefits with a 5.9 percent reduction in total crime and 18.7 percent reduction in prosecutions, since 2008/09.<sup>1</sup>

<sup>1</sup> The Policing Excellence targets of reduced crime and prosecutions are measured from a 2008/09 baseline. Total recorded crime reduced by 5.8 % since 2009/10.

The four percent redeployment of resource will include implementing the Prevention First strategy that will ensure law abiding New Zealanders are safe and feel safe. Research shows that approximately ten percent of offenders commit 50 percent of reported crime and that six percent of victims suffer 54 percent of crime. It is for these reasons that Police is focused on preventing victims from being re-victimised, preventing offenders re-offending, and taking the heat out of 'hot' locations.

Prevention First tactics are derived from a better understanding of the drivers of crime such as:

- organised crime, gangs, and drugs
- alcohol misuse
- youth offending and victimisation
- family violence, and
- policing the roads.

Neighbourhood Policing Teams are a tactic used to implement Prevention First strategy. The teams use in-depth local knowledge to target known criminals, respond effectively, and to reduce revictimisation. It is front-line policing at a grassroots level that is shown to improve safety and the perception of safety. This year Neighbourhood Policing Teams were trialled in Counties Manukau and are now being readied for a national roll-out of at least 30 teams by end of December 2011.

## Trust and confidence

The police response to events such as the earthquakes helps to reinforce feelings of trust and confidence among the public. During the past year we saw this reflected in the results of our Citizens' Satisfaction Survey, an annual survey that gauges public opinion of police and the service we provide.

More people than before are expressing high levels of trust and confidence and are feeling safe in their neighbourhoods and town centres. Ninety-one percent of those who had recently been in contact with police rated our staff as competent.

Business leaders, for the second consecutive year, have voted Police the most reputable government department in a survey for New Zealand Management magazine. Respondents praised our clear and compelling vision, strong and effective leadership, and consistent delivery of service.

Work continues on developing ways we can better meet the needs of our society. One way Police has done that, to great acclaim, is through the pioneering emergency text service for the Deaf launched in November. This service received recognition in June, winning an award from the prestigious Institute of Public Administration New Zealand (IPANZ). More importantly, by 30 June 2011 this service was providing an emergency lifeline for around 636 registered users. For the same period our Communications Centres had handled 90 emergency texts sent to police, fire, and ambulance services.

Another IPANZ winner was the Police Ethnic Strategy Towards 2010. This strategy has had a major impact on how we relate to others in our diverse society – within the public and our own ranks – and now forms the platform for a new strategy to 2015. The IPANZ judges commended Police on being one of the first government agencies to develop such a strategy.

## Family violence

Protection of vulnerable people remains a top priority, and New Zealand's high rate of family violence is unacceptable. Police attend more than 86,000 family violence incidents a year - approximately one every six minutes. In the 2010-2011 fiscal year there were 34 murders, 20 of which were family violence-related. Even when a child is not the primary victim of violence, we know family violence indicates children of the family are at heightened risk of abuse. We can take some encouragement from the fact that the rate of increase in family violence is slowing.

In the past year Police and Child, Youth and Family have jointly launched a new operating model which has brought greater clarity to our respective roles and responsibilities. We have also seen the impact of initiatives including Police Safety Orders, introduced in June 2010, which allow police to order a person to leave the home for up to five days - providing a crucial cooling-off period. This reflects Police's focus on preventing crime, rather than just responding to it when the damage is done.

## Drugs and organised crime

There has been success combating drugs and organised crime with operations such as Operation Stamp which targeted the Rebels motorcycle gang and led to the seizure of firearms, drugs, cash and vehicles and the exposure of two clandestine methamphetamine laboratories.

Targeted operations have continued. Police has repeatedly seized drugs, cash, vehicles and firearms—— and with the growing influence of the National Intelligence Centre and the Organised and Financial Crime Agency of New Zealand (OFCANZ), Police will continue to disrupt such operations.

Police has sought to make crime less rewarding with assets of crime worth millions of dollars being forfeited to the Crown under the Criminal Proceeds (Recovery) Act 2009. During the 2010-2011 fiscal year, assets worth an estimated \$6.7 million were forfeit from offenders, including a cash sum of \$2.5 million from an Auckland-based foreign exchange dealer who was laundering the profits of drug dealing on behalf of an organised criminal group.

### Reducing harm from alcohol

Alcohol continues to be a factor in most incidents. Alcohol is a factor in half of all serious violence, drug and anti-social offending, a quarter of traffic offences and at least one sex offence in five. Responding to alcohol-related issues absorbs at least 18 percent of the Police budget.

We have been proactive, with operations such as Operation Unite using a combination of enforcement and education to challenge the drinking culture amongst young people. There is ongoing cooperation with local authorities, health bodies and other agencies. A comprehensive Police submission was made to the Law Commission inquiry into alcohol issues.

### Firearms

One of my first declared intentions was to improve access to firearms and Tasers for front-line staff. Work is under way to equip every response or road policing vehicle to hold a safe for the carriage of a Bushmaster rifle, Glock pistol, Taser, and two sets of ballistic armour. Such initiatives aim to increase the safety of our police and the public without recourse to routine arming.

### Another busy year

In addition to the above, we have maintained our all-important business-as-usual services. Key achievements have been:

- dealing with 721,106 emergency 111 calls
- receiving 1,016,120 non-emergency calls
- receiving 230,171 traffic-related \*555 calls
- responding to 515,652 incidents
- recording 34 murders, the lowest in 25 years
- completing 821,146 key preventative tasks
- having one of the highest resolution rates for a police jurisdiction
- stopping drivers for 3.2 million breath tests
- recording 315 road deaths, the lowest recorded.

### Under new management

I have sought to streamline the Police Executive to create the clearest lines of communication between districts and headquarters. District commanders no longer have to leave their patch to attend monthly Executive meetings, instead reporting to assistant commissioners, who represent their districts' interests. It is a clear and simple structure that is appropriate to the clear and simple vision we have for New Zealand – Safer Communities Together.

### Looking ahead

As we look to the future, there are many reasons to believe Police will continue to improve on the first-class service it delivers.

We are also delivering on the Government's pledge to increase by 600 the number of constabulary employees. Graduations from The Royal New Zealand Police College will take our strength to 8,907 full-time equivalent staff by the end of 2011.

It is now up to us in the Police Executive and our management teams to ensure we use these resources to the best effect.

### Conclusion

The work highlighted in this overview represents a fraction of Police's achievements over the year. Typical of a year in policing, staff dealt with natural disasters and significant incidents against a background of continuous



improvements in technology, legislative change, and improved procedures and processes; New Zealanders can be proud of this performance.

**Peter Marshall MNZM**

*Commissioner of Police*

30 September 2011

## PART 1

# Strategic Context

### 1.1 Government priorities

New Zealand Police continued to contribute to the Government's goals by focusing on the priority areas of:

- prevention (of crime and victimisation) and reduction of demand on the criminal justice system
- clamping down on gangs and drugs
- improved operational and financial performance
- reassurance policing.

During the year, Police has delivered on the Government's goals by working collaboratively with other government and non-government agencies to reduce the burden of crime and road trauma imposed on society and the economy.

### 1.2 Police priorities

Police priorities include the Policing Excellence change programme improvement actions. Policing Excellence will put prevention at the heart of New Zealand policing, ensuring the safety of all citizens and reducing victimisation and offending. It will enable better management of future demands on Police and is expected to improve the deployment and productivity of resources.

The Statement of Intent for 2010/11–2012/13 stated that the public can expect to see the following improvements in service delivery.

- Deployment to meet peak demand through improved rostering and intelligence-led tasking.
- Easier reporting of non-emergency and historic crime and crashes through the nationally available Crime Reporting Line.
- Increased the time available for active patrol with the gradual uptake of mobile technology.
- Neighbourhood policing focused in areas of greatest return.
- Offenders will be brought to account earlier and services to victims will be improved through changes to case management.
- Alternative resolutions will be used where appropriate.
- Road safety will be supported and improved with the more effective and efficient use of speed monitoring and other technology.

These improvement actions taken together with the organisational efficiency opportunities opened up by the Policing Act 2008, contribute to the Government's programme to deliver better, smarter public services for less.

Detailed progress against police priorities are recorded in Part 2 of this Annual Report.

### 1.3 Police outcomes

Throughout the year, Police has been working to achieving its two strategic outcomes:

- confident, safe and secure communities
- less actual crime and road trauma, fewer victims.

Impacts sought from the outcomes set out in the Statement of Intent for 2010/11–2012/13 are shown in Table 1.

Table 1: Police outcomes and impacts, 2010/11–2012/13

## Outcome 1 – Confident, safe and secure communities

## Impacts for Outcome 1:

- confidence in the Police is maintained, and fear of crime and crashes is reduced
- New Zealand is seen as a safe and secure place in which to live, visit, and conduct business
- the public, especially victims of crime, expresses satisfaction with police service

## Outcome 2 – Less actual crime and road trauma, fewer victims

## Impacts for Outcome 2:

- less harm from crime, crashes, and anti-social behaviour
- vulnerable people are protected and safe
- rate of increase in demand on criminal justice system is abated

## PART 2

# Outcomes and Key Achievements

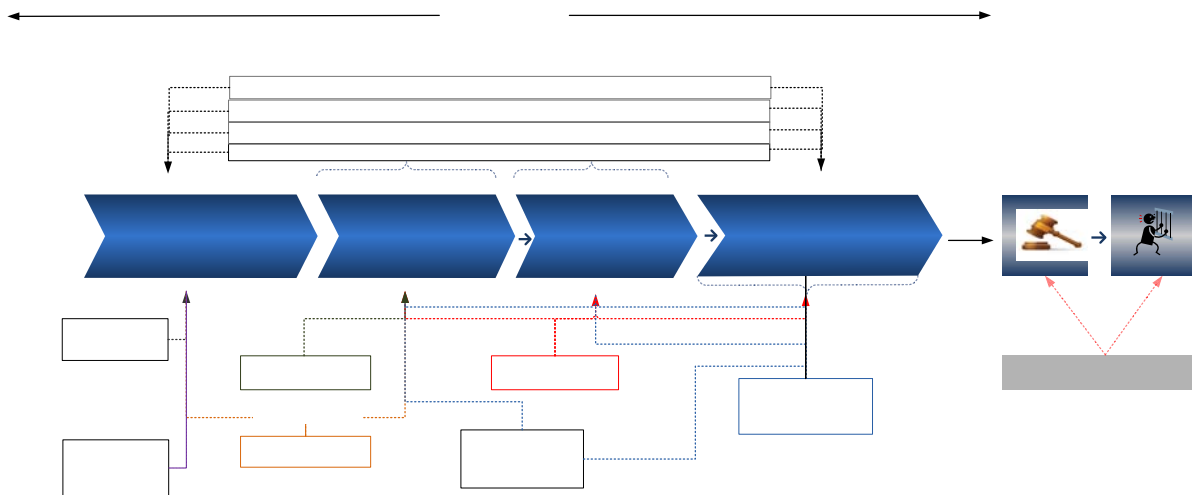
## 2.1 Introduction

Police has increased staff visibility and accessibility to communities, and progressively implemented new crime-prevention approaches that draw on intelligence-based policing and problem-solving approaches.

### Policing Excellence work streams

During the year, Police worked to deliver the Government's goals and the wider justice sector's outcomes as well as to manage the work streams in the Policing Excellence change programme (also called performance improvement actions). How the work streams contribute to core processes is illustrated in Figure 1.

Figure 1: Policing Excellence work streams to 2014/15



### Reporting on Policing Excellence work streams

The Policing Excellence change programme runs through to 2014/15. It is a key change initiative from the Statement of Intent for 2010/11–2012/13. Preliminary analysis shows a possible net benefit of \$42 million by 2014/15 – equivalent to around 500 staff available for redeployment into other priority activities.

The programme's benefits are starting to be realised. Table 2 shows good progress against target.

Table 2: Tracking against Policing Excellence targets, 2008/09 to 2010/11

Target by 2014/15	Tracking against Target (from 2008/09 to 2010/11)
13% reduction in total recorded crime	5.9%
19% reduction in total (non-traffic) prosecutions	18.7%

Policing Excellence comprises commonsense, practical initiatives that are driven by district commanders and their operational teams to shift the emphasis of its work further toward crime prevention – fewer crimes means fewer victims, less trauma, and less pressure on the justice system. It aims to make us work smarter in a time of financial restraint and address the needs of a fast-evolving society.

Until 30 June 2011, the focus of the work streams was to provide stage 1 and 2 business cases, most of which have been signed off and some of which are part way through implementation. Performance measures for each work streams are being refined, so that Police can track progress in more detail while implementing business cases.

Progress against each of the nine work streams is outlined in Table 3 (and detailed throughout this report). Eight of the work streams are on track. The ninth, Rostering to Reduce Demand, was delayed due to the Christchurch earthquakes.

Table 3: Policing Excellence progress by work stream, 2010/11

Policing Excellence work streams	Progress for 2010/11
<p>Advancing the Police Model 'Prevention First' to Allow More Neighbourhood Policing Teams (NPTs)</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>Prevent 52,600 recorded crimes</li> <li>Reduce Police (non-traffic) apprehensions resolved by prosecution by 13,000 per annum.</li> </ul>	<p>Progress towards implementing the Police Model includes:</p> <ul style="list-style-type: none"> <li>completing the stage 2 business case, including high-level requirements and design</li> <li>completed terms of reference and training programme for NPTs</li> <li>12 NPTs deployed in Counties-Manukau District and two NPTs deployed in Waitematā District</li> <li>a total of 30 NPTs to be trained and deployed throughout New Zealand by 31 December 2011</li> <li>planned implementation of four supporting work streams: Victim Focus, Reallocation, Productivity, and Performance Management.</li> </ul>
<p>Providing Efficient Access to Non-emergency Police Services and Reporting Historical Crime (Crime Reporting Line)</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>improved productivity of front-line staff</li> <li>standardised service standards</li> <li>improved victim access to police with the removal of the need to report to a police station during office hours.</li> </ul>	<ul style="list-style-type: none"> <li>Stage 2 business case approved.</li> <li>Planning to implement crime reporting line into Canterbury and Eastern districts started.</li> </ul>
<p>Mobility</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>increased productivity of front-line staff by 7% through use of technology that reduces paperwork and the need for staff to return to</li> </ul>	<ul style="list-style-type: none"> <li>Areas where front-line officers could benefit through introduction of new technology identified.</li> <li>Considering an appropriate technical platform for Mobility.</li> <li>Performance improvements for mobility will be</li> </ul>

Policing Excellence work streams	Progress for 2010/11
<p>police stations</p> <ul style="list-style-type: none"> <li>350 full-time equivalent staff freed-up for redeployment in preventative activities.</li> </ul>	<p>realised in the next financial year.</p>
<p>Improved Management of Criminal and Traffic Cases (Case Management)</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>improved outcomes for victims through the speeding up of processes and improved communication</li> <li>improved overall efficiency of reactive processes.</li> </ul>	<ul style="list-style-type: none"> <li>Introduction of process improvements in the Auckland District, using the 100-days improvement approach (based on the World Bank's Rapid Results Approach), on track. Approach uses customised reporting tools to measure work-group performance in key areas of case management.</li> <li>Training solutions delivered.</li> </ul>
<p>Applying Greater Operational Discretion through Alternative Resolution</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>fewer police (non-traffic) apprehensions resolved by prosecution by 15,000 per year by 2012/13</li> <li>less recidivism – this will be quantified 12 months after implementation.</li> </ul>	<ul style="list-style-type: none"> <li>Pre-charge warnings successfully rolled out nationwide, targeting 5–9% reduction in minor offences to the District Court.</li> <li>As at 30 June, national reduction is tracking at 8%.</li> </ul>
<p>Cost Recovery</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>Police's financial burden offset by on-charging for some non-essential services.</li> </ul>	<ul style="list-style-type: none"> <li>Stage 2 business case approved.</li> <li>Opportunity exists to implement cost recovery for vetting services and policing commercial events.</li> </ul>
<p>Policing Act Opportunities</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>using authorised officers where appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>Planning undertaken on the direction of the work stream in preparation the for stage 1 business case due 30 September 2011.</li> </ul>
<p>Support Services to the Frontline</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>centralised and streamlined support services.</li> </ul>	<ul style="list-style-type: none"> <li>Terms of reference and project framework for the Upper North Services Project (forerunner for national model) completed.</li> <li>Planning to define and implement initiatives of Upper North Services Project started.</li> </ul>
<p>Rostering to Reduce Demand</p> <p>Expected outcome shift by 2014/15:</p> <ul style="list-style-type: none"> <li>prevention of 6,500 recorded crimes per year by 2012/13</li> <li>5,900 fewer charges laid per year by 2012/13</li> </ul>	<ul style="list-style-type: none"> <li>Stage 1 business case and initial planning to develop optimised rosters started.</li> <li>Canterbury earthquakes disrupted the development of a business case that was to be completed after the rostering pilot was run in Canterbury.</li> <li>Work stream transferred to Wellington District from August 2011 and will be integrated with the Police Model deployment and reallocation sub-workstream.</li> </ul>

## 2.2 Outcome 1 – confident, safe, and secure communities

Police contributed to confident, safe, and secure communities by focusing on New Zealanders' feelings of well-being and safety so people can live productive lives, unburdened by crime, and free from the fear of crime or crash-related trauma. Police has been working with communities to ensure individuals and families feel safe, can move safely and efficiently around the road network, have the knowledge that their properties and businesses are

secure, and are assured the rule of law is applied impartially. This outcome supports the Government's objective to better equip New Zealanders to face economic challenges.

This section reports on progress towards this outcome through indicators and impact measures. It also reports on the key achievements that delivered the impacts for the outcome.

## Outcome 1 indicators

The indicators for Outcome 1 are from the:

- public trust and confidence survey (Citizens' Satisfaction Survey)
- New Zealand Crime and Safety Survey.

### Public trust and confidence survey (Citizens' Satisfaction Survey)

At an outcome level, Police monitors progress through the Citizens' Satisfaction Survey. Over the last 10 years, the survey has asked all respondents about their levels of trust and confidence in Police. The survey measures peoples' perceptions of the services Police provides.

This year 77 percent of the 9,973 respondents reported 'full or quite a lot of trust and confidence' in police. This is an increase of two percentage points on the 2009/10 results. Table 4 shows the increased trust and confidence in Police over the last three years.

Table 4: Public trust and confidence in Police, 2008/09–2010/11

Measures	2008/09 (%)	2009/10 (%)	2010/11 (%)
Full/quite a lot of trust and confidence in Police	72	75	77
Agree/strongly agree police are responsive to the needs of my community	75	75	78
Feel safe/very safe in neighbourhood during day	91	92	93
Feel safe/very safe in neighbourhood after dark	66	70	72
Feel safe/very safe in city/town centre after dark	45	48	53

People reported feeling safer in their neighbourhoods during the day and after dark, as well as in their city or town centre after dark. More people agreed that police are responsive to the needs of their community.

### Confidence in Police

The Global Peace Index ranked New Zealand the second safest country.<sup>2</sup> The index considers factors such as crime, internal and external conflict, and political stability. Such perceptions encourage visitors to attend major events such as the Rugby World Cup.

Police plays a key role in this. The presence of an efficient, professional, ethical, and trusted police service is one bedrock of a successful society.

New Zealand business leaders voted Police the most reputable government department in a survey published in New Zealand Management magazine.<sup>3</sup> They praised police's community contribution and strong and effective leadership.

<sup>2</sup> The Institute for Economics and Peace has produced the Global Peace Index annually since 2007 ([www.economicsandpeace.org](http://www.economicsandpeace.org)).

## New Zealand Crime and Safety Survey

The New Zealand Crime and Safety Survey provides information about the nature and extent of crime and victimisation in New Zealand.<sup>4</sup> The survey is done once every four years. The last survey was completed in 2009, so does not cover this reporting period.

## Outcome 1 impacts

The Statement of Intent 2010/11–2012/13 identified three key impacts for Outcome 1:

- Impact 1 - confidence in the Police is maintained and fear of crime and crashes is reduced
- Impact 2 - New Zealand is seen as a safe and secure place in which to live, visit, and conduct business
- Impact 3 - the public, especially victims, express satisfaction with police service.

Discussed below are key achievements in 2010/11 that contributed to Police Outcome 1 - Confident, safe, and secure communities.

### Outcome 1: Impact 1 - Confidence in the Police is maintained and fear of crime and crashes is reduced

The following are priority initiatives for the Outcome 1 impact 'confidence in the Police is maintained and fear of crime and crashes is reduced'.

#### Gangs and organised crime

The Organised and Financial Crime Agency New Zealand (OFCANZ) was established in July 2008 as a discrete service agency hosted by Police. OFCANZ's mission is 'improving the safety and security of New Zealand by combating serious and organised crime through an inter-agency partnership approach'.

The two operational focus areas for 2010/11 were Outlaw Motorcycle Gangs and Asian Organised Crime Groups, both identified as significant contributors to New Zealand's organised crime environment.

OFCANZ led several multi-agency taskforces to target the focus areas and led seven investigations. Four investigations are ongoing. Of the three investigations concluded during the year, 27 people were arrested on 69 charges with \$2.74 million of harm-related costs being avoided by the community as a result of criminal networks being disrupted. During the year, 11 government agencies partnered with OFCANZ to achieve its operational results. OFCANZ activity also resulted in partner agencies changing operational practices to make New Zealand a more hostile environment for organised crime. This work includes heightening the awareness of organised crime risks across policy agencies by hosting quarterly Organised Crime Policy Action Group and Senior Managers' Forum meetings, and working on opportunities through the Police Organised Crime Control Strategy.

#### Increased visibility of police to address fear of crime

The Prevention First strategy seeks to increase the Police focus on the drivers of demand on the criminal justice system. Five Prevention First operational priorities reflect these drivers.

- **Organised crime, gangs, and drugs** – Organised crime, gangs, and drugs cause harm to all levels of New Zealand society, every region of the country, and every sector of the economy. By actively working with local communities, police will develop and implement robust, relevant, and effective responses.
- **Impact of alcohol misuse** – The overwhelming majority of New Zealanders consume alcohol in a responsible manner. However, a small minority misuse alcohol, which places a considerable burden on public services not least Police. Alcohol-related issues use 18 percent of the police budget, which diverts resources away from other priorities.
- **Youth offending and victimisation** – The priority for Police is to ensure all children and young people growing up in New Zealand are protected and safe so they can live full and productive lives. Police seeks to achieve that priority by addressing children and young people's presence in the criminal justice system as both victims and offenders.
- **Families** – Family violence, including child maltreatment, is a priority because it is physically, emotionally, mentally, and socially damaging. The financial cost alone of family violence is estimated at \$8 billion each year in New Zealand. Police actively works with other public agencies and non-governmental organisations, because no one agency can reduce family violence alone.

<sup>3</sup> 'NZ Management magazine survey' (2010) *Ten One*, October, p 2.

<sup>4</sup> Ministry of Justice (2010) *The New Zealand Crime and Safety Survey: 2009*. Wellington: Ministry of Justice. [www.justice.govt.nz/publications/global-publications/c/NZCASS-2009](http://www.justice.govt.nz/publications/global-publications/c/NZCASS-2009).



- **Policing the roads** – The Safer Journeys strategy to 2020 aims to deliver a safe road system that is increasingly free of death and serious injury, because despite notable successes over the last year New Zealand still trails many other countries in road safety. The effects are felt in lives ruined, families suffering, and the anguish of communities. The economic impact is estimated to be \$3.8 billion each year. Police will continue to work with partner agencies to further reduce death and serious injury on the roads through deterrence, visibility, education, and enforcement.

The Neighbourhood Policing Teams are a tactic of the Prevention First Strategy. They are designed to increase police visibility and engagement with the community to create safe and secure neighbourhoods. These teams focus on reducing crime, preventing victimisation, improving perceptions of safety, and increasing trust and confidence in police.

Neighbourhood Policing Teams operate within predetermined geographical boundaries (i.e., neighbourhoods) with their communities to identify and solve crime and crash problems within those neighbourhoods. Generally, problems are of such magnitude that they cannot be readily addressed through business-as-usual policing activities, so they are worked on until they are eliminated or can be managed without the need for further police intervention. These teams are one of several tactics used to support the Prevention First strategy.

Key achievements during the year include the following.

- Fourteen Neighbourhood Policing Teams were deployed – 12 in Counties-Manukau District and two in Waitematā District.
- Training is under way for the Neighbourhood Policing Teams in Eastern District. Training will be on hold during the Rugby World Cup so police staff can concentrate on that operation. Training will resume in late October. The aim is to have 30 teams in place by 31 December 2011.

#### *Communities working together*

Police responded to an expressed desire for officers to be more visible in Rotorua communities. This resulted in local people saying they were feeling safer in the council's 2010 Perceptions of Safety Survey.

A five-strong police team was stationed at Sylvia Park mall in Auckland. This was a crime-fighting partnership with mall management, security, and retailers. Crime in the mall fell 40 percent from December 2009 to December 2010.

The Asian Community Patrol was launched in New Lynn in partnership with Police. Experienced patrollers from Pacific communities are mentoring new patrollers. Community patrols are a proven way in which people can help their neighbourhoods.

#### *Action on threat to community*

In February synthetic cannabinoids such as Kronic were identified as a driver of crime in Dunedin, with aggravated robberies and burglaries spiking as dairies started stocking them. Local and national intelligence offices and Western Australian Police, who were facing similar problems, pooled information. Dunedin officers visited retailers to tell them about the products' potentially harmful effects, and nine of the 36 outlets took them off sale immediately. As the initiative gathered momentum, Police worked alongside partners from the health sector, schools, media, Justice of Peace and others to reduce crime and promote safety.

Meanwhile, in March members of the national Police and Education Partnership identified that synthetic cannabinoids were causing issues in schools. The National Drug Intelligence Bureau produced an information sheet and the Partnership released a communication to schools on how to manage the issue. Since these initiatives, the Government has moved to ban the products.

#### *Preventative Ethnic Initiatives*

Police is constantly increasing its visibility amongst Māori, Pacific and ethnic communities through developing and maintaining effective partnerships that enable resources and knowledge to be shared to help prevent crime and victimisation.

#### *Key preventative achievements include:*

- establishing Asian Safety Patrols in Waitakere, bringing the number of Asian patrollers in the Auckland region to 120 and providing high visibility reassurance and deployment in crime 'hot spots' including events such as the Rugby World Cup. In addition, Pacific wardens are being deployed in at-risk communities and 128 Māori wardens were trained to enable a higher degree of public safety, particularly in highly populated fan-zones for the Rugby World Cup.
- increasing the number of Pacific warden groups and Pacific Community Safety Patrols to assist with reducing violent Pacific males and Pacific youth. They have proven effective in dealing with street disorder and alcohol

abuse involving Pacific youth as well as Māori and Pākehā youth. They provide a positive presence at large festivals and events involving Pacific and other communities.

- training in excess of 120 Pacific wardens across the Auckland Region to focus on safe streets, safe homes, and safe communities. Proactive patrolling by the wardens network has prioritised:
  - family and other violence by Pacific people (providing links to Pacific service providers, church leaders, and Whānau Ora)
  - serious traffic offending by Pacific people (monitoring liquor ban areas and preventing Pacific people from driving)
  - youth offending and reoffending by Pacific youth (targeted programmes focusing on truancy).
- Māori wardens participating in Operation Unite to prevent alcohol-related harm at a local level. The result was a 50 percent reduction in breach of liquor ban offences in Wellington City.
- signing a Memoranda of Understanding to build trust and confidence with:
  - Te Kōhanga Reo National Trust to positively influence a working partnership with Police.
  - Te Wānanga o Aotearoa to strengthen recruitment of Māori
- working closely with Pacific communities and local service providers to identify risk and prevent crime where there is a Pacific youth gang presence. Apprehensions for Pacific youth have increased across most violent crime types (robbery, serious assaults, and intimidation and threats), particularly among females. Youth gang violence continues to be a major concern in Pacific communities, particularly in the Auckland region.
- establishing Pacific advisory groups in Auckland City, Counties Manukau, Waitemata, and Wellington Districts, complementing the increased police focus on prevention and demand reduction.
- creating two new ethnic liaison officer roles in Christchurch and Waitakere, bringing the number of ethnic liaison officers nationally to 12. The success of these appointments and the initiatives implemented contributed to Police winning the award for Excellence in Recognising Ethnic Diversity at the 2011 Institute of Public Administration New Zealand awards. Ethnic liaison officers have been deployed to assist with events such as the Christchurch earthquakes, homicide enquiries, international liaison, and victim support.
- improving engagement with ethnic communities by delivering 150 crime and safety workshops to small business owners, taxi drivers, international students, and refugee and migrant community groups. The workshops focused on personal safety, drugs, family violence, burglary prevention, and road safety. Feedback from business owners and organisations has demonstrated the effectiveness of such educational programmes conducted by Police.
- providing multilingual resources for ethnic communities including safety information for international students, family violence resources, business crime prevention advice, and hand-bag snatching prevention advice.
- participating in a joint initiative (Settling In – International Students) with the Ministry of Social Development to gain a better understanding of the settlement experiences of international students in New Zealand. The findings of the project are being used to address the safety and well-being of international students.

#### *Iwi-led Crime and Crash Prevention Plans*

Iwi-led Crime and Crash Prevention Plans (ICPP) are the vehicle in which Police and iwi partnerships deliver a joint approach to crime prevention. Progress for this financial year includes the following.

- Auckland Metro iwi (Tuhononga) approved its ICPP. This ICPP is being implemented and aligns with the delivery of Prevention First in Auckland districts.
- Te Atiawa has developed a network of eight marae that provide community services throughout the Hutt Valley. Police has worked closely with iwi to ensure alignment between police initiatives and iwi services to support Whānau Ora.
- Te Arawa's ICPP, entitled Te Arawa Tangata, is moving into the implementation phase. It will enable a centralised, coordinated service to Māori communities.

#### *Preventative policing matching police deployment at time of highest demand*

The Rostering to Reduce Demand work stream aims to increase the number of police available for deployments at key times, creating a more efficient system for the management of staff deployed thereby preventing crime. The work stream began in May 2010, and its work included testing business rules and procedures around rostering processes.

Canterbury District was the lead for this work stream but because of the earthquakes, it became increasingly difficult for the district to allocate resources to this work stream. Accordingly, the work stream is being transferred to the Police Model 'Prevention First' work stream with Wellington District taking the lead.

Rostering models trialled were the:

- peak load roster, which involved rostering large numbers of staff before and during periods of high demand
- lateral relief roster, which deploys non-emergency response non-commissioned officers to emergency response groups every 10 weeks and is used to prevent short-term relieving in groups and keep group numbers stable.

Achievements during the year included:

- more effective leave management (ie, staff managed in Christchurch under the centralised system have an average leave holding 1.5 days less than staff not managed by the system)
- fewer staff involved in rostering with the introduction of a centralised roster system
- a more holistic view of city rostering requirements (rather than a narrow area view), leading to enhanced staff safety and group functionality
- elimination of inefficiencies with standardised business rules and procedures for rostering staff
- more accurate matching between demand and resources, allowing better management and reporting on sick leave, annual leave, court duties, training, and other duties.

### **Outcome 1: Impact 2 - New Zealand is seen as a safe and secure place in which to live, visit, and conduct business**

Police continued to work with partner agencies to maintain a corruption-free public service, encouraging ongoing business investment and associated opportunities for New Zealanders. Police worked collaboratively with domestic and international partner agencies to reduce fraud and economic crime, disrupt organised crime, mitigate the threats of terrorism, ensure the safety at major events of the public as well as all visitors and dignitaries.

The following are priority initiatives for the Outcome 1 impact 'New Zealand is seen as a safe and secure place in which to live, visit and conduct business'.

#### ***Intelligence-led policing***

Intelligence-led policing is an organisational capability priority with facets extending broadly across the organisation from the district intelligence structure to professional development and information technology. The national intelligence structure provides improved information collection and analysis, so enhances decision-makers' ability to target resources for best effect.

Initiatives during the year include the following:

- The creation of strategies and tools (including the National Offender Prioritisation Matrix, Financial Targeting Model, and Priority Locations Index) is providing national consistency in determining the nature of problems and informing tasking and coordination decisions. The matrix is contributing to effective organised crime control activity at national and local levels.
- Police secure communication has been enhanced through the tool POLNET in Auckland (Auckland Metro Crime and Operations Support). Similar facilities are being developed in Counties Manukau.
- Various technology developments are under way to enhance the infrastructure required for intelligence-led policing.
- Intelligence is a major contribution to the targeting of tasking and coordination functions and resourcing the Neighbourhood Policing Teams.
- The financial targeting model for NIC has been implemented and is leading to the development of intelligence products for financial investigation priorities and operational activities.
- The inaugural Intelligence Collection course was designed and delivered. The Professional Development in Intelligence Programme continues to be delivered and Intelligence Development Plans have been embedded.

#### ***Participating in capacity building initiatives in the region***

In 2010/11 demand for Police participation overseas has continued; a reflection of the solid reputation Police enjoys among the international community. Overseas participation has included the following.

- Capacity Building – to improve the capabilities of governments to respond to security threats within their borders. This involved programmes in the Cook Islands, Bougainville (Papua New Guinea), Kiribati, Nauru, Niue, Samoa, Tokelau, Tonga, Tuvalu, Solomon Islands, Indonesia, Philippines, Vanuatu, and Viet Nam.
- Peace Support Operations – by supporting bilateral and regional initiatives that promote peace and stability in the region. This has involved deploying staff to Afghanistan, Bougainville, Solomon Islands, and Timor Leste.
- Disaster and Emergency Response and Security Liaison – including commitment to information sharing and security cooperation. Liaison officers are posted to Apia, Beijing, Canberra, Jakarta, London, Sydney, and

Washington. Police has also deployed staff to the Hockey World Cup, Commonwealth Games, Shanghai Expo, and annual Gallipoli commemorations.

- Similarly, regional and international security has seen further engagement from Police.

### ***Ensuring Police can use enhanced legislative powers***

The Financial Crime Group was established in December 2009 to coincide with the introduction of the Criminal Proceeds (Recovery) Act 2009 and the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009. The group is made up of four Asset Recovery Units and the already established Financial Intelligence Unit, plus an administrative and analytical team.

The Financial Intelligence Unit's principal remit is to facilitate and assist with preventing, detecting, and investigating money laundering and terrorism financing by analysing and disseminating information received primarily from Suspicious Transaction Reports. The Asset Recovery Units use the Criminal Proceeds (Recovery) Act 2009 to restrain and forfeit the proceeds and profits of significant criminal offending based on the civil standard of proof.

The Financial Crime Group's capability has expanded and it now employs more than 50 investigators, financial and intelligence analysts, intelligence support officers, and forensic accountants. These roles collaborate to disrupt, deter, and derail crime, especially in relation to organised criminal groups, money laundering, and methamphetamine offending.

The Asset Recovery Units provide a whole-of-government service for asset recovery, investigating cases referred to them from, among others, districts, the Inland Revenue Department, the New Zealand Customs Service, the Department of Corrections, and OFCANZ.

Initiatives during the year include:

- Pro-active Financial Offender Targeting Process to identify potential offenders for investigation by Police and partner law enforcement agencies
- first National Risk Assessment to examine money laundering and terrorist financing methods, undertake predictive analysis, and build a foundation for mitigating and managing risks
- Quarterly Typology Report, informs the National Risk Assessment, that highlights emerging trends to identify and prevent money laundering and terrorist financing
- development and enhancement of inter-agency cooperation and intelligence sharing with organisations such as the Inland Revenue Department, the Serious Fraud Office, the Bankers' Association, finance sector supervisors, and the newly formed Financial Markets Authority
- investigation by Asset Recovery Units of 153 cases, 88 percent of which targeted the assets of drug offenders.

The Financial Crime Group is an important stakeholder in the ongoing development of whole-of-government financial crime strategies that have involved reviewing money laundering legislation and implementing a fraud review led by the Policy Group and National Criminal Investigations Group.

Outcome focused success during the year included:

- 4,145 Suspicious Transactions Reports (10,029 transactions) processed – this represent a 9 percent increase in the number of transactions processed compared with the previous year, although the number of reports processed decreased 17 percent because of staff secondments to assist with the Christchurch earthquake response
- an increase of 11 percent in the number of intelligence reports generated by the Financial Intelligence Unit (from 436 to 485)
- as a result of Asset Recovery Unit investigations, restraining orders over assets worth an estimated \$22.7 million
- forfeiture orders over assets with an estimated value of \$6.7 million were executed
- \$13.1 million was restrained from methamphetamine offenders alone.

### ***Provide effective policing service for the Rugby World Cup 2011***

Planning for the Rugby World Cup proceeded well this year. Police has been cooperating closely with Rugby New Zealand 2011 and government agencies (especially the Department of the Prime Minister and Cabinet, Ministry of Economic Development, New Zealand Customs Service, and New Zealand Defence Force). Police has reported regularly to the Officials Domestic External Security Committee and undertaken a successful risk-mitigation process with monthly reviews of all risks.

Success during the year includes:

- mitigation plans completed
- alcohol management plans completed

- internationally protected persons protection plans completed
- establishment of a joint intelligence group.

### **Reporting on Outcome 1: Impact 2 - New Zealand is seen as a safe and secure place in which to live, visit, and conduct business**

#### *Tourism New Zealand's Visitor Experience Monitor 2010/11*

Tourism New Zealand conducts the Visitor Experience Monitor survey each year. In 2010/11, 5,352 international tourists who primarily came to New Zealand for a holiday or to visit friends and relatives were surveyed. This year's sample was 65 percent holiday tourists, 27 percent tourists visiting friends and relatives, and 8 percent business, conference, or education tourists who also had a holiday component in their trip to New Zealand. The survey is weighted to be representative of international arrivals by market, age, and gender.

Overall satisfaction with safety in New Zealand was relatively stable with a small decreased of 0.1 from 2009/10 to 2010/11 (from 8.8 out of 10 to 8.7 out of 10; see Table 5).

**Table 5: Results of Visitor Experience Monitor, 2009/10 and 2010/11**

Indicator	2009/10 (out of 10)	2010/11 (out of 10)
Overall satisfaction with safety in New Zealand	8.8	8.7
Satisfaction with personal safety in urban areas	8.6	8.5
Satisfaction with personal safety in country areas	8.9	8.8
Satisfaction with road safety	8.1	8.1

### **Outcome 1: Impact 3 - The public, especially victims of crime, expresses satisfaction with police service**

Police continue to be accessible to all citizens and respond to the needs of victims by providing consistently high-quality services and partnering effectively with other agencies. The following are priority initiatives for the impact 'the public, especially victims of crime, expresses satisfaction with police service'.

#### ***Increasing access to Crime Reporting Line to allow historic and non-emergency crimes and crashes to be reported more easily***

The Crime Reporting Line allows the public to make non-emergency crime reports over the phone to a centralised call centre. Efficiencies are gained through centralised processing. The process has been successfully piloted in the Auckland and Bay of Plenty Districts and expanded into Counties Manukau District. The next stage of development is the implementation of expanded capability in the Eastern and Canterbury Districts by March 2012. The pilot showed reduced work pressure for front-line officers and accurate recording of non-emergency information that enabled appropriate responses and decisions.

#### ***Promoting a culture of citizen-centred policing services that improves citizens' satisfaction***

Service First is a long-term service-improvement programme to improve citizens' satisfaction with policing services and to make every contact count towards building trust and confidence in Police. During 2010/11, the focus was maintained on building leadership capability to promote a service culture and making every contact at the counter count. About 75 percent of stations have implemented standards for the delivery of services at their public counters. Service delivery standards for operational policing were also developed and tested during the year.

#### ***Ensuring victims are kept informed through an improved, nationally consistent case management approach***

Case management provides more-effective responses to victims by improving the way Police manages and resolves its caseload. The result is improved responsiveness to victims with increased timeliness and accuracy of case status.

Through the efficiencies gained:

- managers and supervisors now have improved visibility of all cases, their status at a point in time and electronic tracking of progress, enabling better monitoring of performance (case workload) and identification of opportunities for further improvement
- improved reporting capability including the ability to see all child abuse cases in one report
- managers and supervisors can obtain real-time intelligence to enable better deployment decisions
- victims will be provided with more consistent services and compliance with victims legislation is enhanced
- communities are made safer as offenders are brought to account earlier.

### Reporting on Outcome 1: Impact 3 - The public, especially victims of crime, expresses satisfaction with police service

#### *Citizens' Satisfaction Survey 2011*

The Citizens' Satisfaction Survey monitors perceptions of Police and satisfaction with Police services. In 2010/11, 9,973 people were interviewed. Respondents to the survey were from random samples of the population and people who have called Communications Centres. Around 38 percent of the population has had contact with Police over the previous six months.

All respondents were asked about their trust and confidence in Police, their perceptions of safety, and the role of police in the community. People who had contact with Police were asked about their satisfaction with the service they experienced.

People who had any contact with Police in 2010/11 were more satisfied with their experience of Police services than this group had been in the previous year. It is important that people get what they need when they contact police. More people this year agreed that in the end they got what they needed. (See Table 6.)

**Table 6: Results of Citizens' Satisfaction Surveys, 2008/09–2010/11**

Indicators	2008/09 (%)	2009/10 (%)	2010/11 (%)
Overall satisfaction with service delivery among the public who had contact with police	79	79	82
People who had contact with police whose expectations of service delivery were met or exceeded	88	88	89
Agreed/strongly agreed that 'in the end I got what I needed'	73	72	75

## 2.3 Outcome 2 – less actual crime and road trauma, fewer victims

Police are committed to reducing crime and crashes and their impact on victims. During the year, Police continued to respond to and investigate crime and crashes effectively and efficiently.

This section reports on progress towards this outcome through indicators and impact measures. It also reports on the main interventions and achievements that delivered the impacts for the outcome.

### Outcome 2 indicator

At an outcome level based on population numbers, Police monitors growth in crime and the Ministry of Transport monitors growth in crashes.

#### Police crime and Ministry of Transport crash statistics

The number of crashes per 100,000 population over the last three years has declined steadily. The crime rate has also decreased over the same period. See Table 7.

**Table 7: Crimes and crash rates, 2008/09–2010/11**

Indicator	2008/09	2009/10	2010/11
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Crimes per 10,000 population	1,031.9	1,018.4	947.5
Indicator	2008	2009	2010
Crashes per 100,000 population*	275.0	259.0	249.0

\* Calendar years only.

## Outcome 2 impacts

Police identified a number of impacts that will help monitor the difference Police is making to influence less actual crime and road trauma, fewer victims. The key impacts identified in the Statement of Intent for 2010/11 – 2012/13 for Outcome 2 are:

- Impact 1 - less harm from crime and crashes and anti-social behaviour
- Impact 2 - vulnerable people are protected and safe
- Impact 3 - the rate of increase in demand on the criminal justice system is abated.

Discussed below are key achievements in 2010/11 that contributed to Police Outcome 2 - Less actual crime and road trauma, fewer victims.

### Outcome 2: Impact 1 - Less harm from crime and crashes, and anti-social behaviour

Police seek to reduce the level of harm from crime, crashes, and anti-social behaviour. In keeping with the Government's priorities, the Police continued to focus on the most serious offending, including offending by gangs and organised crime groups, and behaviours that adversely affect the quality of life in communities and neighbourhoods. The following are priority initiatives for this impact.

#### ***Implementing community-focused control strategies guided by a prevention, intelligence, enforcement, reassurance, and support framework***

The national control strategies to disrupt and dismantle organised criminality and prevent and reduce alcohol- and methamphetamine-related harms entered their first full year of operation in 2010/11. These community-focused control strategies specify concrete activities and have realistic measures guided by a prevention, intelligence, enforcement, reassurance, and support framework. Districts report on progress against activities through local and national tasking and coordination processes.

Initiatives during the year include the following.

- NIC worked with OFCANZ and the National Drug Intelligence Bureau (including the New Zealand Customs Service, Ministry of Health, and Police) to review and update the Organised Crime Control Strategy. As part of this review and to simplify reporting processes, the Methamphetamine Control Strategy was amalgamated into the Organised Crime Control Strategy.
- NIC worked with the National Criminal Investigations Group (Alcohol Harm Reduction Unit) to develop the national Alcohol Control Strategy.
- The National Drug Intelligence Bureau developed the paper 'A moving target: The future of the illicit drugs market in New Zealand'. This paper was presented, through the National Assessments Bureau, to the National Assessment Committee (which comprises senior government executives).
- NIC established a Sharepoint site for each strategy to facilitate monitoring and reporting.
- The National Drug Intelligence Bureau produced regular products (monthly and annual) into which the coordinated evaluation of control strategy reporting is a key input. A recent product is the document 'An estimate of the size and value of the New Zealand methamphetamine market'.
- Closer international collaboration arrangements have been encouraged with the establishment from early 2011 of an Australian Federal Police project officer, a NIC position based in the federal police headquarters in Canberra.
- Recognition and involvement of Police in the international arena has grown, particularly with its role in the Strategic Alliance Group. The Police contribution has been associated with Indian organised crime, illicit drug trafficking, illegal migration patterns, and financial payment methods.

### Gangs hit where it hurts

The link between gangs, drugs, and violence remains clear. Such operations disrupt gangs, depleting the cash and assets that sustain them. In February, nearly \$2.5 million in drug money was forfeited to the Crown – the largest forfeiture under the Criminal Proceeds (Recovery) Act 2009.

In February 2011, Operation Stamp in Central District led raids targeting criminals, including members of the Australian Rebels motorcycle gang, which was trying to get established in New Zealand. Two P labs were uncovered, and drugs, cash, vehicles, and firearms were seized.

Operation Explorer saw Police and OFCANZ officers execute 60 warrants in the upper South Island, seizing a gang pad, 13 motorcycles, drugs, cash, pipe bombs, and other weapons.

In June 2011, detectives from Auckland Metropolitan Crime Operations Support (AMCOS) terminated a two-month joint investigation, Operation Crow, with the New Zealand Customs Service. Operation Crow targeted an organised criminal network importing sizeable quantities of methamphetamine into New Zealand. Four people, including two foreign nationals, were arrested when the operation was terminated. They were charged with a variety of offences, including participation in an organised criminal group. Two kilograms of methamphetamine, \$16,000 cash, and two late-model vehicles were seized.

Operation Slab targeted a drug manufacture and distribution syndicate. Eight P labs were disrupted across the North Island, with methamphetamine, ecstasy, precursors, jewellery, \$400,000 cash, vehicles, and firearms seized.

Operations Ironclad and Dreadnought were closely-linked AMCOS investigations into cocaine importations. A six-month investigation uncovered a complex, highly organised network located in several countries. It is estimated that the network had sent approximately half a million dollars overseas, and was importing a kilogram of cocaine a month before being disrupted. Twelve people were arrested, including one foreign national, and charged with drug-dealing and money-laundering offences. Almost 3 kilograms of cocaine was seized.

### ***Make better use of mobile technology so staff can remain on active patrol for longer***

The purpose of the Mobility work stream is to improve the availability of technology to front-line police:

- so they can spend more time on the streets
- to ensure better staff safety
- to enhance situational awareness for staff and their supervisors
- to provide better services to victims.

Mobility also enables police to deliver the full range of services when in the field.

Initiatives during the year include the following.

- A trial of mobility technology was scoped. The trial will be phased in across four areas in April 2012.
- Subject-matter experts based in mobility pilot sites were established. They helped to shape the pilot by providing the functionality required for devices and software.
- Information and Communications Technology (ICT) developed the mobility pilot business requirements and identified two technology solutions, eEquip and Mobile for Public Safety. ICT has tested device functionality (radio frequency testing), in-car solutions compliance, and certification for possible mobile solutions. Mobile for Public Safety and eEquip developed.
- A time in motion study identified a significant increase in operational effectiveness, improved officer safety, and more visible and proactive policing.

### ***Increase use of police tools (powers to sample DNA)***

Police has been working on Phase 1 of the Criminal Investigations (Bodily Samples) Act 1995 as amended in 2009. This Act allows police to take a DNA sample from anyone police intend to charge with a 'relevant offence' from an expanded list of 'relevant offences'. Phase 1 has been running effectively since 6 September 2010.

Police has developed BioTrak – an ICT-based decision-support, recording, and reporting system to manage DNA samples taken from individuals under the Criminal Investigations (Bodily Samples) Act 1995.

BioTrak records and reports DNA sampling and links individuals' DNA samples to specific charges to ensure samples that are profiled, searched, and linked to outstanding crime scene profiles are legally and accurately managed and reported. Phase 1 resulted in an increase in sample numbers at predicted levels, a total increase in DNA profile to crime scene links, and an increase in profile to crime scene links for high-volume offences.



Successes during the year include the following.

- The number of DNA databank samples obtained rose 12.1 percent between 2009/10 and 2010/11. All but 32 samples were taken as buccal swabs.
- On comparing DNA profiles from crime scenes with the national DNA database, from when Phase 1 started, the number of person to crime scene links reported increased 23.8 percent.
- Since September 2010, 75 percent of the person to crime scene links are a result of Part 2B of the Criminal Investigations (Bodily Samples) Act 1995 (intention to charge sampling).
- Fifty-six percent of person to crime scene links are for burglary offences, 21 percent for vehicle theft, 11 percent for theft ex vehicle, and about 4 percent for sexual offences. Links have also been reported for robbery, arson, assault, drugs, and damage offences.

### ***Focus on violence within families***

Responding to reported incidents of violence within families continues to be a significant aspect of core police business. In 2010/11, Police received over 65,000 calls for service concerning family violence disputes.

Police has several enforcement initiatives, including attendance at scene as first responders, investigation, and arrest where appropriate. Police also participate in inter-agency efforts about reported incidents of violence within families: Family Safety Teams work with high-risk offenders and victims and the Family Violence Interagency Response System provides an information-sharing forum.

Police are often called to family disputes where an offence has not been committed, but where the risk is significant that family violence has occurred or will occur. Police Safety Orders (PSOs) were introduced in July 2010. They allow police to take action to protect a person where police have reasonable grounds to believe that family violence has or may occur but it is not appropriate to charge someone with an offence. Typically, this occurs when there are significant fears for safety but no appropriate grounds for arrest.

A PSO requires a person who represents a threat to leave the premises for a set period. It also protects the person at risk by putting in place, for the duration of the PSO, standard conditions that mirror those in Protection Orders. The PSO protects people at risk from violence, harassment, or intimidation and stays in force until the expiry date on the order. This date may be a matter of hours or up to five days. The PSO protects victims from immediate harm and gives officers a chance to arrange support for the family.

Police issued 5,242 PSOs in 2010/11. Around seven percent were breached by the person bound by the PSO. A formative evaluation of PSOs is currently underway and results from this evaluation should be available early 2012.

### ***Safer Journeys – New Zealand's Road Safety Strategy 2010–2020***

A focus for Road Policing Support this year has been the adoption of New Zealand's Road Safety Strategy 2010–2020 (Safer Journeys), and the implementation of the safe system approach. Police was a key partner in the development of Safer Journeys, which the Ministry of Transport led.

Vital to implementing the strategy was the development of a sector-wide action plan. Police was a key contributor to the development of the plan and is the lead agency for the Safe Vehicles work stream. This work stream is focusing on ways to promote vehicle safety features and reduce the overall age of the vehicle fleet. The sector action plan for the first three years of the strategy has been developed.

#### ***Road Policing Strategy to 2015***

The development of Police's Road Policing Strategy to 2015 started in the final quarter of 2010/11. Key to developing the strategy is aligning the 'fatal five' areas of speeding, drink/drug driving, restraints, dangerous/careless driving, and high-risk drivers with the safe systems approach of Safer Journeys.

The new police strategy will provide a prevention-based focus for Road Policing activity over the next four years as Police works with its road safety partners towards a safe road system that is increasingly free of death and serious injury.

#### ***Funding and road safety strategies***

The National Land Transport Fund (NLTF) accounts for about 21 percent of the annual police budget. Resources are primarily focused on reducing road trauma through proactive on-road enforcement.

#### ***Partnerships***

Road Policing works collaboratively with its road safety partners and communities; this partnership approach is critical to successful road policing. The approach is reflected at a strategic level through the National Road Safety

Committee and at a community level through the Road Safety Action Planning (RSAP) process. The RSAP process enables a safe system approach and response to risk. Through the RSAP process, Road Policing works closely with its community-based partner agencies, advocating various measures focusing on trauma-related offences. The joint approach recognises that combined solutions and efforts address local road safety objectives to reduce crashes.

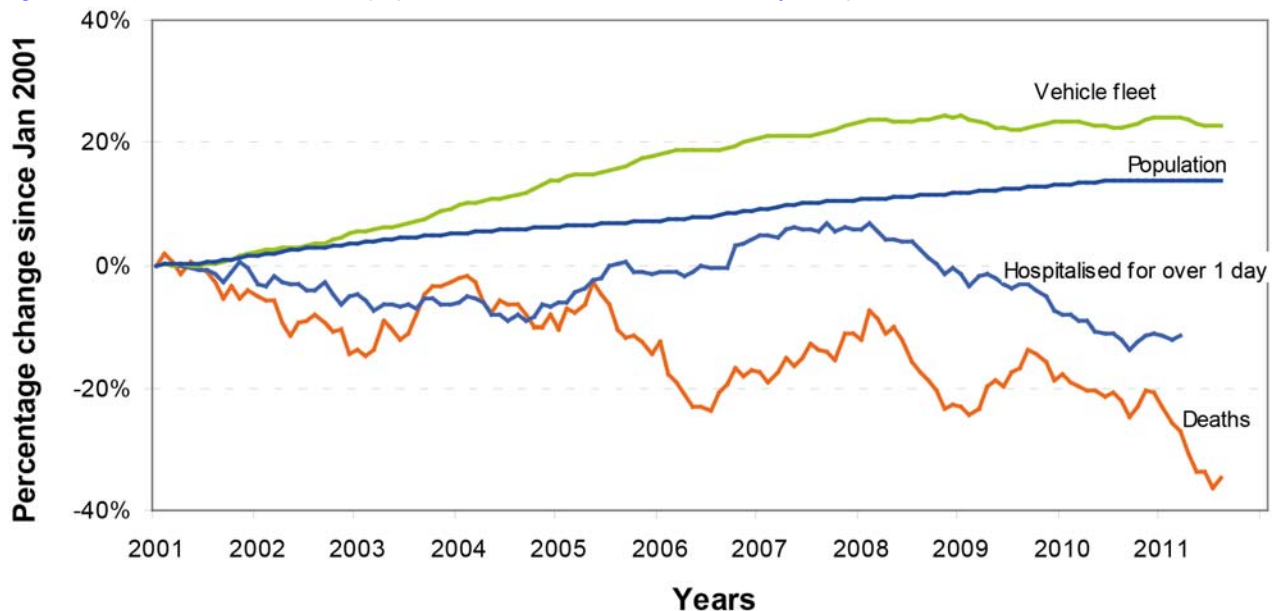
Road Policing also works with its road safety partners to promote evidence-based road safety policies and legislation, including working with the Ministry of Transport, the New Zealand Transport Agency, and other road safety partners to develop the Safer Journeys action plan for 2011–2012.

Police has also been working with the Ministry of Transport and New Zealand Transport Agency to review the transport sector's approach to road policing and the Road Policing Programme to ensure alignment with the Safer Journeys outcomes and safe system approach. This work means police will have a clear focus for road policing for the next 10 years and be well positioned to support the transport and justice sectors to achieve their outcomes.

#### *Decrease in deaths and hospitalisations*

Road deaths for 2010/11 are at a record low of 315. There were 375 road deaths in 2010 calendar year. Although this was an increase on the 366 recorded in 2008, it was less than the 385 recorded in 2009. The number of road deaths continues to track down despite continued growth in the New Zealand vehicle fleet and population (see Figure 2).

Figure 2: Road crash casualties, population, and vehicle fleet, annually compared with 2001



#### *Enforcement capability improvements*

Initiatives implemented throughout 2010/11 to improve road policing enforcement capability include the following:

- Secure Mobile Access and Reporting Technology (SMART) – to provide police with the ability to improve mobility and increase efficiency by using a mobile PDA with printing capability. Following successful field testing in Southern District, Police rolled out a further 200 devices to Highway Patrol staff, and a further 150 devices will be deployed by the end of July 2011 to remaining Highway Patrol staff and some other road policing specialist staff.
- Evidential breath alcohol device upgrade and replacement – to ensure legally compliant and robust enforcement of legislation, Police is modifying the software for its breath-screening devices.
- Tendering for Commercial Vehicle Investigation Unit portable electronic scales – to weigh heavy motor vehicles. They are placed under the vehicle's wheels, either in a weigh pit or at the road side. The scales are used to ensure heavy motor vehicles comply with weight restriction legislation.
- Police Infringement Bureau information system upgrade – this initiative aims to provide police with a supportable application for the data entry of traffic infringement notices. The previous application was not cost effective to support and was difficult to modify or enhance to support changing business or legislative requirements. The project was implemented in early June 2011.

- Replace static cameras with new digital cameras – this initiative replaces the existing wet film based static speed cameras with a digital radar-based system. With the installation of the infrastructure for the camera test site on the Hutt Road in Ngauranga Gorge, Police has been testing a trial camera and is considering the performance of the device before making purchase decisions. The camera replacement programme is expected to be rolled out nationally in 2011/12 after testing and purchasing.
- Workplace Fleet Safety Programme –this collaborative programme involves Police, the New Zealand Transport Agency, the Accident Compensation Corporation, and the Department of Labour, and supports the Injury Prevention Strategy. The programme uses the Health and Safety in Employment Act 1992 to improve road safety and is an extension of the current Commercial Driver Programme.

#### *Deployment of automatic number plate recognition technology*

During the year, Police increased the deployment of automatic number plate recognition (ANPR) technology to help it collect intelligence about criminals' activities.

ANPR is an electronic system for high-volume checking of number plates against a defined database and allows police to stop high-risk offenders more effectively. Road Policing Support is delivering three units, using money sourced from the National Land Transport Fund. Two ANPR vans are deployed in Auckland and Wellington, and ANPR will be fitted into a patrol car and trialled in Central District from mid July 2011.

#### *Road safety through rigorous policing of drink and drugged driving*

Police increased road safety by rigorously policing drink and drugged driving, including:

- improving its intelligence-based deployment for compulsory breath testing operations
- breath testing 3,154,529 motorists, which was 10.9 percent above the target for combined compulsory and mobile breath tests for 2010/11
- having 2,234 officers fully trained to carry out compulsory impairment tests.

#### *Improving the safety of young drivers*

Police improved the safety of young drivers by targeting unlicensed drivers, drivers breaching the restrictions of their graduated driver licence, and drink and drugged driving among 15 to 24-year-olds.

A national intelligence report on driver licensing patterns has been produced to inform future opportunities for intervention.

Police apprehended 6,478 unlicensed drivers, issued notices for 90,176 graduated driver licence breaches, and processed 13,609, 15 to 24-year-olds for drink and/or drugged driving offences.

### **Reporting on Outcome 2: Impact 1 - Less harm from crime and crashes, and anti-social behaviour**

#### *Ministry of Transport Statistics*

Table 8 shows that although the number of road deaths has been consistent over the last three years, the number of serious injuries gradually declined over the same period.

**Table 8: Deaths and injuries (Ministry of Transport statistics), 2008–2010**

Impact measures	2008	2009	2010
Number of deaths per 100,000 population *	8.6	8.9	8.6
Serious injuries per 100,000 population ‡	60	57	52

#### **Notes**

The years in this table are calendar years.

\* The number of fatal crashes per 100,000 population has been changed to number of deaths per 100,000 population to be a measure of harm and better match the serious injuries.

‡ Serious injuries reported to Police.

#### *Assaults, property crime, assets restrained and homicides resolved*

The number of assaults leading to physical harm has steadily declined as shown in Table 9. Data collection for assets restrained is available for 2010/11 only. A slight growth is noticed in property crime for the year. Police have been doing well in meeting community needs.

**Table 9: Assaults, property crime, assets restrained, homicides resolved, 2008/09–2010/11**

Impact measures	2008/09	2009/10	2010/11
Number of assaults leading to physical harm	12,180	11,495	11,168
Value of property crime (\$000)	200,988	199,602	200,407
Police are responsive to the needs of my community (proxy for reducing harm from anti-social behaviour)	75%	75%	78%
Value of assets restrained under proceeds of crime legislation (\$m)	–	–	22.7
Percentage of homicides resolved	98.5%	94.5%	91.0%
Percentage of grievous and serious assaults resolved	91.2%	89.5%	88.5%

## **Outcome 2: Impact 2 - Vulnerable people are protected and safer**

Police has been working proactively to help ensure vulnerable people are protected and safe from harm. The Police continued to focus on children, older people, and people with disabilities by working in partnership with organisations and sharing critical information to prevent further victimisation. The following are priority initiatives for this impact.

### ***Improve effective and proportionate responses for child abuse cases through a nationally available Crime Reporting Line***

As the Police response to the Independent Police Conduct Authority report on dealing with child abuse cases was being implemented, improvements were being made to categorise child abuse cases when they first come to police attention to ensure those cases have a higher priority. Each case is now flagged as Police receive it. Categorisation has improved the overall management of child abuse cases and been implemented nationally.

Success during the year includes Police being better able to:

- monitor calls for service in relation to Child Protection Teams
- provide more timely responses.

### ***Ensure better prioritisation of cases and allocate sufficient resources to cases where vulnerable people remain at risk by improving case management***

Child abuse cases are selected for further enquiry after assessment by the investigation unit supervisor. During the assessment process, a case rating score is calculated using a NIA rating function. The case priority is established by comparing the case rating score with the scores of other cases held by the unit. A decision is then made about assigning the case to an investigator. This process has been effectively implemented for Child Protection Team investigations nationally.

The implementation of case management by district Child Protection Teams have enabled Police to:

- monitor accurately all Child Protection Team files
- manage effectively the workload of Child Protection Team staff
- ensure the timely response and timely investigation of Child Protection Team files
- ensure victims of crime are kept informed throughout the life of the case.

### ***Develop multi-agency responses to ensure the safety of vulnerable children and reduce child victimisation***

Child protection investigators and supervisors received refresher training with social workers from Child, Youth and Family about the Child Protection Protocol in April 2011. A new Memorandum of Understanding between Police, Child, Youth and Family, and district health boards has been developed for children who present at hospital with non-accidental injury.

A new multi-agency centre, Koru House, was opened in Wellington District on 23 June 2011. This new centre houses the Wellington District Child Protection Team, Child, Youth and Family, the Hutt Valley Family Safety Team, and the Hutt Valley District Health Board.

Among our most vulnerable citizens are our children. Officers of the Online Child Exploitation across New Zealand (OCEANZ) unit are dedicated to protecting children from internet pornography and associated abuse. This year they rescued three children and safeguarded 16 more under the international Operation Rescue. In three years, this operation has exposed more than 70,000 members of a global paedophile ring.

***Participate and support inter-agency programmes that hold young offenders to account as well as prevent re-offending***

The Government's Fresh Start initiative funded the expansion of Police Youth Development to deliver an additional 175 programme placements in 2009/10 and 650 programme placements in 2010/11 and out years. Six new child case managers (CCM) were established in 2009/10, and in 2010/11 a further 16 were rolled out to districts. By the end of 2010/11, 13 of these positions were operational, and three districts were recruiting. The CCM initiative was implemented in 2010/11, in which a formative evaluation of the pilot was carried out and a contestable process for deploying the positions implemented.

Success during the year includes:

- a formative evaluation on the 2009/10 pilot of the child case managers initiative
- 13 out of 16 child case manager positions deployed to districts in 2010/11
- induction training for child case managers and supervisors in April and June 2011
- 10 contracts signed with non-governmental organisations to increase service delivery capacity for 2010/11
- 720 placements delivered through Fresh Start in 2010/11 (70 placements more than expected).

**Children and young people**

Police continued to address issues related to the safety of children (under 14 years) and young people (14–16 years) and providing a positive influence within communities and schools. A focus for this year has been the development of evidence-based interventions that have been proven to be effective in the lives of children, young people, and their families.

An alternative action is any intervention that seeks to hold a child or young person accountable for their offending and addresses contributing causes of offending to prevent re-offending that does not involve the court system. A recently completed literature review of warnings and alternative actions by police will inform the practice guidelines being developed for Police Youth Services staff when carrying out non-court interventions with children and young people.<sup>5</sup>

The Police and Education Partnership is a new initiative established in 2011. The partnership is a collaborative working group of key national education groups from the compulsory education sector (including the Ministry of Education) and Police. This relationship helps to improve safety, reduce road trauma, and enhance community reassurance within the compulsory education sector by preventing crime, road trauma and also jointly responding to truancy, drug and alcohol abuse, and family violence.

The Youth Education Service (YES) works in partnership with schools to provide services and education programmes to reduce road trauma, crime, and victimisation among children and youth. Police has jointly identified and responded to issues of child abuse, road trauma, crime prevention, bullying, and graffiti, and where appropriate to provide a whole-of-government agency response.

Youth development programmes deliver interventions to children and young people and their families, based predominantly on a case management approach. The 35 youth development programmes that operate across New Zealand delivered case management services to 2,010 children and young people in 2010/11. Trust-employed staff operated in service-delivery partnerships with youth development programmes and worked with an additional 500 children and young people this year.

Police received additional funding to expand its youth development programmes and has employed 16 new child case managers in 2010/11 (making a total of 22). These case managers focus on early intervention with children identified as offending or being at significant risk of offending. Through the deployment of these staff, Police has increased its capacity to intervene early with these children.

<sup>5</sup> The literature review is available from the police website ([www.police.govt.nz](http://www.police.govt.nz)).

## Response to Christchurch Earthquake

In response to the Christchurch earthquake Police deployed Iwi, Pacific, and ethnic liaison officers as specialists to ensure cultural issues were appropriately managed. They used their cultural, linguistic, and operational skills to deal with victim identification, community reassurance, foreign government representatives, and foreign media, and to support victims' families. This demonstrated Police's ability to manage multicultural issues on the international stage across a variety of diverse cultures.

Over 100 Māori wardens were deployed to the Christchurch earthquake response from across New Zealand. They conducted vital door-to-door contact, ensuring that basic necessities were provided to those in need, assessing residents' medical requirements, and assessing damage to property.

In addition, Police (along with a variety of government agencies) has worked with Ngāi Tahu, to provide services to the eastern suburbs of Christchurch after the earthquake. 'The Hub' located at Nga Hau e Wha National Marae has seen iwi, Māori wardens, police, and government services come together to efficiently meet the needs of the community. Police is working with Ngāi Tahu to explore how this model could be implemented on a permanent basis.

## Reporting on Outcome 2: Impact 2 - Vulnerable people are protected and safe

### Family violence repeats

The proportion of family violence repeats have decreased this year as shown in Table 10.

Table 10: Family violence repeats, 2008/09–2010/11

Impact measures	2008/09 (%)	2009/10 (%)	2010/11 (%)
Proportion of family violence incidents that are repeats over the past 12 months*	26.2	27.3	26.9

### Note

\* This measure counts people identified as complainant, subject, victim, offender, or suspect in Family Violence Incident Reports.

### Offences against children and vulnerable adults

The number of offences against children and vulnerable adults have been trending upwards during the year as shown in Table 11.

Table 11: Number of offences against children and vulnerable adults, 2008/09–2010/11

Impact measures	2008/09	2009/10	2010/11
Number of offences against children	3,587	4,011	4,833
Number of offences against vulnerable adults	5,193	5,517	5,563

### Number of deaths and attempted suicides in Police custody

No deaths or suicides occurred in Police custody in 2010/11, but there were 15 attempted suicides, one more than in the last year as shown in Table 12.

Table 12: Number of deaths, suicides, and attempted suicides, 2009/10–2010/11

Impact measures	2009/10	2010/11
Number of deaths in police custody	0	0
Number of suicides in police custody	0	0



Number of attempted suicides in police custody	14	15
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### *Pedestrians and cyclist involved in crashes*

The number of injuries suffered by pedestrians and cyclists through crashes has steadily declined over the last three years. There has been a favourable change to behaviour for using child restraints over the same period as shown in Table 13.

**Table 13: Ministry of Transport report on crash data, 2008-2010**

Impact measures	2008	2009	2010
Number of pedestrians killed or seriously injured enough to hospitalised for longer than one day	369	358	347
Number of cyclists killed or seriously injured enough to be hospitalised for longer than one day	146	122	121
Rate of child-restraint wearing among 0–4-year-olds	90%	91%	93%

#### Notes:

- The years are calendar years in this table.
- Includes deaths and hospital stays for longer than one day based on all hospital stays.
- Non-motor vehicle crashes are not included.

## **Outcome 2: Impact 3 - Rate of increase in demand on criminal justice system abated**

Police has been working to deliver technology-enabled efficiencies and new rostering processes, taking advantage of the opportunities provided by the Policing Act 2008. Efforts have been focused on shifting resources from response to prevention that is supported by cross-agency and community initiatives and deals with the underlying causes of offending and victimisation. Police has also participated in wider justice sector projects to simplify court procedures.

### ***Support the development of iwi crime and crash prevention plans***

Police Māori, Pacific and Ethnic Services supported Auckland Metro iwi (Tuhononga) to finalise its iwi crime and crash prevention plan. This plan is being implemented with the delivery of the Prevention First strategy in Auckland districts. See Part 3 for more information.

### ***Support inter-agency actions that target the drivers of crime with an emphasis on the drivers of crime for offending by Māori***

Police Māori, Pacific and Ethnic Services contributed to inter-agency actions that target the drivers of crime. Success factors that have impacted positively on offending by Māori include:

- a 50 percent reduction in breach of liquor ban offences in Wellington as a result of Operation Unite and Māori warden involvement
- the support of Rangatahi Youth Courts
- the Commissioner's Māori Focus Forum enables prominent Māori leaders and the Commissioner of Police to jointly identify how to address and prioritise offending by Māori
- a further 128 Māori wardens trained to strengthen existing capability
- increased focus of Police intelligence on drivers of crime within Māori communities.

### ***Work with partner agencies to identify effective alternatives to prosecution for low-level offending that meets the needs of the victim, improves the likelihood of the offender being rehabilitated, and decreases the likelihood of re-offending***

The Alternative Resolutions initiative means police use more graduated sanctions when responding to low-level offending without needing to rely on the courts. Alternative resolutions are warnings that can be issued as an

alternative to arresting and charging a person. These warnings divert people away from the courts for low-level offending.

The four Alternative Resolutions initiatives are pre-charge warnings, written traffic warnings, community justice panels, and written pre-arrest warnings.

Pre-charge warnings have been operating nationwide since September 2010, following a successful pilot in Waitematā and then the wider Auckland region. These warnings have achieved an eight percent reduction in the flow of new charges to District Courts.

Written traffic warnings have been piloted in the Wellington District since November 2010 and an evaluation was completed in July 2011. Preliminary findings suggest that although the initiative has merit, a second pilot is needed before nationwide implementation is considered. An evaluation of the second phase pilot (planned for the three Auckland districts) will be undertaken. Its findings are due in May 2012. Monitoring of the Wellington pilot will continue. The pilot is scheduled for completion by June 2012.

Community justice panels are a joint initiative with the Ministry of Justice and Community Law Canterbury. They began operating in February 2011, but have been in hiatus since the Christchurch earthquakes. An evaluation of the panels is scheduled for completion by June 2012.

A decision to pilot the written pre-arrest warning initiative is scheduled to take place from September 2011.

The key success indicators from the pre-charge warnings initiative are shown in Table 14.

**Table 14 Success indicators for alternate resolutions, 2010/11**

Impact on	Success indicators
Courts	<p>A specific outcome for the pre-charge warning initiative is to reduce new charges entering the District Court 5–9% by 2012/13. By 30 June 2011 (nine months since nationwide implementation) pre-charge warnings had reduced the flow of new charges to District Courts by 8%, and all but one district had achieved at least the lower level of the target. Feedback from the judiciary and court staff on Police use of pre-charge warnings has been favourable.</p> <p>The courts reported a 20% reduction in withdrawn summary cases across the country to the year ending December 2010 (calendar year) and a significant decrease in the number of cases withdrawn<sup>1</sup> in Auckland and Counties Manukau, where the initiative was piloted. Courts attributed a large part of this reduction to pre-charge warnings, but other initiatives are also likely to be having an impact (eg, Directed File Evaluation and Criminal Justice Support Units, which both increase the early scrutiny of files).</p>
Front-line officers	<p>Police staff have saved time preparing files for court, allowing them to return to crime prevention and other duties more quickly. By 30 June 2011, a minimum 11,000 hours of front-line officer time has been saved through use of pre-charge warnings.</p> <p>Pre-charge warnings have reinvigorated an alternative to charging and prosecution with the benefit of clear guidelines and processes. Having a senior officer at the station to oversee the process provides the right level of 'supervised discretion'.</p> <p>Qualitative research undertaken as part of the post-implementation review found pre-charge warnings have led to improved decision-making around arresting and charging with more active consideration of the Solicitor General's Prosecution Guidelines.*</p>
Police Prosecution Service	<p>Pre-charge warnings have helped reduce the number of low-level offences being sent to the Police Prosecution Service for processing, freeing resources to focus on more serious cases. **</p>
Police Adult Diversion	<p>There has been a 33% reduction in charges proceeding to Police Adult Diversion, and the use of pre-charge warnings to resolve low-level offences has been one of the main factors contributing to this reduction.</p> <p>A flow-on from the pre-charge warning approach has been the reduced waiting times for a diversion interview (down from six weeks to within seven days) in some districts, which is better for the defendant and any victim involved.</p>
Victims	<p>While most offences resolved with a pre-charge warning are victimless crimes (because most are breach of liquor ban and disorder offences), two small surveys of victims were</p>



	undertaken as part of the evaluation of the Auckland region pilot. Both surveys found most victims were satisfied with the overall process, thought they had been treated fairly, and thought the police had considered their views.
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#### Note

\* This finding is supported by the reduction in case withdrawals and favourable feedback from courts.

\*\* Although overall reported crime and prosecutions have decreased, judicial sitting hours increased by 1.3 percent.

### ***Participate in the Ministry of Justice led Criminal Procedure (Simplification) Project and other projects designed to introduce efficiencies into court procedures by making greater use of technology***

Police continues to work with the wider criminal justice sector to identify opportunities to reduce demand on the criminal justice sector. These opportunities ensure the justice sector outcome of 'accessible justice services' is achieved by reducing the number of cases in the justice sector pipeline, which contributes to improved case timeliness for court users. In addition to increasing efficiencies through simplified court procedure, initiatives such as the Criminal Procedure (Simplification) Project directly serve and support victims by reducing the impact of lengthy case resolution.

#### ***Criminal Procedure (Simplification) Project***

Police is providing direct support, advice, and involvement in the drafting of the Criminal Procedure (Reform and Modernisation) Bill, including specific advice from a practitioner perspective as a result of involvement in the Criminal Procedure (Simplification) Pilot in Manukau and Tauranga. The legislation is expected to come into force in 2013. The benefits of the Criminal Procedure Act are more likely to be measurable and reported in 2013/14.

Police is contributing to the Ministry of Justice led Electronic Operating Model initiative. This initiative aims to increase administrative and case efficiency through alternative service delivery models and reduced risks associated with the vulnerability of paper records. Phase 1 of this initiative will introduce electronic handling of the paper-based official court record.

Police is participating in the Ministry of Justice-led Audio Visual Links initiative that aims to generate time and cost efficiencies by reducing the need for defendants to be physically present in court. Police supports this initiative to increase public, judicial, and prisoner safety by reducing prisoner movements through court cells.

Police has to identify the resource, training, and ICT technology impacts of the proposed legislation when it comes into force (including development activities in relation to the sector business case and Budget bid). Police will also be involved in developing the rules and regulations to ensure court procedure reflects the intent of the Bill, and provides streamlined criminal procedure based on learnings from the Criminal Procedure (Simplification) Pilot.

### ***Improve the risk analysis applied to police bail decisions, the management of warrants to arrest, and parole recalls as part of improved case management***

Case awaiting warrants to arrest and bail decisions are prioritised in the same way as child abuse cases. The case priority is established from a comparison of the case rating score with the scores of other cases held by the unit, and a decision is then made about assignment of the case to an investigator. This process is part of the ongoing process improvement for case management.

Success during the year includes:

- parole recall warrants national processes have been embedded through the Crime Reporting Line
- case management has provided reporting tools to manage local and national oversight of warrants to arrest
- the number of aged warrants have decreased.

### ***Deliver national and local crime and road trauma awareness, education, and reduction campaigns as part of Safer Journeys First Actions***

Police delivered national and local crime and road trauma awareness, education, and reduction campaigns as part of Safer Journeys First Actions.

Road Policing has continued to lead national road safety operations particularly those over high-risk holiday periods. A lower speed tolerance, strong advertising and enforcement campaigns, and working with partners have been the focus for 2010/11.

### ***Extend road safety and policing capacity by using authorised officers empowered under the Land Transport Management Act 2003***

Police extended its road safety and policing capacity by using authorised officers empowered under the Land Transport Management Act 2003. Police are investigating the needs and mix of personnel as required. The Policing Act 2008 can be used to appoint authorised officers with limited powers, where such powers suffice, to release sworn police officers for other duties.

## Reporting on Outcome 2: Impact 3 - Rate of increase in demand on criminal justice system abated

### *Crime occurrences and alternative resolutions*

There has been a small decrease in the proportion of locations experiencing two or more crime occurrences. There has been a significant increase in the use of alternative resolutions for volume offences during the year as shown in Table 15.

Table 15: locations based crime and volume offences resolution, 2008/09–2010/11

Impact measures	2008/09 (%)	2009/10 (%)	2010/11 (%)
Proportion of locations experiencing two or more occurrences of crime during the past year *	24.4	24.5	24.2
Percent of volume offences resulting in the use of an alternative resolution	30.3	37.3	47.0

#### Note

\* This measure is the proportion of locations where there was more than one occurrence of crime over the total locations where a crime occurred during the year.

## 2.4 Managing risks

Police use risk assessments to support decision making and inform the development of business plans at national, district, and business unit levels.

Significant events over the last year (the Pike River mine tragedy, the Canterbury earthquakes, and planning for the Rugby World Cup) have tested Police's ongoing and active risk management processes. This strengthens the experience and understanding of using risk assessment to inform decisions and actions.

### *Risks to services police deliver*

The focus is continuing on enhancing operational risk management within service lines. Police are actively managing risks at a district level and highlighting risks that need active management to the Police Executive.

A threat assessment thinking tool has been approved and staged implementation is under way. The overarching threat standard behind this tool is to be adopted as a police standard and is aligned to the police risk standard, which in turn is aligned to international standards. This approach will strengthen operational procedures and become common police practice.

### *Risks to organisational capability*

The Police Executive receives six-monthly updates on risks to the organisation's capabilities and resources. These capabilities and resources are essential and enable the achievement of police outcomes.

### *Risks to opportunities*

Police uses future trends across New Zealand to inform opportunities to invest in people, technology, and infrastructure for tomorrow to future-proof policing services. Quite often these initiatives span several years and are costly and complex. Major police initiatives this year have focused on Policing Excellence with a strong emphasis on preventative policing.

## PART 3

# Organisational Health and Capability

### 3.1 Equity and diversity

In 2010/11, Police continued its equity and diversity initiatives including:

- all new employees (and employees seeking promotion) completed a programme on diversity as part of their induction
- a Gender Equity initiative recommended actions that would actively work towards changing procedures that might inhibit women applying and progressing in the organisation
- the Women's Development Programme continued to run regional programmes around the country
- the Equity and Diversity awards attracted 17 nominations from around the country.

In 2010/11, districts and service centres completed equity and diversity initiatives, including:

- Northland's 'Stand up and be counted' women in policing seminar
- Waitematā women in policing seminar
- Auckland Staff Support Network launched
- Counties/Manukau Men's Health Day
- AMCOS 'Excellence through sharing' seminars
- Waikato's set up a Diversity Community Group
- Eastern held two health and welfare evenings
- Central District trialled a new non-sworn uniform
- the Training Service Centre kapa haka group performed for the Māori King, Tuheitia and numerous other individual groups
- Wellington enhanced its focus on women for all recruit wings
- Police National Headquarters held a retirement seminar.

Police has undertaken a number of initiatives to enhance its capability in engaging with Māori, Pacific and ethnic communities, for example:

- refreshing the National Pacific Peoples' Responsiveness Strategy to 2015
- providing the tenth national police leadership conference Ngakia Kia Puawai
- developing Pacific policy related to specific social issues, family violence, road safety, alcohol and other drugs, youth gangs, and youth violence.
- Māori Wardens have been trained as youth advocates in the Youth Court and to assist in Rangatahi Courts.
- Pacific officers attended a Pacific Fono of professional development and training.

The New Zealand Police Ethnic Strategy Towards 2010 – Working Together With Ethnic Communities won the award for Excellence in Recognising Ethnic Diversity at the 2011 Institute of Public Administration New Zealand Awards. The judges noted that Police demonstrated a commitment to responding to the diverse needs of staff and the community, and are one of the first government agencies to develop an ethnic strategy.

#### Women in policing

The representation of women in policing continues to increase. The total number of women increased from 3,484 to 3,545 with the most notable increase among recruits graduating from The Royal New Zealand Police College: 59 (27.1%) in 2010/11 compared with 16 (18.8%) in 2009/10.

The number of female commissioned officers increased from 21 to 25 over the year to 30 June 2011, and female non-commissioned officers (sergeants and senior sergeants) increased from 176 to 188. This continues the trend of the past 10 years, which has seen the total representation of constabulary women increase from 14.9 percent in 2001 to 17.6 percent at 30 June 2011. (See Table 16.)

Table 16: Employees by gender, 2010 and 2011

Gender	As at 30 June 2011			As at 30 June 2010		
	Constabulary	Employees	Total	Constabulary	Employees	Total
Female	1,562	1,983	3,545	1,525	1,959	3,484
Male	7,294	1,145	8,439	7,265	1,143	8,408
<b>Total</b>	<b>8,856</b>	<b>3,128</b>	<b>11,984</b>	<b>8,790</b>	<b>3,102</b>	<b>11,892</b>
Percentage female (%)	17.6	63.4	29.6	17.3	63.2	29.3

#### Notes

- Figures are given on a full time equivalent basis (ie, employees working on a part-time basis are summed to an equivalent of a full-time employee).
- Numbers do not include employees on leave without pay.
- Due to the consolidation of numbers some minor rounding variations can occur between employee numbers in the report. This rounding does not affect the overall position or the integrity of the numbers reported.

Table 17: Constabulary employees by rank and gender, 2010 and 2011

	As at 30 June 2011				As at 30 June 2010			
	Male	Female	Total	% female	Male	Female	Total	% female
Commissioner	1		1	0.0	1		1	0.0
Deputy commissioner	2		2	0.0	2		2	0.0
Assistant commissioner	3		3	0.0	4		4	0.0
Superintendent	40	2	42	4.8	39	3	42	7.1
Inspector	247	23	270	8.5	240	18	258	7.0
Senior sergeant	372	42	414	10.1	385	41	426	9.6
Sergeant	1,259	146	1,405	10.4	1,238	135	1,373	9.8
Constable	5,202	1,283	6,485	19.8	5,286	1,311	6,597	19.9
Recruits	159	59	218	27.1	69	16	85	18.8
<b>Total</b>	<b>7,285</b>	<b>1,555</b>	<b>8,840</b>	<b>17.6</b>	<b>7,264</b>	<b>1,524</b>	<b>8,788</b>	<b>17.3</b>

#### Notes

- Figures are given on a full-time equivalent basis (i.e., employees working on a part-time basis are summed to the equivalent of a full-time member).
- Numbers do not include employees on leave without pay.

- Due to the consolidation of numbers, some minor rounding variations can occur between employee numbers in the report. This rounding does not affect the overall position or the integrity of the numbers reported.

Table 18: Employees who do not hold the office of constable by rank and gender, 2010 and 2011

	As at 30 June 2011				As at 30 June 2010			
	Male	Female	Total	% female	Male	Female	Total	% female
Assistant commissioner	4		4	0.0	4		4	0.0
Superintendent	12	2	14	14.3	11	3	14	21.4
Inspector	76	60	136	44.1	80	59	139	42.4
Senior sergeant	35	31	66	47.0	37	31	68	45.6
Sergeant	153	108	261	41.4	149	109	258	42.2
Constable	286	296	582	50.9	275	285	560	50.9
Not equivalent to constabulary rank	579	1,486	2,065	72.0	589	1,471	2,060	71.4
<b>Total</b>	<b>1,145</b>	<b>1,983</b>	<b>3,128</b>	<b>63.4</b>	<b>1,145</b>	<b>1,958</b>	<b>3,103</b>	<b>63.1</b>

## Notes

- Figures are given on a full-time equivalent basis (i.e., employees working on a part-time basis are summed to the equivalent of a full-time employee).
- Numbers do not include employees on leave without pay.
- Employee equivalent ranks are based on remuneration bands not necessarily their positions within the organisational structure.
- Due to the consolidation of numbers, some minor rounding variations can occur between employee numbers in the report. This rounding does not affect the overall position or the integrity of the numbers reported.

## 3.2 Recruitment and appointment

The Government set a target for Police to increase constabulary numbers in Counties Manukau by December 2010. Police achieved this target in 2010/11. In addition, Police has an overall target of increasing constabulary numbers by 600 by December 2011. As at 30 June 2011 most recruits selected to meet this target have started at the Royal New Zealand Police College with all due to graduate by the end of December 2011. Police recruitment strategies are aimed at recruiting more young people, women, and people from a variety of ethnic groups so police better reflect the communities they serve. In 2010/11, 24 percent of recruits who graduated from the college were female, 31 percent were aged under 25 when recruited, 15 percent were Māori, 8 percent were Pacific peoples, and 6 percent were Asian.

## 3.3 Supporting people with disabilities

Police were successful in winning an Institute of Public Administration New Zealand Gen-i Public Sector Excellence award for the world-leading 111 Deaf Text Service. The service gives registered deaf or hearing-impaired users an emergency lifeline.

## 3.4 Employee statistics

In recent years, the number of full-time equivalent (FTE) employees has increased significantly. Since June 2008, the number of FTE constabulary employees has grown by 442 (5.4 percent). In Counties Manukau, a target of an

additional 300 constabulary FTEs has been met. Counties Manukau has grown by 313 constabulary FTEs (41.1 percent).

### 3.5 Commission of Inquiry into Police Conduct

For the public and police employees to have confidence in Police, it has been important to implement and embed the changes flowing from the Commission of Inquiry into Police Conduct.

Police has built into its work programme feedback from the second Office of the Auditor-General monitoring report and the third State Services Commission report on the police change management programme. Increased coordination of all projects and initiatives provides governance and direction for this work with quarterly progress being monitored against each recommendation. In June 2010, the Office of the Auditor-General confirmed the following recommendations were fully implemented:

- enhancing policy capability (Recommendation 4)
- Adult Sexual Assault Investigation Guidelines accessible to staff (Recommendation 10)
- the disciplinary tribunal system disestablished (Recommendation 33)
- a Code of Conduct implemented for all staff (Recommendation 38)
- the Sexual Harassment Policy amended (Recommendation 39)
- inappropriate email and internet use clarified (recommendation 41)
- the State Services Commissioner consulted and involved to ensure police projects take account of best practice in the public sector (Recommendation 59).

In addition, throughout the year Police has made significant progress with the recommendations to:

- implement and embed remaining recommendations continues to be a priority for Police
- review and consolidate policies, instructions, and directives related to investigating complaints of misconduct against police (Recommendation 1 – now complete)
- update instructions automatically when an existing policy is changed (Recommendation 2 – now complete)
- develop policy principles regarding what instructions need to be nationally consistent and where regional flexibility should be allowed (Recommendation 3 – now complete)
- require all staff to sign a document to confirm that they have read and understood the acceptable use policies for the internet and email (Recommendation 42 – now complete).

#### Workplace survey

Police conducted a workplace survey in 2011. This survey provides an insight into the health of the organisation through the perceptions and opinions of staff. All employees were invited to provide their feedback on a host of organisation and workplace attributes such as vision, leadership, communication, teamwork, the job itself, as well as respect and integrity within the organisation. In addition, the survey also provided Police with the opportunity to gauge prevailing levels of employee engagement within the organisation.

The results of the survey provide Police with a valuable opportunity to determine the types of actions needed to further engage staff and improve organisational functioning more generally.

The response rate was 79.2 percent, an increase on last year's rate of 77.1 percent. The results of the 2011 survey show a definite change upwards in employee engagement levels and survey scores in general.

More than half of the all-of-Police survey questions showed statistically significant improvements. There were improvements in 37 of the 63 questions in the survey and a decline in only five. The proportion of police employees who can be classified as engaged increased from 17.8 percent in 2010 to 21.3 percent in 2011. This is both statistically significant and substantive. A clear link exists between those workgroups who have actively worked with the results of the survey and an increase in engagement levels and more positive survey scores generally. Some workgroups achieved double digit increases in survey scores, and generally they have been the workgroups most focused on the survey results.

The organisation recognises that working with the results of the survey is a long-term process and in some areas Police has significant work to do. Police places significant importance on survey improvements and all districts and service centres have action plans to address the priority areas that will have the biggest impact on employee engagement levels.

Table 19: Staff (full-time equivalents), 2009–2011

Location	As at 30 June 2011				As at 30 June 2010				As at 30 June 2009			
	Constabulary	Employees		Total	Constabulary	Employees		Total	Constabulary	Employees		Total
		Operational	Support			Operational	Support			Operational	Support	
Northland	319	19	34	372	331	25	34	390	327	23	37	387
Waitematā	715	83	64	862	728	77	67	872	752	79	66	897
Auckland City	687	58	119	864	707	53	122	882	744	53	119	916
Counties Manukau	1,064	81	124	1,269	1,005	90	130	1,225	811	79	131	1,021
Auckland Metropolitan Crime and Operations Support	231	24	38	292	234	26	43	303	236	25	39	300
Waikato	586	61	46	693	597	56	43	696	616	52	50	718
Bay of Plenty	604	65	51	720	621	62	58	741	631	62	54	747
Eastern	415	30	38	483	404	29	34	467	425	28	36	489
Central	669	42	73	783	675	40	73	788	691	42	73	806
Wellington	780	58	109	947	804	59	105	968	837	63	106	1,006
Tasman	313	30	32	376	308	28	30	366	321	28	30	379
Canterbury	885	51	75	1,011	871	49	74	994	870	48	78	996
Southern	548	33	58	639	574	33	56	663	587	33	58	678
Police National Headquarters	89	30	234	352	86	27	226	339	85	26	245	356



Location	As at 30 June 2011				As at 30 June 2010				As at 30 June 2009			
	Constabulary	Employees		Total	Constabulary	Employees		Total	Constabulary	Employees		Total
		Operational	Support			Operational	Support			Operational	Support	
Training	123	8	125	255	117	9	126	252	128	12	145	285
Licensing and Vetting	2	17	5	24	1	22	2	25	1	25	4	30
Police Prosecution Service	174	80	69	323	179	77	68	324	167	71	62	300
Communications	86	416	32	535	87	414	24	525	80	405	23	508
Police Infringement Bureau	13	11	82	106	14	10	84	108	13	10	92	115
Commercial Vehicle Investigation Unit	87	3	20	110	92	3	19	114	87	2	20	109
Crime	43	22	84	149	47	24	81	152	37	24	81	142
Information and Communications Technology	4	6	272	282	6	7	275	288	6	7	267	280
Legal	3	18	2	23	5	18	2	25	4	19	1	24
National Tactics Service Centre	72	3	1	76	77	2	1	80	76	0	1	77
International Services Group	59	3	10	72	83	3	12	98	88	4	10	102
Organised and Financial Crime Agency of New Zealand	29	5	9	43	14	4	6	24	8	5	6	19
National Intelligence Centre	17	3	39	59	14	1	38	53	14	1	41	56

Location	As at 30 June 2011				As at 30 June 2010				As at 30 June 2009			
	Constabulary	Employees		Total	Constabulary	Employees		Total	Constabulary	Employees		Total
		Operational	Support			Operational	Support			Operational	Support	
Financial Crime Group	25	5	20	50	22	7	9	38				0
Subtotal	8,638	3,128		11,766	8,703	3,097		11,800	8,642	3,101		11,743
Corporate Service Centre					5	0	2	7	3	0	1	4
Recruits	218			218	81	0		81	131	0		131
<b>Total</b>	<b>8,856</b>	<b>3,128</b>		<b>11,984</b>	<b>8,789</b>	<b>3,099</b>		<b>11,888</b>	<b>8,776</b>	<b>3,102</b>		<b>11,877</b>

#### Notes

- Figures are given on a full-time equivalent basis (ie, employees working on a part-time basis are summed to an equivalent of a full-time employee).
- Numbers do not include employees on leave without pay.
- Corporate Service Centre reflects employees on final retirement leave. Changes to Police policy mean that this will no longer be used.
- Due to the consolidation of numbers some minor rounding variations can occur between employee numbers in the report. This rounding does not affect the overall position or the integrity of the numbers reported.

Table 20: Ethnicity profile of New Zealand Police (2010 and 2011) and the New Zealand population (2006)

Ethnicity	Police profile as at 30 June 2011 (%)	Police profile as at 30 June 2010 (%)	New Zealand census 2006 (%)
New Zealand European/Pākehā	72.3	72.6	72.8
Māori	11.0	11.0	14.6
Pacific peoples	4.9	4.8	7.5
Asian peoples	2.3	2.1	9.3
European	16.2	16.4	7.1
Other ethnic groups	0.5	0.5	1.0

## Notes

- Employees are given the option of recording multiple ethnic groups. If an employee has chosen to do this they are counted in each group chosen, so the percentages in this table will add to more than 100 percent.
- Figures are given on a full-time equivalent basis (i.e., employees working on a part-time basis are summed to an equivalent of a full-time member).
- Numbers do not include employees on leave without pay.
- Population statistics are the from 2006 census and include all of the people who stated each ethnic group, whether as their only ethnic group or as one of several ethnic groups. Where a person reported more than one ethnic group, they have been counted in each applicable group.

### 3.6 Remuneration

The number of Police employees, excluding 'casual' employees employed on an as-required basis, who received total remuneration during 2010/11 is shown in Table 21.

Table 21: Number of staff by salary band, 2010/11

Total remuneration band	Total personnel	Overseas [a]	Left New Zealand Police [b]	Started during year [c]	Remuneration authority [d]
\$0–10,000	431	0	145	246	
\$10,000–20,000	345	0	93	223	
\$20,000–30,000	274	0	78	63	
\$30,000–40,000	397	0	71	112	
\$40,000–50,000	733	0	51	74	
\$50,000–60,000	956	2	59	15	
\$60,000–70,000	2,189	2	53	7	
\$70,000–80,000	1,845	3	37	5	
\$80,000–90,000	1,489	14	33	3	
\$90,000–100,000	1,591	24	20	0	

\$100,000–110,000	1,114	17	21	0	
\$110,000–120,000	791	23	16	1	
\$120,000–130,000	473	10	9	1	
\$130,000–140,000	254	9	8	1	
\$140,000–150,000	137	12	7	0	
\$150,000–160,000	68	1	3	0	
\$160,000–170,000	41	3	7	0	
\$170,000–180,000	14	3	3	0	
\$180,000–190,000	9	2	0	0	
\$190,000–200,000	8	1	1	0	
\$200,000–210,000	9	3	2	0	
\$210,000–220,000	4	0	1	0	
\$220,000–230,000	7	2	2	0	
\$230,000–240,000	5	0	1	0	
\$240,000–250,000	6	1	0	0	
\$250,000–260,000	8	0	2	0	
\$260,000–270,000	1	0	0	0	
\$270,000–280,000	1	0	0	0	1
\$280,000–290,000	1	0	0	0	
\$290,000–300,000	1	1	0	0	
\$330,000–340,000	2	1	1	0	
\$430,000–440,000	1	0	0	0	1
\$440,000–450,000	1	1	0	0	1
\$650,000–660,000	1	0	1	0	1
\$770,000–780,000	1	0	1	0	1
<b>Total</b>	<b>13,208</b>	<b>135</b>	<b>726</b>	<b>751</b>	<b>5</b>

#### Notes

The table includes all employees including part-time employees, employees who had a period of leave without pay, employees who started during the year, and employees who received pay increases during the year by the remuneration band that they actually received during 2010/11 not the full-time remuneration at any point of the year.

[a] Employees who received additional allowances relating to their overseas postings.

[b] Employees who left Police during 2009/10 and may have been paid contractual entitlements.

[c] Employees who began working for Police during 2009/10 and have not yet received a full year's remuneration.

[d] Employees whose remuneration the Remuneration Authority determined for at least part of the year.

\* Total remuneration in this context is defined by the Companies Act 1993, and is not the same definition as that in Police employment agreements.

## 3.7 Organisational health and capability indicators

Table 22: Measuring organisational health and capability

Capability	Indicators	Progress for 2010/11
People (including skills, leadership, values, knowledge)	Employees' level of engagement with their work	Employees' engagement level reported in the May 2011 workplace survey increased to 70.5% from the 2010 level of 68.6%.
	Police staff consider the organisation values high standards of conduct and integrity	The results of the 2010 State Service Commission Conduct and Integrity Survey showed improvement in Police results between 2007 and 2010. In some areas, police results exceeded the results for all public service department employees – including 100% awareness of Police written standards of integrity and conduct, and knowing where to get advice about integrity and conduct issues.
	Performance management processes are embedded	Target – 90% of personal appraisals completed by 30 September 2010 – 66%* achieved. Target – 98% of personal appraisals completed by 24 December 2010 – 86%* achieved. * A change in the performance appraisal process for some roles in 2009/10 resulted in different recording methods. The base figure used to calculate the percentages is the full-time equivalent figure as at 30 June 2010 (11,800) and includes employees who were not required to complete a performance appraisal due to parental leave, starting or leaving Police during the year, temporary appointments, and so on. For these reasons, the percentages are indicative only.
	Ethnic profile of new recruits moves incrementally towards the profile of the New Zealand population	Recruits who graduated from The Royal New Zealand Police College in 2010/11 and identified themselves as Māori comprised 15% of recruits, Pacific 8.5%, and Asian 6%. These proportions are higher than those among constabulary full-time equivalent employees.
	Gender profile aligns with that of Australasian jurisdiction	The proportion of female recruits increased to 27% for the 12 months to 30 June 2011, compared with 23% for the previous 12 months. During 2010/11, the proportion of females increased for the ranks of sergeant, senior sergeant, and inspector.
Relationships and partnerships	Partner agencies indicate satisfaction with their relationships with Police	In 2010/11, research was started to refresh and refocus the way Police surveys partner satisfaction. No comparable survey was undertaken in this year.
Tools and infrastructure	Reliable network capability; public can contact police.	The Police Communications Network has an annual improvement programme that implements optimal technologies and equipment. In 2010/11 Police migrated 135 stations from aged Frame Relay services to ONE.govt IP network services. The public can still contact police using traditional methods (public telephony, mobile, and 111). Police has recently enhanced public access with the successful introduction of a text 111 service for deaf and hearing impaired people. Police has completed a tender process for the introduction of a unified communications platform; this will further improve public access to police by making staff more accessible whilst reducing operating costs.

Capability	Indicators	Progress for 2010/11
	The public can use the internet for self-service options and victims have secure online access to information about the progress of their cases.	Online reporting through a web portal is being developed under the Crime Reporting Line work stream of Policing Excellence. The capability for fully implemented web reporting (and ability for victims to monitor their own cases in real time) will not be developed until Crime Reporting Line call taking and case processing at the communications centres have been implemented nationally.

## PART 4

# Statement of Service Performance

## NEW ZEALAND POLICE FINANCIAL STATEMENTS

For the Year Ended 30 June 2011

### 4.1 Statement of responsibility

As the Commissioner of Police, I am responsible for the preparation of the New Zealand Police's financial statements and the assessments made in the process of producing those statements pursuant to section 35 of the Public Finance Act 1989, in accordance with section 45C of the Public Finance Act 1989.

I have fulfilled my responsibility to establish and maintain systems of internal control procedures that provide reasonable assurance as to the integrity and reliability of financial reporting.

In my opinion, these financial statements fairly reflect the financial position and operations of the New Zealand Police for the year ended 30 June 2011, and I authorise the issuance of these financial statements on 30 September 2011.

Signed by:

Countersigned by:

Peter Marshall MNZM  
Commissioner of Police

John Bole  
General Manager Finance

### 4.2 Statement of Service Performance for the year ended 30 June 2011

Police's approach to performance reporting is the subject of ongoing work. The need to improve performance reporting has been noted by the Auditor-General as an issue for public entities generally, and Police is continuing its efforts to refine the performance measures used in key accountability documents.

#### Output expense one – Policy Advice and Ministerial Servicing

##### Output expense description

This output expense includes:



- the purchase of policy outputs that involve the identification of problems and definitions, researching and monitoring of current practices
- analysing options, writing, discussing and negotiating or issuing instructions about a policy issue
- contribution to the formal government policy process
- services to the Office of the Minister of Police such as responses to ministerial correspondence, answers to written questions in the House, speech drafts and other ministerial advice as well as advice or responses provided to other government agencies and departments.

#### Sector or departmental outcome links

This output expense covers the preparation, input and coordination of ministerial and policy advice on matters related to legislation and justice and transport sector outcomes.

#### Outputs purchased within this expense

##### Output 1.1 – Policy Advice

This output covers the provision of policy advice on policing, and advice on proposed legislation affecting the Police and the criminal justice sector.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
Yes	Police advice is provided in accordance with the work programme agreed with the minister	Yes	Yes
100%	Percentage of policy papers that the minister is satisfied with in regard to the following characteristics: purpose logic accuracy options consultation practicality presentation.	100%	100%
Yes	The Commissioner is satisfied with policy advice in that it conforms to the following characteristics. The policy draws on operational experience. The policy reflects a well-consulted process. The policy properly translates into operational instructions.	Yes	Yes

##### Output 1.2 – Ministerial Servicing

This output covers the researching and drafting of ministerial correspondence, and the provision of draft responses to written and oral parliamentary questions.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
786	Number of items of ministerial correspondence referred to the Police for draft reply	676	550 to 850

952	Number of parliamentary questions referred to the Police for draft response	790	660 to 1,200
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Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
99%	Percentage of draft responses to parliamentary questions that are provided within the timeframes specified	99%	100%

## Output Expense Statement

Policy Advice and Ministerial Servicing for the year ended 30 June 2011

2009/10		2010/11	2010/11	2010/11
Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000
<b>Revenue</b>				
3,111	Revenue Crown	3,136	3,164	3,136
11	Revenue Department	10	6	6
18	Revenue Other	17	9	9
3,140	Total Revenue	3,163	3,179	3,151
<b>Expenses</b>				
2,505	Policy Advice	2,600	2,749	2,724
391	Ministerial Servicing	505	430	427
2,896	Total Expenses	3,105	3,179	3,151
244	Net Surplus (Deficit)	58	-	-

## Output expense two – General Crime Prevention Services

### Output expense description

This output expense includes the delivery of services within the community that help to prevent crime, including:

- advice that reduces the risk of personal harm and increases the security of property
- youth-focused crime prevention and community safety services
- vetting services for other agencies
- firearms licensing
- dealing with lost and found property.

### Sector or departmental outcome links

This output expense covers general proactive interventions. The activities and programmes promote safety in conjunction with general crime prevention. Structured programmes are delivered in schools alongside general youth services, and the information provided aims to increase intolerance to crime as well as enhancing awareness about crime. The output expense also includes initiatives in partnership with local government and community groups that are focused on reducing crime.

### Outputs purchased within this expense

#### Output 2.1 – Community Responsiveness

The output includes the establishment of programmes and the pursuit of strategies in partnership with government agencies, local authorities and other community groups to address crime-related problems in the community. It also covers the provision of advice and information to raise public awareness about safety and security issues. It includes general communication with communities, media articles to promote safety and security issues, and specific advice to victims on practical actions that help to reduce the likelihood of revictimisation. It also covers the provision of administrative and logistical support to community groups including Victim Support and neighbourhood, rural and business support groups.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
75%	Percentage of the public that agree that the Police is responsive to the needs of the community	78%	75%
67%	Percentage of the public that agree that the Police is involved in community activities	68%	67%

#### Output 2.2 – Youth Services

This output covers formal school visits by Police Education Officers to educate children on proactive ways to keep themselves safe, prevent crime and resist drugs. It also includes the development of new school programmes to address emerging needs. It includes proactive Youth Development Programmes designed to prevent at-risk youth from becoming involved in crime or reoffending. The output also includes the provision of proactive Youth Aid services, although it does not include officers' time spent dealing with criminal cases involving young people (which is covered in Output Expense Five).

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
12,077	Number of youth apprehensions dealt with through warnings and cautions	10,074	10,500 to 11,500
16,994	Number of youth apprehensions dealt with through alternative action	16,349 <sup>[2]</sup>	23,000 to 27,000 <sup>[1]</sup>
2,447	Number of youths referred to Youth Development Programmes	2,500	3,000 to 4,000

Note

- [1] Police was expecting an increase in the number of young people dealt with by alternative action due to Children Young Persons and their Families Act amendment and the Fresh Start programme.
- [2] While the total number of youth apprehensions dealt with through alternative action has reduced, the proportion has actually increased from 42.6% in 2009/10 to 45.1% in 2010/11.

### Output 2.3 – Vetting Services

This output covers the vetting of applications for passports and for licences issued by other agencies (e.g., liquor, private investigator, security guard, and motor vehicle licences). It also includes the vetting of people who wish to provide home-stay student care and other services to vulnerable members of society to determine whether they are fit and proper persons to provide these services.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
435,561	Number of vetting services provided	476,071	460,000 to 500,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quality			
58%	Percentage of vetting applications processed within 30 working days	86% <sup>[3]</sup>	95%
Nil	Number of complaints upheld for processing errors of vetting applications	4	fewer than 3

#### Note

- [3] Police has introduced an Information Technology solution to address the delays.

### Output 2.4 – Firearms Licensing

This output covers the processing of applications for firearms licences, the issuing of licences, the verification of compliance with endorsed licences, enforcement, and the revocation of firearms licences. It also covers the work to ensure people whose licences have expired have lawfully disposed of any firearms they have possessed.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
17,499	Number of applications for firearms licences processed	11,747	14,000
729	Number of firearms licences revoked	777	400 to 600
130	Number of firearms licences revoked in response to actions under the Domestic Violence Act 1995	101	50 to 150

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
79 days	Number of days taken to process 90% of firearms licence applications	104 days	60 days

### Output Expense Statement

#### General Crime Prevention Services for the year ended 30 June 2011

2009/10		2010/11	2010/11	2010/11
Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000
<b>Revenue</b>				
102,854	Revenue Crown	108,068	108,618	108,068
367	Revenue Department	350	665	665
2,693	Revenue Other	2,202	2,976	2,376
105,914	Total Revenue	110,620	112,259	111,109
<b>Expenses</b>				
41,207	Community Responsiveness	41,903	44,111	43,891
34,617	Youth Services	34,961	37,057	36,875
11,695	Vetting Services	10,788	12,520	12,459
13,153	Firearms Licensing	12,249	14,080	13,415
4,196	Lost and Found Property	4,133	4,491	4,469
104,868	Total Expenses	104,034	112,259	111,109
1,046	Net Surplus (Deficit)	6,586	-	-

### Output expense three – Specific Crime Prevention Services and Maintenance of Public Order

#### Output expense description

This output expense identifies the specific crime prevention activities undertaken by police that target risk areas, including:

- proactive patrolling

- strategies that focus on reducing repeat victimisation for violence, burglary and vehicle offences
- maintaining order at demonstrations and public events, providing security in court environs and support to aviation security, and providing other general security at international and domestic airports
- the deployment of staff to Cabinet-approved overseas policing operations providing secretariat support to the Pacific Island Chiefs of Police.

#### Sector or departmental outcome links

This output expense provides services aimed at reducing violence, burglary, vehicle offences, organised criminal offending and threats to national security through specific interventions. The interventions are proactive and are customised to the outcome. The activities and programmes are directed at 'at-risk' people or groups and are specific to particular contexts. Structured programmes include risk-targeted patrolling where patrols are directed to locations of repeat offending, recidivist offenders and repeat victims.

#### Outputs purchased within this expense

##### Output 3.1 – Directed Patrols

This output covers the proactive strategies that seek to reduce specific crime issues targeted in the Government Crime Reduction Strategy and includes the delivery of foot and mobile patrol activities. Services provided under this output will be managed through Risk Targeted Patrol Plans, which include an information-gathering and intelligence-based risk assessment process focused on delivering a visible police presence to people and areas considered to be at greatest risk from criminal offending. Police patrols undertake such activities as interacting with the public, monitoring property, making routine hotel patrols, visiting places where people congregate, and speaking to people behaving suspiciously or other people of interest.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
270,365	Number of bail curfew checks recorded	302,919	250,000 to 280,000
27,508	Number of bail and parole breaches of curfew detected	28,329	25,000 to 30,000

##### Output 3.2 – Maintenance of Order

The output covers operational duties focused on maintaining public order and preventing breaches of the peace at demonstrations. It includes the delivery of services such as crowd control, dealing with lost children, and public relations at events. It covers security services provided for VIPs, diplomat protection security, witness protection services, support to aviation security, and other general security at international and domestic airports.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
132	Number of public demonstration operations where an operation order has been prepared	68	70 to 110
571	Number of public event operations where an operation order has been prepared	432	480 to 520

176	Number of personal (VIP) security operations where an operation order has been prepared	173	100 to 140
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Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
Nil	Number of complaints upheld under this output.	Nil	Fewer than 5

### *Output 3.3 – Staff Deployment Overseas and Support to the Pacific Islands Chiefs of Police*

This output covers the requirements of training and deployment of staff overseas. It includes overseas liaison, joint Ministry of Foreign Affairs and Trade operations, and permanent secretariat support to the Pacific Islands Chiefs of Police.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
86	Number of persons deployed annually	57	85
19	Number of capacity-building programmes and projects planned annually	11	20

### *Output Expense Statement*

#### Specific Crime Prevention Services and Maintenance of Public Order for the year ended 30 June 2011

2009/10	2010/11	2010/11	2010/11
Actual	Actual	Main Estimates	Supplementary Estimates
\$000	\$000	\$000	\$000

#### Revenue

83,233	Revenue Crown	85,228	85,741	85,228
14,683	Revenue Department	12,923	7,502	13,775
681	Revenue Other	651	426	426
98,597	Total Revenue	98,802	93,669	99,429

#### Expenses



51,312	Directed Patrols	52,154	48,302	47,889
24,055	Maintenance of Order	25,448	22,644	22,533
24,139	Staff Deployment Overseas and Support to the Pacific Islands Chiefs of Police	21,253	22,723	29,007
99,506	Total Expenses	98,855	93,669	99,429
(909)	Net Surplus (Deficit)	(53)	-	-

## Output expense four – Police Primary Response Management

### Output expense description

This output expense includes:

- Communication Centres providing advice and information to callers
- Communications Centres dispatching response vehicles to calls for assistance
- the initial attendance at incidents and emergencies.

### Sector or departmental outcome links

This output expense provides services aimed at reducing violence, burglary, vehicle offences, organised criminal offending and threats to national security through operational responses to emergencies, incidents and tasks. The interventions are reactive and customised to the outcome. The deployment of appropriate resources to deal with incidents, offences and tasks in a timely and complete way is vital for the success of many operational situations police face. Police rely on public trust and confidence, and providing responsive policing that is effective and efficient is fundamental to securing that support.

### Outputs purchased within this expense

#### Output 4.1 – Communication Centres

This output covers the three Police Communication Centres, which receive and deal with telephone calls from the public, through to the dispatch of patrols, specialist groups or other emergency services and the conclusion of enquiries where callers are seeking advice and information.

### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
708,079	Number of 111 calls presented	721,106	700,000 to 800,000
1,062,675	Number of non-emergency calls presented at Communications Centres	1,016,120	1,060,000 to 1,160,000
279,601	Number of *555 calls presented	230,171	270,000 to 290,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
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Quality			
83%	Percentage of randomly surveyed callers who expressed satisfaction with the Communications Centre's response to calls	85%	83%
93%	Percentage of 111 calls answered within 10 seconds of being presented to the Communications Centres	93%	90%
85%	Percentage of non-emergency calls answered within 30 seconds of being presented to the Communications Centres	88%	80%

#### Output 4.2 – Police Response to Incidents and Emergencies

This output covers those events that require an immediate response where there is a real threat to life or property. It also covers the initial attendance of police to an incident that is not an emergency response and to events where attendance is sufficient to resolve issues.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
128,895	Number of unique Priority One (P1) events created	159,953	150,000 to 170,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quality			
61%	Percentage of Priority One (P1) events created that are attended within 10 minutes of being reported if in an urban area	61%	90%
28 minutes 42 seconds	Time taken for police to arrive at 90% of Priority One (P1) emergency events in urban policing areas	27 minutes 26 seconds	25 minutes
80%	Percentage of Priority One (P1) events created that are attended within 30 minutes of being reported if in a rural area	81%	90%
47 minutes 47 seconds	Time taken for police to arrive at 90% of Priority One (P1) emergency events in rural policing areas	45 minutes 15 seconds	40 minutes

#### Output Expense Statement

#### Police Primary Response Management for the year ended 30 June 2011

2009/10	2010/11	2010/11	2010/11
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Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000
<b>Revenue</b>				
420,127	Revenue Crown	453,696	437,687	453,696
1,463	Revenue Department	1,439	1,515	1,515
2,380	Revenue Other	2,446	2,159	2,159
423,970	Total Revenue	457,581	441,361	457,370
<b>Expenses</b>				
43,607	Communication Centres	45,476	45,311	46,954
381,156	Police Response to Incidents and Emergencies	414,200	396,050	410,416
424,763	Total Expenses	459,676	441,361	457,370
(793)	Net Surplus (Deficit)	(2,095)	-	-

## Output expense five – Investigations

### Output expense description

This output expense includes:

- criminal investigations
- non-criminal investigations.

### Sector or departmental outcome links

This output expense provides services aimed at reducing violence, burglary, vehicle offences, organised criminal offending and threats to national security through investigations of crime, offences and certain other events. The interventions are reactive and customised to the outcome. The deployment of appropriate investigative resources to deal with criminal offending and certain incidents in a timely and competent way is vital for the success of many operational situations that Police face. Police rely on public trust and confidence, and providing a robust, effective and efficient investigative response is fundamental to securing that support.

### Outputs purchased within this expense

#### Output 5.1 – Criminal Investigations

This output covers a variety of investigative services that follow from police initial attendance and early investigation of reported crimes. It also includes activity resulting from police-initiated investigations. It further covers arrests resulting from these investigations through to the preparation of files for final case resolution whether by prosecution or by Police diversion. The output includes the execution of search warrants and the interviewing of suspects and offenders. It includes the collection, examination and analysis of forensic crime scene samples, such as fingerprints and DNA, to match crime scene samples with samples held on record.

### Performance Measures

Outturn 2009/10	Outturn 2010/11	Performance Standard 2010/2011
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Quantity			
98 <sup>[4]</sup>	Recorded crime rate of: Dwelling burglaries reported per 10,000 population	97 <sup>[4]</sup>	98
30 <sup>[4]</sup>	Recorded crime rate of: Assaults per 10,000 population <sup>[5]</sup>	28 <sup>[4]</sup>	50 <sup>[6]</sup>
47 <sup>[4]</sup>	Recorded crime rate of: Motor vehicle theft offences per 10,000 population (includes unlawful takings)	46 <sup>[4]</sup>	60
198,611	Number of cases referred for prosecution action counted by informations laid	173,423	195,000 to 200,000
46,937	Number of family violence incidents recorded	55,194	43,000
54,104	Number of family violence offences recorded <sup>[7]</sup>	52,408	48,000
15 <sup>[8]</sup>	Number of family violence death review investigations undertaken and completed	21 <sup>[8]</sup>	30
2 <sup>[8]</sup>	Number of Family Violence Death Reviews commenced within 7 days of an event occurring and completed within 60 days	5 <sup>[8]</sup>	30
Percentage of family violence repeats in a year as defined by:			
i. 27%	i. All ethnicities	i. 28%	i. 26%
ii. 34%	ii. Māori	ii. 34%	ii. 32%
iii. 25%	iii. Pacific peoples	iii. 26%	iii. 25%
iv. 27%	iv. Caucasians.	iv. 27%	iv. 26%
93,373	Number of prisoner fingerprints taken	78,853	90,000 to 95,000
12,089	Number of DNA Databank samples taken	14,746	10,500 to 11,500
7,721	Number of identifications from scene of crime fingerprints	6,805	7,500 to 8,500
1,948	Number of identifications from scene of crime DNA samples	2,402	2,000 to 2,500
3	Number of multi-agency taskforce operations commenced by the Organised and Financial Crime Agency New Zealand (OFCANZ)	2	1
0	Number of multi-agency taskforce operations concluded by the Organised and Financial Crime Agency New Zealand (OFCANZ)	3	1

## Notes

[4] In line with the Justice Sector Information Strategy, the measure is now reported using the new Australia New Zealand Offence Classification (ANZSOC). The 2009/10 result was reported using the previous method. The ANZSOC standard was introduced for the 2010/11 year. The following table provides a comparison between annual results calculated using the ANZSOC method and the previous method.

Measures	"Previous method" results for 2009/10	"Previous method" results for 2010/11	New ANZSOC method results for 2009/10	New ANZSOC method results for 2010/11	Budgeted Standard 2010/11
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Dwelling burglaries reported per 10,000 population	98	98	98	97	98
Public place violence offences [assaults] per 10,000 population	47	44	30	28	50
Motor vehicle theft offences per 10,000 population (includes unlawful takings)	44	43	47	46	60

- [5] This measure's wording appears in the Information Supporting the Estimates document as "Recorded crime rate of: Public place violence offences per 10,000 population". As a result of adopting the ANZSOC reporting standard, the adjusted wording for the measure should read "Recorded crime rate of: assaults per 10,000 population".
- [6] The 2010/11 standard was incorrectly recorded as 140 in the Information Supporting Estimates. The standard should be 50.
- [7] Police family violence statistics include offences other than violence that are detected as part of an occurrence involving family violence. For example, if drugs are found by police attending a family violence assault, a drugs possession offence would be recorded as being family violence related.
- [8] There were 27 family violence deaths of which 21 were reviewed. Five were completed within the stipulated time frame giving a compliance rate of 19%.

### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
86%	Percentage of people who have reported offences that are advised of results or updated on the investigation within 21 days of reporting that offence	87%	90%
91%	Percentage of burglaries that are attended within 24 hours of being reported	91%	97%
50 hours 43 minutes	Time taken to attend 97% of burglaries	54 hours 54 minutes	57 hours
94%	Percentage of homicide offences resolved (i.e. solved or charges laid) compared with homicide offences recorded	91%	90%
100%	Percentage of Victim Support Groups that are satisfied with the Police provision of services in relation to initial response and criminal investigation	96%	100%
New Measure for 2010/11	Case Resolution rate: <sup>[9]</sup> (i) Mandatory Cases (ii) Critical Cases (iii) Priority Cases (iv) Volume Cases	(i) 102% <sup>[10]</sup> (ii) 82% (iii) 87% (iv) 34%	(i) 90% (ii) 80% (iii) 80% (iv) 45%
New Measure for 2010/11	Active cases that are more than one year old: <sup>[9]</sup> (i) Mandatory Cases (ii) Critical Cases (iii) Priority Cases (iv) Volume Cases	(i) 72% (ii) 37% (iii) 29% (iv) 23%	(i) 60% <sup>[11]</sup> (ii) 30% (iii) 25%

(iv) 20%

## Notes:

[9] These performance measures did not appear in the 2010/11 Information Supporting the Estimates. Police intend to report on these measures in the 2011/12 financial year and have included these in the 2010/11 Annual Report for readers' information. The following are definitions of categories of cases:

Mandatory: Serious crime and incident types that reflect the greatest risk to the public. This category includes homicides, fatal crashes and some statutory offences.

Critical: Serious offences against the person. This category includes child abuse, sexual/grievous assaults, terrorism and kidnapping.

Priority: All other crimes against the person and those affecting public safety; includes drug offending, family violence related offences and traffic cases involving injury.

Volume: All traditional dishonesty, vagrancy, less serious assaults, alcohol related and traffic (non-injury).

[10] This is a throughput measure (ratio of output to input); specifically, the ratio of files created to files resolved during the year. Where the figure reported is less than 100%, more files were created than were resolved. Where it is more than 100%, more files were resolved than were created. Not all files are resolved in the same year they are created. In the 2010-11 fiscal year, the Case Resolution Rate for 'Mandatory' cases was 102%. 108 files were created during the year and 110 resolved. Of these resolved cases, 31 had already been created at the start of the year (i.e. these were files that were carried forward from previous years).

[11] The main offence types are homicides or fatal crashes that often involve complex investigations subject to coronial process and jury trials. It is estimated that two thirds of all homicides would end up in Court and take about 18 months to 2 years to complete. All fatal crashes will still require coronial hearing which is outside of Police control.

### Output 5.2 – Other Investigations

This output covers case investigation of those matters that do not fall within a crime category or those matters dealt with by early case closure. Examples include enquiries into missing people, investigating sudden deaths and services provided to assist people who are mentally ill.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quantity			
10,187	Number of non-criminal investigations relating to: Recorded incidents involving persons with mental illness	10,734	9,000 to 9,500
5,068	Number of non-criminal investigations relating to: Reports of sudden deaths	5,180	4,500 to 5,500
15,638	Number of non-criminal investigations relating to: Reports of missing persons	16,650	14,000 to 15,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quality			
Nil	Number of complaints upheld under this output	1	Fewer than 3

### Output Expense Statement

## Investigations for the year ended 30 June 2011

2009/10		2010/11	2010/11	2010/11
Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000
<b>Revenue</b>				
385,178	Revenue Crown	403,336	404,576	403,336
1,339	Revenue Department	1,280	1,305	1,305
2,180	Revenue Other	2,174	1,610	1,610
388,697	Total Revenue	406,790	407,491	406,251
<b>Expenses</b>				
365,151	Criminal Investigations	375,609	380,646	379,484
25,752	Other Investigations	26,895	26,845	26,767
390,903	Total Expenses	402,504	407,491	406,251
(2,206)	Net Surplus (Deficit)	4,286	-	-

## Output expense six – Case Resolution and Support to Judicial Process

## Output expense description

This output expense includes:

- prosecuting criminal cases
- resolving non-criminal cases
- executing court orders, fines warrants and arrest warrants
- escorting and holding people in Police cells following arrest
- the custody and escort of arrested, remand and sentenced prisoners as directed by the court
- the care, and when necessary, the temporary custody and escort of people with mental health problems.

## Sector or departmental outcome links

This output expense supports the judicial process through prosecutions, the custody of arrested people and remand prisoners, and the execution of court documents.

## Outputs purchased within this expense

## Output 6.1 – Criminal Case Resolution

This output covers the Police prosecutor's time preparing, consulting and completing cases with the case manager, preparing cases for court and attending at District Court. It includes work within the Police Adult Diversion Scheme and attendance at Family Group Conferences to resolve youth offending. It also covers support to the Coroners Court to resolve Coronial Inquests.

## Performance Measures

Outturn 2009/10	Outturn 2010/11	Performance Standard
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2010/11			
Quantity			
158,693	Number of prosecutions	136,026	145,000 to 155,000
14,208	Number of diversions successfully completed <sup>[12]</sup>	8,848	12,000 to 13,000
1,998	Number of youth apprehensions resolved by way of Family Group Conference	1,804	2,000 to 2,500

## Notes:

[12] The outturn reported in 2010/11 is lower than in previous years. This output now reports diversions that were successfully completed. Previously, Police reported all the diversions that were considered, for comparison the total number of diversions considered in the 12,525.

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
Quality			
99%	Percentage of prima facie cases established for informations laid	99%	99%
81%	Percentage of files with Victim Impact Statements, where the statement is no older than 28 days when it is required for sentencing	81%	85%
0.3%	Percentage of charges that do not proceed on the date agreed between the Police and court for reasons that are the responsibility of the Police	0.3%	Less than 0.5%
15% <sup>[13]</sup>	Percentage of recorded offences resolved: Dwelling burglary	14% <sup>[13]</sup>	15%
77% <sup>[13]</sup>	Percentage of recorded offences resolved: Assaults <sup>[14]</sup>	77% <sup>[13]</sup>	83%
91%	Percentage of recorded offences resolved: Family violence offences	90%	95%
23% <sup>[13]</sup>	Percentage of recorded offences resolved: Motor vehicle theft offences (includes unlawful taking and conversion)	23% <sup>[13]</sup>	19%

## Notes:

[13] In line with the Justice Sector Information Strategy, the measure is now reported using the new Australia New Zealand Offence Classification (ANZSOC). The 2009/10 result was reported using the previous method. The ANZSOC standard was introduced for the 2010/11 year. The following table provides a comparison between annual results calculated using the ANZSOC method and the previous method.

Measures	"Previous method" results for 2009/10	"Previous method" results for 2010/11	New ANZSOC method results for 2009/10	New ANZSOC method results for 2010/11	Budgeted Standard 2010/11
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Percentage of recorded offences resolved: Dwelling burglary	15%	14%	15%	14%	15%
Percentage of recorded offences resolved: Public place violence offences [assaults]	75%	75%	77%	77%	83%
Percentage of recorded offences resolved: Motor vehicle theft offences (includes unlawful taking and conversion)	19%	18%	23%	23%	19%

[14] This measure's wording appears in the Information Supporting the Estimates document as "Recorded Percentage of recorded offences resolved: Public place violence offences". As a result of adopting the ANZSOC reporting standard the adjusted wording for the measure should read "Percentage of recorded offences resolved: assaults". This measure excludes family violence offences.

#### Output 6.2 – Execution of Court Summonses, Warrants and Orders

This output covers the delivery of services that have been authorised by the issue of a notice, an instruction, an order or a warrant from a legislated authority. It includes the execution of warrants to arrest and fines warrants and breaches of home detention conditions as required, the serving of summonses and other minor offence notices (not including those generated under the Transport Act 1962).

##### Performance Measures

Outturn 2009/10	Outturn 2010/11	Performance Standard 2010/11
Quantity		
72,143	70,155	75,000 to 80,000
Number of court documents executed		

Outturn 2009/10	Outturn 2010/11	Performance Standard 2010/11
Quality		
2	Nil	Fewer than 3
Number of complaints upheld relating to the execution of court documents		

#### Output 6.3 – Custody and Escort Services

This output covers the escort and holding of prisoners in Police cells following arrest, and includes the holding of remand or some sentenced prisoners in approved locations. It also covers the custody and escort of people requiring assessment under the Mental Health (Compulsory Assessment and Treatment) Act 1989.

##### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
176,718	Number of prisoners held	163,114	175,000 to 180,000
Nil	Number of deaths of persons in custody	Nil	Nil
1,298	Number of electronic monitoring (EM) bail applications assessed	1,353	1,100 to 1,400
370	Number of electronically monitored bailees	420 <sup>[15]</sup>	325 to 375

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
2	Number of complaints upheld relating to the custody and escort of prisoners	Nil	Fewer than 3

Notes:

[15] This outturn is driven by judicial decisions.

*Output Expense Statement*

Case Resolution and Support to Judicial Process for the year ended 30 June 2011

2009/10		2010/11	2010/11	2010/11
Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000

*Revenue*

103,895	Revenue Crown	108,455	108,997	108,455
798	Revenue Department	556	953	553
592	Revenue Other	586	514	514
105,285	Total Revenue	109,597	110,464	109,522

*Expenses*

46,150	Criminal Case Resolution	46,972	48,732	48,491
5,804	Execution of Court Summonses, Warrants and Orders	5,844	6,129	6,099

52,656	Custody and Escort Services	54,256	55,603	54,932
104,610	Total Expenses	107,072	110,464	109,522
675	Net Surplus (Deficit)	2,525	-	-

## Output expense seven – Road Safety Programme

### Output expense description

This output expense covers:

- the delivery of services outlined in the Road Policing Programme directed towards the achievement of road safety outcomes, the largest activity of which covers the delivery of key strategic services such as highway patrol, speed and traffic camera operations, restraint device control, drink or drugged driver control operations, commercial vehicle investigation activity, and visible road safety enforcement
- court prosecution and infringement management
- road safety education activities and community services
- services associated with traffic management such as peak flow, event traffic control and crash attendance.

### Sector or departmental outcome links

Evaluation at the programme level establishes the clearest linkage between the interventions identified under this output and overall road safety outcomes. As a member of the transport sector, the Police contributes to, and aims to meet, the following effectiveness measures.

### Outputs purchased within this expense

#### Output 7.1 – Strategic Road Policing

This output covers the:

- detection and deterrence of speed offending
- detection and deterrence of drink drive offending and targeting recidivist drink drivers
- enforcement of breaches of front and rear restraint usage law
- enforcement of the road code and traffic laws and promotion of safer driving practices
- enforcement of road user charges and commercial vehicle investigation.

### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
2,211,070	Number of compulsory breath tests conducted	2,241,952	2,000,000
1,050,397	Number of mobile breath tests conducted	1,023,162	700,000
103,716	Number of commercial vehicles stopped by mobile patrols and weighbridges	88,908	86,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		

100%	All strategic road policing delivered in accordance with Risk Targeted Patrol Plans (RTPP) with regard to the fatal five factors: <ul style="list-style-type: none"> <li>• speed control</li> <li>• drinking or drugged driver control</li> <li>• restraint device control</li> <li>• careless and dangerous driving</li> <li>• high-risk drivers.</li> </ul>	Yes (100%)	Yes (100%)
100%	Percentage of all commercial vehicles stopped for which vehicle inspection reports are completed	100%	100%

### Output 7.2 – Community Engagement on Road Safety

This output covers:

- Police participation in Community Programmes as agreed and planned at the local level
- community road safety liaison and consultation
- management and delivery of Police school road safety education services to schools, including the development of road safety education programmes
- training and monitoring of school traffic safety teams.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
81%	Percentage of all schools contacted by Police Education Officers and/or in receipt of school road safety education sessions	88%	100%

### Output 7.3 – Road Policing Incident and Emergency Management

This output covers:

- road crash attendance and investigation
- traffic management services.

#### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
337	Number of crashes attended and reported to the New Zealand Transport Agency: Fatal crashes	337	330 to 360
1,961	Number of crashes attended and reported to the New Zealand Transport Agency: Serious injury crashes	1,859	2,000 to 2,200

8,827	Number of crashes attended and reported to the New Zealand Transport Agency: Minor injury crashes	8,690	9,000 to 10,000
26,901	Number of crashes attended and reported to the New Zealand Transport Agency: Non-injury crashes	25,864	26,000 to 29,000
81,801	Number of traffic incidents, blockages and breakdowns recorded	78,608	80,000 to 90,000
30,133	Number of unique Priority One (P1) traffic events created	30,572	30,000 to 40,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		
58%	Percentage of Priority One (P1) traffic events created that are attended within 10 minutes of being reported if in an urban area	58%	90%
27 minutes 16 seconds	Time taken for Police to arrive at 90% of Priority One (P1) traffic emergency events in urban policing areas	27 minutes 14 seconds	25 minutes
87%	Percentage of Priority One (P1) traffic events created that are attended within 30 minutes of being reported if in a rural area	86%	90%
35 minutes 14 seconds	Time taken for Police to arrive at 90% of Priority One (P1) traffic emergency events in rural policing areas	36 minutes 09 seconds	40 minutes
Nil	Number of complaints upheld against the Police relating to attendance at traffic emergencies and disasters	Nil	fewer than 5

#### Output 7.4 – Road Policing Resolutions

This output covers the management of sanctions, prosecutions and court orders.

##### Performance Measures

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quantity		
81,084	Number of traffic prosecutions	77,181	80,000 to 90,000

Outturn 2009/10		Outturn 2010/11	Performance Standard 2010/11
	Quality		

1	Number of complaints upheld relating to the execution of road policing court documents	1	Nil
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### Output Expense Statement

Road Safety Programme for the year ended 30 June 2011

2009/10		2010/11	2010/11	2010/11
Actual		Actual	Main Estimates	Supplementary Estimates
\$000		\$000	\$000	\$000
<b>Revenue</b>				
287,911	Revenue Crown	294,542	294,015	294,542
646	Revenue Department	655	1,063	1,063
-	Revenue Other	-	1,447	1,447
288,557	Total Revenue	295,197	296,525	297,052
<b>Expenses</b>				
222,632	Strategic Road Policing	226,677	229,345	230,203
7,194	Community Engagement on Road Safety	7,551	7,411	7,375
45,317	Road Policing Incident and Emergency Management	47,111	46,683	46,453
12,703	Road Policing Resolutions	12,490	13,086	13,021
287,846	Total Expenses	293,829	296,525	297,052
711	Net Surplus (Deficit)	1,368	-	-

## PART 5

# Financial Statements

## 5.1 Financial statements for the year ended 30 June 2011

### Statement of Accounting Policies

#### Statutory Authority

The financial statements for Police have been prepared in accordance with the requirements of the Public Finance Act 1989. For the purposes of financial reporting Police are a public benefit entity.

#### Reporting Period

The reporting period for these financial statements is the year ended 30 June 2011.

#### Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

#### Accounting Policies and Measurement System

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The measurement base applied is historical cost modified by the revaluation of certain assets and liabilities as identified in this statement of accounting policies.

The accrual basis of accounting has been used unless otherwise stated. These financial statements are presented in New Zealand dollars rounded to the nearest thousand.

#### Judgements and Estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### Long Service Leave and Sick Leave

Note 15 provides an analysis of the exposure and assumptions in relation to estimates and uncertainties surrounding long service leave and sick leave.

#### Property, Plant and Equipment

Critical judgements in determining the remaining life of buildings, land and plant have been made by Police and certified by Beca Valuation Ltd as part of the property revaluation.

#### Budget Figures

The Budget figures are those included in The Estimates of Appropriation 2011/12 and Information Supporting the Estimates 2011/12. In addition, the financial statements also present updated budget information from the Supplementary Estimates.



## Revenue- Operations, Interest, Rental Income and Donated or Subsidised Assets

If revenue has been earned in exchange for the provision of outputs (products or services) to third parties, this is recorded as revenue from operations. Revenue from the supply of services is measured at the fair value of consideration received. Revenue from the supply of services is recognised on a straight-line basis over the specified period for the services unless an alternative method better represents the stage of completion of the transaction.

### Interest Income

Interest income is recognised in the profit or loss in the period it is earned.

### Rental Income

Rental income is recognised in the profit or loss on a straight-line basis over the term of the lease.

### Donated or subsidised assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue in the profit or loss.

### Sponsorship

Funds provided by third parties for sponsorship of specific projects are initially recorded as revenue in advance and recognised as revenue at the point the associated expenditure is incurred.

### Valuation of Current Assets

Cash and cash equivalents include cash on hand, cash in transit, bank accounts and deposits with a maturity of no more than three months.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are recognised initially at fair value plus transaction costs. Receivables with a duration of less than 12 months are recognised at their nominal value. Allowances for estimated irrecoverable amounts are recognised when there is objective evidence that the asset is impaired.

Inventories are recorded at the lower of cost (calculated using weighted average method) and net realisable value. Due to the short-term nature of current assets their fair value approximates to their carrying value.

### Property, Plant and Equipment

Items of plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

### Revaluation

Revaluations are carried out for a number of classes of property, plant and equipment to reflect the service potential or economic benefit obtained through control of the asset. Revaluations are based on the fair value of the asset, with changes reported by class of asset.

Classes of property, plant and equipment that are revalued, are revalued at least every five years or whenever the carrying amount differs materially to fair value. Unrealised gains and losses arising from changes in the value of property, plant and equipment are recognised as at balance date. To the extent that a gain reverses a loss previously charged to profit or loss for the asset class, the gain is credited to profit or loss. Otherwise, gains are credited to an asset revaluation reserve for that class of asset. To the extent that there is a balance in the asset revaluation reserve for the asset class any loss is debited to the reserve. Otherwise, losses are reported in profit or loss.

Accumulated depreciation at revaluation date may be either restated proportionately or eliminated against the gross carrying amount so that the carrying amount after revaluation equals the revalued amount. The elimination approach is applied unless otherwise indicated.

### Land and Buildings

Land and buildings are recorded at fair value less impairment losses and, for buildings, less depreciation accumulated since the assets were last revalued. Fair value has been determined by Police and certified by an independent valuer using market-based evidence, unless insufficient market-based evidence exists, in which case they are valued at optimised depreciated replacement cost. Additions between revaluations are recorded at cost.

## Other Property, Plant and Equipment – at cost

Other property, plant and equipment, which include motor vehicles and office equipment, are recorded at cost less accumulated depreciation and accumulated impairment losses.

## Disposals

Realised gains and losses arising from disposal of property, plant and equipment are recognised in profit or loss in the period in which the transaction occurs.

## Non-Current Assets Held for Sale

Non-current assets or disposal groups are separately classified where their carrying amount will be recovered through a sale transaction rather than continuing use; that is, where such assets are available for immediate sale and where sale is highly probable. These assets are recorded at the lower of their carrying amount and fair value less costs to sell.

Non-current assets held for sale are not depreciated or amortised while they are classified as held for sale.

## Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its estimated useful life. Typically, the depreciation rates for classes of property, plant and equipment are as follows:

Class of Asset	Depreciation rate
Freehold land	Not depreciated
Buildings	1–10%
Plant and equipment	15–50%
Vessels	4.5–25%
Furniture / fittings	10%
Motor vehicles	8–14%
Communication and computer assets	20–25%

The useful life and estimated residual value of motor vehicles was reviewed during the year, along with the creation of three separate classes of motor vehicles into three separate classes (sedans and station wagons, light commercial, and heavy vehicles). The weighted average depreciation rate across these classes is 13.5% (2010:17%).

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives, whichever is the shorter.

## Employee Entitlements

Employee entitlements to salaries and wages, annual leave, long service leave and other similar benefits are recognised in profit or loss when they accrue to employees. Employee entitlements to be settled within 12 months are reported at the amount expected to be paid. The liability for long-term employee entitlements is reported as the present value of estimated future cash outflows.

## Termination Benefits

Termination benefits are recognised in profit or loss only when there is a demonstrable commitment to either terminate employment prior to normal retirement date or to provide such benefits as a result of an offer to encourage voluntary redundancy. Termination benefits settled within 12 months are reported at the amount expected to be paid, otherwise they are reported as the present value of the estimated future cash outflows.

## Foreign Currency

Transactions in foreign currencies are translated at the foreign exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions are recognised in profit or loss.

Monetary assets and liabilities denominated in foreign currencies at balance date are translated to New Zealand dollars at the foreign exchange rate at balance date. Foreign exchange gains or losses arising from translation of monetary assets and liabilities are recognised in profit or loss.

## Financial Instruments

Police is party to financial instruments as part of its normal operations. Financial instruments used by Police consist of cash and cash equivalents, accounts receivable, accounts payable and foreign currency forward contracts. Police enters into foreign currency forward contracts to mitigate exposure to foreign exchange movements. In accordance with Police's Foreign Exchange policy, it does not hold or issue derivative financial instruments for trading purposes. Police has not adopted hedge accounting.

Financial assets and financial liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through profit or loss in which case the transaction costs are recognised in profit or loss.

Financial assets designated at fair value through profit or loss are recorded at fair value with any realised and unrealised gains or losses recognised in profit and loss. Gains or losses reported in profit or loss include any interest component.

Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities entered into with duration less than 12 months are recognised at their nominal value.

Amortisation and, in the case of monetary items, foreign exchange gains and losses, are recognised in profit or loss as is any gain or loss when the liability is released. There are no material risks arising from the financial instruments held by Police.

## Intangible assets

### Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by Police, are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

### Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in profit or loss.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Acquired and developed computer software 4–5 years 20% - 25%.

## Impairment of Non-Financial Assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. An intangible asset that is not yet available for use at the balance sheet date is tested for impairment annually.

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in profit or loss.

For assets not carried at a revalued amount, the total impairment loss is recognised in profit or loss.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in profit or loss, a reversal of the impairment loss is also recognised in profit or loss.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in profit or loss.

### Cost Allocation

Police determines the cost of outputs using the cost allocation system outlined below.

Costs are allocated to output expenses based upon activity profiles assigned to staff positions. For support services which do not directly deliver outputs, the allocation of cost is based on an assessed consumption of that service.

### Taxation

Police is exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for taxation has been provided for.

### Goods and Services Tax (GST)

All statements are GST exclusive. Accounts receivable and accounts payable in the Statement of Financial Position are GST inclusive. The amount of GST owing to or by the Inland Revenue Department (IRD) at balance date, being the difference between Output GST and Input GST, is included in accounts payable or accounts receivable as appropriate. The net amount of GST paid to, or received from the IRD including GST relating to investing and financing activities is classified as an operating cash flow in the cash flow statement.

### Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are reported as commitments to the extent that they represent unperformed obligations.

### Finance Leases

Finance leases transfer to Police as lessee, substantially all the risks and rewards incidental to the ownership of the leased asset. Initial recognition of a finance lease results in an asset and liability being recognised at amounts equal to the lower of the fair value of the leased property or the present value of the minimum lease payments. The capitalised values are amortised over the period in which Police expects to receive benefits from their use.

### Operating Leases

Operating leases, where the lessor substantially retains the risks and rewards of ownership, are recognised in a systematic manner over the term of the lease. Leasehold improvements are capitalised and the cost is amortised over the unexpired period of the lease or the estimated useful life of the improvements, whichever is shorter. Lease incentives received are recognised evenly over the term of the lease as a reduction in rental expense.

### Contingent Liabilities

Contingent liabilities are recorded in the Statement of Contingent Liabilities at the point at which the contingency is evident. Contingent liabilities are disclosed if the possibility that they will crystallise is not remote.

### Comparative Information

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

### Accident Compensation Corporation (ACC) Partnership Programme

Police belongs to the ACC Partnership Programme whereby Police accepts the management and financial responsibility of work related illnesses and accidents of employees. Under the Programme Police is liable for all its claims costs for a period of four years. At the end of the four year period, Police pays a premium to ACC for the value of residual claims, and the liability for ongoing claims from that point passes to ACC.

The liability for the ACC Partnership Programme is measured at the present value of expected future payments to be made in respect of the employee injuries and claims up to the reporting date using actuarial techniques. Consideration is given to expected future wage and salary levels and experience of employee claims and injuries. Expected future payments are discounted using market yields at the reporting date on government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

## Standards, amendments and interpretations issued that are not yet effective and have not been early adopted

Standards, amendments and interpretations issued but not yet effective that have not been early adopted and which are relevant to Police include:

- **Revised standard, NZ IFRS 9 (2009)**

This revised standard includes requirements for the classification and measurement of financial assets resulting from the first part of Phase 1 of the IASB's project to replace IAS 39 on Financial Instruments: Recognition and Measurement.

These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of NZ IAS 39.

The revised standard introduces a number of changes to the accounting for financial assets, the most significant of which includes:

- two categories for financial assets being amortised cost or fair value
- removal of the requirement to separate embedded derivatives in financial assets
- strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial Assets can only be classified as amortised cost if (a) the contractual cash flows from the instrument represent principal and interest and (b) the entity's purpose for holding the instrument is to collect the contractual cash flows
- an option for investments in equity instruments which are not held for trading to recognise fair value changes through other comprehensive income with no impairment testing and no recycling through profit or loss on derecognition
- reclassifications between amortised cost and fair value no longer permitted unless the entity's business model for holding the asset changes
- changes to the accounting and additional disclosures for equity instruments classified as fair value through other comprehensive income

Police expects to apply the new standard for the first time for the year ended 30 June 2015.

- **Revised standard, NZ IFRS 9 (2009)**

The requirements for classifying and measuring financial liabilities were added to NZIFRS 9 as issued in 2009. The existing NZ IAS 39 requirements for the classification of financial liabilities and the liability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities, the change in fair value is accounted for as follows:

- The change attributable to changes in credit risk are presented in other comprehensive income (OCI)
- The remaining change is presented in profit or loss

If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss.

Police expects to apply the new standard for the first time for the year ended 30 June 2015.

- **Revision to NZ IAS 24**

This revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition, including,

- a) the definition now identifies a subsidiary and an associate with the same investor as related parties of each other:
- b) entities significantly influenced by one person and entities significantly influenced by a close member of the family of that person are no longer related parties of each other: and
- c) the definition now identifies that, whenever a person or entity has both joint control over a second entity and joint control or significant influence over a third party, the second and third entities are related to each other.

A partial exemption is also provided from the disclosure requirements for government-related entities. Entities that are related by virtue of being controlled by the same government can provide reduced party disclosures.

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

- **Amendments to NZ IFRS 7: These amendments emphasise the interaction between quantitative and qualitative disclosures and the nature and extent of risks associated with financial instruments.**

The Amendments to quantitative and credit risk disclosures are as follows:

- Clarify that only financial assets whose carrying amount does not reflect the maximum exposure to credit risk need to provide further disclosure of the amount that represents the maximum exposure to such risk.

- Require, for all financial assets, disclosure of the financial effect of collateral held as security and other credit enhancements regarding the amount that best represents the maximum exposure to credit risk (e.g., a description of the extent to which collateral mitigates credit risk).
- Remove the disclosure requirement of the collateral held as security, other credit enhancements and an estimate of their fair value for financial assets that are past due but not impaired, and financial assets that are individually determined to be impaired.
- Remove the requirement to specifically disclose financial assets renegotiated to avoid becoming past due or impaired.
- Clarify that the additional disclosure required for financial assets obtained by taking possession of collateral or other credit enhancements are only applicable to assets still held at the reporting date.

The amendments to NZ IAS 1 clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

#### • **Amendments to NZIFRS 7**

These amendments enhance the transparency of disclosure requirements for the transfer of financial assets.

For transferred financial assets that are derecognised in their entirety but where the entity has a continuing involvement in them, the amendments require disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets.

For transferred financial assets that are not derecognised in their entirety, the amendments require disclosure of information that enables users of financial statements to understand the relationship between those assets which are not derecognised and their associated liabilities.

All the information will need to be presented in a single note in an entity's financial statements.

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

#### • **FRS 44**

This new standard is a consequence of the joint Trans-Tasman Convergence project of the Australian Accounting Standards Board (AASB) and Financial reporting standards Board (FRSB).

This standard relocates New Zealand specific disclosures from other standards to one place and revises disclosures in the following areas:

- a) Compliance with NZIFRS
- b) The statutory basis or reporting framework for financial statements
- c) Audit fees
- d) Imputation credits
- e) Reconciliation of net operating cash flow to profit (loss)
- f) Prospective financial statements
- g) Elements in the statement of service performance

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

#### • **Amendments to NZ IFRS 1, 20, 28,31,34 and NZ IAS 7,8,12,16 and 40**

These amendments are to Harmonise with IFRS and Australian Accounting Standards.

- a) Remove the disclosures which have been relocated to FRS 44
- b) Harmonise audit fee disclosure requirements in NZIFRS 1 with AASB 101
- c) Harmonise imputation/ franking credits' disclosure requirements in NZ IAS 12 with AASB 101
- d) Introduce the option to use the indirect method of reporting cash flows in NZ IAS 7
- e) Introduce an accounting policy choice to use the cost model for investment property under NZ IAS 40
- f) Remove the requirement to use an independent valuer and the related disclosure requirements currently in NZ IAS 16 and NZ IAS 40
- g) Remove some NZ-specific disclosures

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

#### • **Amendments to NZ IFRIC 14**

These amendments arise from the issuance of prepayments of a Minimum Funding Requirement (Amendments to NZ IFRIC 14). The requirements of NZ IFRIC 14 meant that some entities that were subject to minimum funding requirements could not treat any surplus in a defined benefit pension plan as an economic benefit.

The amendment requires entities to treat the benefit of such an early payment as a pension asset. Subsequently, the remaining surplus in the plan, if any, is subject to the same analysis as if no prepayment had been made.

Police expects to apply the revised standard for the first time for the year ended 30 June 2012.

### New Standards, amendments and interpretations adopted for the year

- **Amendment to NZ IAS 17**

This amendment removes the specific guidance on classifying land as a lease so that only the general guidance remains. Assessing land leases based on the general criteria may result in more land leases being classified as finance leases and if so, the type of asset which is to be recorded (intangible Vs. property, plant and equipment) needs to be determined.

- **Amendment to NZ IAS 7**

This amendment explicitly states that only expenditure that results in a recognised asset can be classified as a cashflow from investing activities.

- **Amendment to NZ IAS 18**

This amendment provides additional guidance to determine whether an entity is acting as a principal or as an agent. The features indicating an entity is acting as a principal are whether the entity:

- has primary responsibility for providing the goods or service
- has inventory risk
- has discretion in establishing prices, and
- bear the credit risk.



## Statement of Appropriations for the Year Ended 30 June 2011

	Actual	Main Estimates	Changes during the year	Supplementary Estimates	Actual
	2011	2011	2011	2011	2010
	\$000	\$000	\$000	\$000	\$000

### Appropriations for Departmental Output Expenses

Policy Advice and Ministerial Servicing	3,105	3,179	(28)	3,151	2,896
General Crime Prevention Services	104,034	112,259	(1,150)	111,109	104,868
Specific Crime Prevention Services and Maintenance of Public Order	98,855	93,669	5,760	99,429	99,506
Police Primary Response Management	459,676	441,361	16,009	457,370	424,763
Investigations	402,504	407,491	(1,240)	406,251	390,903
Case Resolution and Support to Judicial Process	107,072	110,464	(942)	109,522	104,610
Road Safety Programme	293,829	296,525	527	297,052	287,846
<b>Total Appropriations for Departmental Output Expenses</b>	<b>1,469,075</b>	<b>1,464,948</b>	<b>18,936</b>	<b>1,483,884</b>	<b>1,415,392</b>

### Appropriations for Other Expenses

Compensation for Confiscated Firearms	-	10	-	10	2
United Nations Drug Control Programme	100	100	-	100	100
<b>Total Appropriations for Other Expenses</b>	<b>100</b>	<b>110</b>	<b>-</b>	<b>110</b>	<b>102</b>

### Appropriation for Capital Contribution from the Crown

	30,812	30,812	-	30,812	64,028
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### Appropriation for Non- Departmental Expense Flows

Other Expense to be incurred by the Crown – Telecommunication	1,757	1,757	-	1,757	4,000
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Interception Capability					
Appropriations for Non-Departmental Revenue Flows					
Non-Tax Revenue Infringement Fees	88,463	85,700	(3,000)	82,700	81,458
Sale of Unclaimed Property	305	500	-	500	344
Forfeit to Crown	56	-	-	-	131
Investment Income	23	-	-	-	31
<b>Total Appropriations for Non-Departmental Revenue</b>	<b>88,847</b>	<b>86,200</b>	<b>(3,000)</b>	<b>83,200</b>	<b>81,964</b>

The accompanying notes form part of the financial statements.

## Statement of Comprehensive Income for the Year Ended 30 June 2011

		Actual	Main Estimates	Supplementary Estimates	Actual
		2011	2011	2011	2010
	Note	\$000	\$000	\$000	\$000
<b>Revenue</b>					
Crown		1,456,461	1,442,798	1,456,461	1,386,309
Other Revenue	2	25,289	22,150	27,423	27,851
Interest		1	-	-	2
<b>Total Revenue</b>		<b>1,481,751</b>	<b>1,464,948</b>	<b>1,483,884</b>	<b>1,414,162</b>
<b>Expenditure</b>					
Personnel	3	1,041,069	1,064,084	1,047,490	1,031,686
Operating	4	286,866	260,905	291,901	249,647
Depreciation and amortisation expenses	6	76,823	75,299	79,919	74,233
Capital charge	7	64,317	64,660	64,574	59,826
<b>Total Operating Expenses</b>		<b>1,469,075</b>	<b>1,464,948</b>	<b>1,483,884</b>	<b>1,415,392</b>

Surplus (Deficit) from Outputs		12,676	-	-	(1,230)
Less: Other Expenses	8	-	10	10	2
Net Surplus (Deficit)		12,676	(10)	(10)	(1,232)
Other Comprehensive Income		(11,931)	-	-	-
Total Comprehensive Income		745	(10)	(10)	(1,232)

Explanations of significant variances against budget are detailed in note 1.

The accompanying notes form part of the financial statements.

## Statement of Movements in Taxpayers' Funds for the Year Ended 30 June 2011

	Notional Capital	Revaluation Reserves	Total	Main Estimates	Supplementary Estimates
	\$000	\$000	\$000	\$000	\$000
Taxpayers' Funds as at 01 July	481,737	378,736	860,473	861,706	860,473
Net surplus (deficit) for the year	12,676	-	12,676	(10)	(10)
Other Comprehensive Income	-	(11,931)	(11,931)	-	-
Total comprehensive income for the year	12,676	(11,931)	745	(10)	(10)
Transactions with owners in their capacity as owners					
Provision for repayment of surplus to Crown	(12,676)	-	(12,676)	-	-
Capital Contribution	30,812	-	30,812	30,812	30,812
Total Transactions with owners in their capacity as owners	18,136	-	18,136	30,812	30,812
Total Taxpayers' Funds as at 30 June	512,549	366,805	879,354	892,508	891,275

## Statement of Movements in Taxpayers' Funds for the Year Ended 30 June 2010

	Notional Capital	Revaluation Reserves	Total	Main Estimates	Supplementary Estimates
	\$000	\$000	\$000	\$000	\$000
Taxpayers' Funds as at 01 July	418,941	378,736	797,677	540,535	797,678
Net surplus (deficit) for the year	(1,232)	-	(1,232)	(10)	(10)
Total comprehensive income for the year	(1,232)	-	(1,232)	(10)	(10)
Transactions with owners in their capacity as owners					
Capital Contribution	64,028	-	64,028	63,068	64,028
Total Transactions with owners in their capacity as owners	64,028	-	64,028	63,068	64,028
Total Taxpayers' Funds as at 30 June	481,737	378,736	860,473	603,593	861,696

## Statement of Financial Position as at 30 June 2011

		Actual	Main Estimates	Supplementary Estimates	Actual
		2011	2011	2011	2010
	Note	\$000	\$000	\$000	\$000

### Assets

#### Current Assets

Cash		44,125	30,000	30,000	36,779
Accounts Receivable	9	276,273	185,287	232,575	232,128
Prepayments		8,030	4,610	6,210	6,157
Inventories	10	222	1,326	536	536
Total Current Assets		328,650	221,223	269,321	275,600

#### Non-Current Assets

Property, Plant and Equipment	11	910,121	982,081	965,509	923,115
Intangibles	12	33,798	26,853	38,327	34,739
<b>Total Non-Current Assets</b>		<b>943,919</b>	<b>1,008,934</b>	<b>1,003,836</b>	<b>957,854</b>
<b>Total Assets</b>		<b>1,272,569</b>	<b>1,230,157</b>	<b>1,273,157</b>	<b>1,233,454</b>
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	13	91,840	61,774	80,033	75,110
Other Accrued Expenses	14	11,986	12,124	11,641	11,640
Employee Entitlements	15	148,383	143,751	155,208	150,920
Provision for Repayment of Surplus to the Crown		12,676	-	-	-
<b>Total Current Liabilities</b>		<b>264,885</b>	<b>217,649</b>	<b>246,882</b>	<b>237,670</b>
<b>Non-Current Liabilities</b>					
Employee Entitlements	15	128,330	120,000	135,000	135,311
<b>Total Non-Current Liabilities</b>		<b>128,330</b>	<b>120,000</b>	<b>135,000</b>	<b>135,311</b>
<b>Total Liabilities</b>		<b>393,215</b>	<b>337,649</b>	<b>381,882</b>	<b>372,981</b>
<b>Net Assets</b>		<b>879,354</b>	<b>892,508</b>	<b>891,275</b>	<b>860,473</b>
<b>Taxpayers' Funds</b>					
General Funds		512,549	513,771	512,539	481,737
Property, Plant and Equipment Revaluation Reserves		366,805	378,737	378,736	378,736
<b>Total Taxpayers' Funds</b>	<b>16</b>	<b>879,354</b>	<b>892,508</b>	<b>891,275</b>	<b>860,473</b>

The accompanying notes form part of the financial statements.

## Statement of Cash Flows for the Year Ended 30 June 2011

		Actual	Main Estimates	Supplementary Estimates	Actual
		2011	2011	2011	2010
	Note	\$000	\$000	\$000	\$000
Cash Flows from Operating Activities					
Cash provided from:					
Supply of Outputs to:					
- Crown		1,414,253	1,453,467	1,453,481	1,316,516
- Others		23,308	22,069	30,403	27,669
		1,437,561	1,475,536	1,483,884	1,344,185
Cash was applied to:					
Produce outputs:					
- Personnel		(1,041,139)	(1,060,083)	(1,036,344)	(1,000,986)
- Operating		(276,869)	(260,306)	(290,846)	(250,188)
- Capital Charge		(64,317)	(64,660)	(64,574)	(59,826)
- Other Expenses		-	-	(10)	(2)
		(1,382,325)	(1,385,049)	(1,391,774)	(1,311,002)
Net Cash Flows from Operating Activities	17	55,236	90,487	92,110	33,183
Cash Flows from Investing Activities:					
Cash provided from:					
Interest Income		1	-	-	2
Sale of Non-Current Assets		3,588	1,710	291	5,769
Cash was applied to:					
Purchase of Property, Plant & Equipment		(69,588)	(111,800)	(112,999)	(85,736)
Purchase of Intangible Assets		(12,703)	(2,000)	(16,993)	(5,554)

Net Cash Flows from Investing Activities		(78,702)	(112,090)	(129,701)	(85,519)
Cash Flows from Financing Activities					
Cash provided from:					
Capital Contribution		30,812	30,812	30,812	64,028
Cash was applied to:					
Repayment of Surplus to the Crown		-	(9,209)	-	(17,822)
Net Cash Flows from Financing Activities		30,812	21,603	30,812	46,206
Net Increase (Decrease) in Cash Held		7,346	-	(6,779)	(6,130)
Add Opening Cash		36,779	30,000	36,779	42,909
		44,125	30,000	30,000	36,779
Cash Balance Consists of:					
Cash at Bank		42,999	29,049	29,049	35,691
Petty Cash		859	738	738	846
Overseas Posts		267	213	213	242
Total Cash		44,125	30,000	30,000	36,779

During the period, Police did not acquire any property, plant and equipment by means of finance lease (2010: nil). The accompanying notes form part of the financial statements.

## Statement of Unappropriated Expenditure for the Year Ended 30 June 2011

Output Expense	Actual	Appropriation	Unappropriated Expenditure	Unappropriated Expenditure
	2011	2011	2011	2010
	\$000	\$000	\$000	\$000
Police Primary Response Management	459,676	457,370	2,306	962
Investigations	402,504	406,251	-	2,810

Expenses and Capital Expenditure Interim Authority under Imprest Supply approved under 26C of the Public Finance Act 1989

Unappropriated expenditure was forecast and incurred with interim authority to spend sought and confirmed under Section 26C.

## Net Assets

Section 22 of the Public Finance Act 1989 requires that the net asset holding of a department must not exceed the most recent projected balance of net assets for that department as set out in an Appropriation Act, except where Ministers agree a surplus may be retained or where assets or liabilities have been remeasured. Police have breached this requirement during the year by \$0.010 million, relating to the “departmental other expenses” appropriation: compensation for confiscated firearms.

	Net Asset Authority in Supplementary Estimates of Appropriations	Net Asset Authority at time of breach	Amount in excess of Net Asset balance limit
	\$000	\$000	\$000
Net Asset holding	891,275	891,275	10

## Statement of Trust Monies for the Year Ended 30 June 2011

	Opening Balance	Capital Increase	Capital Distribution	Closing Balance
	\$000	\$000	\$000	\$000
Bequests, Donations and Appeals	162	520	(601)	81
Reparation	9	34	(33)	10
Money in Custody	9,476	4,417	(3,902)	9,991
Found Money	57	90	(97)	50
<b>Total</b>	<b>9,704</b>	<b>5,061</b>	<b>(4,633)</b>	<b>10,132</b>

The trust account holds funds retained by Police on behalf of other parties. Bequests, donations and appeals are monies contributed by third parties for projects managed by Police.

Reparation money is money received from offenders to be paid to victims. Money in custody is monies seized during operations and money held for suspects in custody.

Found money is money that has been handed in by members of the public, that Police holds pending the rightful owner coming forward to claim it.

The accompanying notes form part of the financial statements.

## Statement of Contingent Liabilities and Contingent Assets as at 30 June 2011

Unquantifiable Contingent Liabilities: \$nil (2010: \$nil).

### Quantifiable Contingent Liabilities

	Actual	Actual
	2011	2010
	\$000	\$000
Legal Proceedings and Disputes	1,344	699
Personal Grievances	26	26
	1,370	725

### Legal proceedings

Legal proceedings represent claims lodged with the Crown Law office, but which have not been settled. Previous experience with such claims is that the majority are unsuccessful in total and those that are resolved in favour of the claimant are for amounts substantially less than the amount claimed.

### Personal grievances

Personal grievances represent amounts claimed by employees of Police for personal grievances cases, for various reasons.

### Contingent Assets

Police has no contingent assets in 2011 (2010: \$nil).

The accompanying notes form part of the financial statements.



## Statement of Commitments as at 30 June 2011

### Capital Commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant and equipment and intangible assets that have not been paid for nor recognised as a liability at the balance sheet date.

### Non-Cancellable Operating Lease Commitments

Police leases property, plant and equipment in the normal course of its business.

The majority of these leases are for premises, computer equipment and photocopiers, which have a non-cancellable leasing period ranging from 1 to 18 years.

### Other Non-Cancellable Commitments

Police have entered into non-cancellable contracts for computer maintenance, cleaning and other service contracts.

	Actual	Actual
	2011	2010
	\$000	\$000

### Capital Commitments

#### Works

Less than One Year	1,215	1,152
<b>Total works</b>	<b>1,215</b>	<b>1,152</b>

#### Plant & Equipment

Less than One Year	366	6,535
<b>Total Plant &amp; Equipment</b>	<b>366</b>	<b>6,535</b>

#### Motor Vehicles

Less than One Year	2	4,504
<b>Total Motor Vehicles</b>	<b>2</b>	<b>4,504</b>
<b>Total Capital Commitments</b>	<b>1,583</b>	<b>12,191</b>

### Operating

#### Accommodation Leases

Less than One Year	16,006	15,386
One to Two Years	13,496	14,133
Two to Five Years	36,907	36,002
Greater than Five Years	33,413	41,497

<b>Other Non-Cancellable Leases</b>		
Less than One Year	170	569
One to Two Years	39	272
Two to Five Years	49	317
Greater than Five Years	-	-
<b>Total Leases</b>	<b>100,081</b>	<b>108,176</b>

The accompanying notes form part of the financial statements.

## Statement of Commitments as at 30 June 2011 - continued

	Actual	Actual
	2011	2010
	\$000	\$000
<b>Other Operating</b>		
Less than One Year	35,947	38,776
One to Two Years	9,784	23,516
Two to Five Years	6,474	9,809
Greater than Five Years	-	-
<b>Total Other Operating</b>	<b>52,205</b>	<b>72,101</b>
<b>Total Operating</b>	<b>152,285</b>	<b>180,277</b>
<b>Total Commitments</b>	<b>153,868</b>	<b>192,468</b>

The accompanying notes form part of the financial statements.

## Notes to the Financial Statements for the Year Ended 30 June 2011

### 1. Budget Composition

	Main Estimates	Supplementary Estimates Changes	Budget Total
	\$000	\$000	\$000
<b>Revenue</b>			
Crown	1,442,798	13,663	1,456,461
Other	22,150	5,273	27,423
Interest	-	-	-
Gains on Sale of Non-Current Assets	-	-	-
<b>Total Revenue</b>	<b>1,464,948</b>	<b>18,936</b>	<b>1,483,884</b>
<b>Expenditure</b>			
Personnel	1,064,084	(16,594)	1,047,490
Operating	260,905	30,996	291,901
Depreciation and Amortisation Expenses	75,299	4,620	79,919
Capital Charge	64,660	(86)	64,574
<b>Total Output Operating Expenses</b>	<b>1,464,948</b>	<b>18,936</b>	<b>1,483,884</b>
Surplus (Deficit) from Outputs	-	-	-
Less: Other Expenses	10	-	10
<b>Net Surplus (Deficit)</b>	<b>(10)</b>	<b>-</b>	<b>(10)</b>

Explanations for major variances from the initial Budget Estimates were outlined in the Supplementary Estimates. These were:

#### Crown Revenue

- Christchurch Earthquake top-up funding \$10.000 million [CAB Min (11) 16/4]
- Road Policing Programme Variation for new SMART PDA devices \$2.000 million
- Government Superannuation Fund non-funding employer contribution rate increase from 16.1 to 19.1% \$1.723 million [CAB Min (10) 13/5]
- Two additional NZ police officers to Bamyán province in Afghanistan \$0.162 million [CAB Min (10) 45/17]
- Less: transfer to Vote: Department of Prime Minister and Cabinet for establishment of the Intelligence Coordination Group \$0.175 million
- Less: transfer to Vote: Customs for the cost of a Terrestrial Automated Identification System \$0.047 million.

## Other Revenue

- Increase in the funding from the Ministry of Foreign Affairs and Trade, International Development Group for overseas deployments to:
  - Solomon Islands \$3.900 million [ERD Min 909) 11/1]
  - Tonga Police Development Project \$1.021 million
  - Papua New Guinea Bougainville Community Policing Project \$0.800 million
  - Cook Islands Bilateral Programme \$0.377 million
  - Pitcairn Island Community Police Officer \$0.175 million
- Less: forecasted decrease in revenue from firearms licensing \$0.600 million
- Less: forecasted decrease in revenue for holding Justice remand prisoners in Police cells \$0.400 million.

## 2. Other Revenue

	Actual	Actual
	2011	2010
	\$000	\$000
Arms Licences	1,607	2,096
Chargeable Police Services	3,570	3,400
Department of Corrections Remand Prisoners	211	434
Other	2,184	2,965
Overseas Deployments	10,951	12,731
Pacific Island Chiefs of Police Secretariat Support	669	881
Pacific Peoples Domestic Violence Programme	1,109	847
Property Rentals	1,305	1,097
Sponsorship	-	5
State Sector Retirement Superannuation Scheme: SSC Contribution	3,270	3,152
The Royal NZ Police College: Catering Facility Hire and Non-Police Training	413	243
<b>Total Other Revenue</b>	<b>25,289</b>	<b>27,851</b>

## 3. Personnel

	Actual	Actual
	2011	2010
	\$000	\$000
Accident Compensation Costs	7,804	6,913

Fringe Benefit Tax	1,389	1,565
Salaries/Wages	903,346	877,289
Staff Insurance	1,859	1,849
Staff Recruitment	279	309
Staff Transport Assistance	606	364
Superannuation	105,971	102,336
Training	3,997	3,886
Transfer/Removal Expenses	2,097	1,901
Increase in Employee Entitlements	12,765	34,238
Other	956	1,036
<b>Total Personnel</b>	<b>1,041,069</b>	<b>1,031,686</b>

#### 4. Operating

	Actual	Actual
	2011	2010
	\$000	\$000
Audit Fees	302	308
Other Fees Paid to Auditor *	11	-
Bad Debt Expenses	5	-
Changes in Doubtful Debt Provision	17	37
Clothing, Equipment and Consumables	26,184	24,366
Communications	18,828	19,113
Computer Charges	27,054	24,584
Computer Leasing Expenses	5,112	4,019
Equipment Rental	1,777	1,424
ESR Forensic Science Services	21,388	21,032
Foreign Exchange Rate (Gain)/Loss	(56)	(10)
(Profit)/Loss on Sale of Non-Current Assets (Note5)	634	48
Other Operating Expenses	10,908	10,488

Physical Assets Write-offs	3,429	102
Printing	9,601	8,796
Professional Services	33,179	20,070
Legal Expenses	2,933	3,821
Prof Services -Non Government Organisations	3,471	3,189
Property Rentals	20,549	19,950
Property Utilities, Rates and Maintenance	32,070	29,701
Third Party Expenses	4,159	4,444
Travel	24,623	18,103
Vehicle/ Aircraft/ Launch Rentals	7,265	6,594
Vehicle Expenses	33,423	29,468
<b>Total Operating</b>	<b>286,866</b>	<b>249,647</b>

\*Note to Other Fees Paid to Auditor: During the year \$11,000 was paid to Ernst & Young, as professional fees in relation to the development of a secondment strategy.

## 5. (Profit)/Loss on Sale of Non-Current Assets

	Actual	Actual
	2011	2010
	\$000	\$000
Disposal of Land and Buildings	768	778
Sale of Motor Vehicles and Launches	(134)	(1,170)
Write-off Buildings and Fitout as a Result of Revaluation	-	440
<b>(Profit)/Loss on Sale of Non-Current Assets</b>	<b>634</b>	<b>48</b>

During the year Police disposed of Land & Buildings at the following addresses, which were found to be surplus to requirement mainly as a result of opening new police stations.

Address	(Gain) Loss
	\$000
14 Noel Bull Avenue, Gisborne	67
18 Valley Road, Gisborne	40

48 Lydia Street, Greymouth	3
15 Stanley Street, Christchurch	477
7 Court Street, Waiuku	(26)
The Peak, Honiara, Solomon Islands	169
2 Woburn Street, Waipukurau	32
Others	6
	<b>768</b>

During the year Police wrote off buildings and fitouts in the following addresses. Leased motor vehicles were written off on termination of their respective leases.

Address	Loss
	<b>\$000</b>
190 Thorndon Quay, Wellington	1,000
Corner of Great South Road and Princess Street, Auckland	733
11-15 Monmouth Street, Tauranga	654
180 Molesworth Street, Wellington	338
Monro Building, Nelson	295
102-104 Keri Keri Road, Keri Keri	233
7-9 Sumner Road, Lyttleton	112
159 Great North Road, Auckland	30
Motor Vehicles	22
Equipment & Computer Equipment	12

## 6. Depreciation & Amortisation of Intangibles

	Actual	Actual
	2011	2010
	\$000	\$000
Buildings	19,569	19,355
Plant and Equipment, Computer Equipment and Communication Assets	25,014	22,114
Vessels	587	405

Furniture and Fittings	703	832
Motor Vehicles	17,307	18,202
Amortisation of Intangibles	13,643	13,325
<b>Total Depreciation</b>	<b>76,823</b>	<b>74,233</b>

## 7. Capital Charge

Police pays a capital charge to the Crown on its taxpayers' funds as at 30 June and 31 December each year. The capital charge rate for the year ended 30 June 2011 was 7.5% (2010: 7.5%).

## 8. Other Expenses

	Actual	Actual
	2011	2010
	\$000	\$000
Compensation for Confiscated Firearms	-	2
<b>Total Other Expenses</b>	<b>-</b>	<b>2</b>

## 9. Accounts Receivable

	Actual	Actual
	2011	2010
	\$000	\$000
Trade Debtors	2,689	1,568
Sundry Debtors and Employee Debt	3,878	4,678
Less: Provision for Doubtful Debts	(776)	(759)
Net Debtors	5,791	5,487
Debtor Crown	270,482	226,641
<b>Total Accounts Receivable</b>	<b>276,273</b>	<b>232,128</b>

The carrying value of debtors and other receivables approximate their fair value.

As at 30 June 2011 and 30 June 2010, all overdue receivables have been assessed for impairment and appropriate provision applied, as detailed below:



	2011			2010		
	Gross	Impairment	Net	Gross	Impairment	Net
	\$000	\$000	\$000	\$000	\$000	\$000
Past due	5,791	-	5,791	5,487	-	5,487
Overdue 180 days	776	776	-	759	759	-
<b>Total</b>	<b>6,567</b>	<b>776</b>	<b>5,791</b>	<b>6,246</b>	<b>759</b>	<b>5,487</b>

Those past due less than 180 days have not been impaired as there is no loss expected.

The provision for doubtful debts has been calculated based on expected losses. Expected losses have been determined based on Police's review of its debtors.

Movements in the provision for doubtful debts are as follows:

	Actual	Actual
	2011	2010
	\$000	\$000
Balance at 1 July	759	722
Additional provisions made during the year	22	37
Debts written off during the period	(5)	-
<b>Total</b>	<b>776</b>	<b>759</b>

## 10. Inventories

	Actual	Actual
	2011	2010
	\$000	\$000
Accoutrements/ Other	222	536
<b>Total Inventories</b>	<b>222</b>	<b>536</b>

The carrying value of inventories held for distribution at 30 June 2011 is \$nil (2010: \$nil).

The write down of inventories held for distribution was \$nil (2010: \$nil).

No inventories are pledged as securities for liabilities.

## 11. Property, Plant & Equipment

As at 30 June 2011:

Cost:\$000's	Land	Buildings	Furniture & Fittings	Plant, Equip, Computer & Comm. Assets	Motor Vehicles	Vessels	Capital Work in Progress	Total
Opening Balance	169,284	586,649	18,351	230,602	124,510	5,950	61,608	1,196,954
Additions	700	8,497	755	25,546	16,633	150	22,928	75,209
Disposals and Transfers	(880)	(6,562)	688	21,820	(10,194)	1,554	(46,088)	(39,662)
Closing Balance	169,104	588,584	19,794	277,968	130,949	7,654	38,448	1,232,501
Accumulated Depreciation:								
Opening Balance	-	23,286	14,209	171,999	61,156	3,189	-	273,839
Depreciation for the year	-	19,569	703	25,012	17,307	588	-	63,179
On Disposals and Transfers	-	(365)	(191)	(3,686)	(8,381)	(2,015)	-	(14,638)
Closing Balance	-	42,490	14,721	193,325	70,082	1,762	-	322,380
Closing Book Value	169,104	546,094	5,073	84,643	60,867	5,892	38,448	910,121

As at 30 June 2010:

Cost: \$000's	Land	Buildings	Furniture & Fittings	Plant, Equip, Computer & Comm. Assets	Motor Vehicles	Vessels	Capital Work in Progress	Total
Opening Balance	168,834	583,487	15,856	242,451	125,363	6,856	82,226	1,225,073
Additions	1,650	4,006	279	10,736	20,568	80	48,145	85,464
Disposals and Transfers	(1,200)	(844)	2,216	(22,585)	(21,421)	(986)	(68,763)	(113,583)

Closing Balance	169,284	586,649	18,351	230,602	124,510	5,950	61,608	1,196,954
Accumulated Depreciation:								
Opening Balance	-	40,864	13,928	189,152	61,945	3,515	-	309,404
Depreciation for the year	-	19,355	832	22,114	18,202	405	-	60,908
On Disposals and Transfers	-	(36,933)	(551)	(39,267)	(18,991)	(731)	-	(96,473)
Closing Balance	-	23,286	14,209	171,999	61,156	3,189	-	273,839
Closing Book Value	169,284	563,363	4,142	58,603	63,354	2,761	61,608	923,115

Land and buildings have been revalued at fair value as at 30 June 2009 by Police and this valuation has been independently certified by Beca Valuation Ltd.

The total amount of Property, Plant and Equipment in the course of construction is \$38.448 million

(2010: \$61.608 million). The net carrying amount of Office Equipment held under finance lease is \$nil (2010: \$nil).

No impairment losses have been recognised in 2011 (2010: \$nil).

#### Restrictions to Titles of Non-Current Assets

As at 30 June 2011 Land and Buildings of which Police has possession and use, but for which legal title is not completely established, amounted to \$11.450 million (2010: \$13.212 million).

In most cases titles will be established by gazette notice, which will formally vest the titles in Police.

All surplus Land and Buildings are subject to the Crown land disposal process as specified by the Public Works Act 1981.

## 12. Intangible Assets: Acquired Software

	Actual	Actual
	2011	2010
	\$000	\$000
Cost		
Opening Balance	93,898	76,801
Additions	7,259	5,554
Disposals and transfers	5,444	11,543
Balance at 30 June	106,601	93,898
Accumulated Amortisation and Impairment Losses		

Opening Balance	59,159	45,479
Amortisation during the year	13,643	13,325
Disposals & transfers	1	355
Balance at 30 June	72,803	59,159
Book Value	33,798	34,739

There are no restrictions over the title of the intangible assets, nor are the assets pledged as security for liabilities.

### 13. Accounts Payable

	Actual	Actual
	2011	2010
	\$000	\$000
Trade Creditors	12,938	8,236
Accrued Expenses and Provisions	50,729	43,007
PAYE Payable	9,440	10,351
GST Payable	18,733	13,516
Total Accounts Payable	91,840	75,110

Payables are non-interest bearing and are normally settled on 30 days terms; therefore the carrying value approximates their fair value.

### 14. Other Accrued Expenses

	Actual	Actual
	2011	2010
	\$000	\$000
Sponsorship Reserve	102	102
Accident Compensation and Accredited Employer Programme Provisions	11,884	11,538
Total Other Accrued Expenses	11,986	11,640

## 15. Employee Entitlements

	Actual	Actual
	2011	2010
	\$000	\$000
<b>Current Liabilities</b>		
Accrued Salaries and Wages	140	124
Annual Leave	120,606	122,039
Long Service Leave	13,364	14,474
Sick Leave	522	604
Shift Leave	13,751	13,679
<b>Total Current Portion</b>	<b>148,383</b>	<b>150,920</b>
<b>Non-Current Liabilities</b>		
Long Service Leave	125,700	131,989
Sick Leave	2,630	3,322
<b>Total Non-Current Portion</b>	<b>128,330</b>	<b>135,311</b>
<b>Total Employee Entitlements</b>	<b>276,713</b>	<b>286,231</b>

An independent actuarial valuation was undertaken by Aon Consulting New Zealand Ltd as at 30 June 2011 to estimate the present value of long service leave liabilities.

The present value of long service leave obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Two key assumptions used in calculating these liabilities are the discount rate and the salary inflation factor. Any changes in these assumptions will impact on the carrying amount of the liability. The interest rates on NZ Government bonds with terms of maturity that match closely to the estimated future cash outflows have been considered in determining the discount rate. Historical salary patterns have been considered in determining the salary inflation factor after obtaining advice from an independent actuary.

If the salary inflation factor were to increase by 1% from the estimate with all other factors held constant the carrying amount of the liability would increase by \$7.610 million. If the salary inflation factor were to decrease by 1%, the liability would decrease by \$6.870 million.

## 16. Taxpayers' Funds

	Actual	Actual
	2011	2010
	\$000	\$000
<b>General Funds</b>		

General Funds Balance at 1 July	481,737	418,941
Provision for Repayment of Surplus to the Crown	-	17,822
Taxpayers' Funds at 1 July	481,737	436,763
Net Surplus (Deficit) for the year	12,676	(1,232)
Capital Contribution	30,812	64,028
Asset Revaluation Reserve	366,805	378,736
	892,030	878,295
Repayment of Surplus to the Crown	(12,676)	(17,822)
General Funds as at 30 June	879,354	860,473

## 17. Reconciliation of Net Surplus to Net Cash Flow from Operating Activities

	Actual 2011 \$000	Actual 2010 \$000
Net Surplus (Deficit)	12,676	(1,232)
Add (less) Non-Cash Items		
Depreciation and Amortisation Expenses	76,823	74,233
Fixed Assets write off	3,429	102
Total Non-Cash items	80,252	74,335
Add (Less) Items Classified as Investing or Financing Activities:		
Gains (Losses) on disposal of Property, Plant and Equipment	634	48
Interest	(1)	(2)
Net Investing or Financing Activities	633	46
Add (Less) Movements in Working Capital Items:		
Increase (Decrease) in Accounts Payable	16,551	10,422
(Increase) Decrease in Accounts Receivable	(304)	1,442
Increase (Decrease) in Employee Entitlements	(9,518)	22,277
(Increase) Decrease in Debtor Crown	(43,841)	(71,417)
(Increase) Decrease in Inventories	314	790

(Increase) Decrease in Prepayments	(1,873)	(1,629)
Increase (Decrease) in Other Accrued Expenses	346	(1,851)
<b>Net Working Capital Movements</b>	<b>(38,325)</b>	<b>(39,966)</b>
<b>Net Cash Flows from Operating Activities</b>	<b>55,236</b>	<b>33,183</b>

## 18. Related Party Transactions

Police is a wholly owned entity of the Crown. The Government is the major source of revenue.

Police entered into numerous transactions with other government departments, Crown agencies and state-owned enterprises on an arm's length basis. Where these parties are acting in the course of their normal dealings with Police, related party disclosures have not been made.

Apart from those transactions described above, Police has not entered into any related party transactions.

## 19. Key Management Personnel Compensation

	Actual	Actual
	2011	2010
	\$000	\$000
Salaries and other short term employee benefits	6,073	5,924
Other long-term benefits	1,033	1,760
Termination benefits	847	-
<b>Total Compensation</b>	<b>7,953</b>	<b>7,684</b>

Key management personnel included are members of the Police Executive Committee which comprises the Commissioner, Deputy Commissioners, Assistant Commissioners, District Commanders and General Managers.

## 20. Segmental Information

Police operates in one industry sector: the provision of policing services. Activities are primarily carried out from New Zealand. Police operates a number of overseas posts and deployments; however the annual cost of these activities is approximately 0.83% (2010: 1.02%) of Vote Police.

## 21. Provisions

Police self-insures for ACC purposes. An independent actuarial assessment of ongoing costs relating to outstanding claims has been prepared by Davies Financial & Actuarial Limited as at 30 June 2011, resulting in a provision for work-related accidents of \$3.347 million (2010: \$3.025 million).

Personnel disputes that have arisen with a likelihood of settlement have been provided for, along with personnel settlements payable under collective contract provisions that are unable to be paid until the financial year is complete. Provision for personnel contract settlements as at 30 June 2011 \$3.304 million (2010: \$4.253 million).

	Balance at the	Amount	Additional	Balance
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	Beginning of the Year	Used	Amount	at End of Year
	\$000	\$000	\$000	\$000
Work Related Accidents	3,025	(3,025)	3,347	3,347
Provision for Personnel contract settlement	4,253	(1,648)	699	3,304
<b>Total Provisions</b>	<b>7,278</b>	<b>(4,673)</b>	<b>4,046</b>	<b>6,651</b>

## 22. Financial instrument risks

Police's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Police has series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

### Market risk

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Police's foreign exchange management policy requires management of currency risk arising from future transactions and recognised liabilities by entering into foreign exchange forward contracts to hedge the entire foreign currency risk exposure. This policy has been approved by the Treasury and is in accordance with the requirements of the Treasury guidelines for the Management of Crown and Departmental Foreign-Exchange Exposure.

#### Credit risk

Credit risk is the risk that a third party will default on its obligation to the Police, causing Police to incur a loss.

Police is only permitted to deposit funds with Westpac, a registered bank, and enter into foreign exchange forward contracts with Westpac or the New Zealand Debt Management Office. These entities have high credit ratings. For its other financial instruments Police does not have significant concentrations of credit risk.

Police's maximum exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and net debtors. There is no collateral held as security against these financial instruments, including those instruments that are overdue or impaired.

#### Liquidity risk

Liquidity risk is the risk that Police will encounter difficulty raising liquid funds to meet commitments as they fall due.

In meeting its liquidity requirements Police closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. Police maintains a target level of available cash to meet its liquidity requirements.

The following table reflects all contractually fixed pay-offs and repayments resulting from recognised financial liabilities as of 30 June 2011. For the other obligations the respective undiscounted cash flows for the respective upcoming fiscal years are presented. The timing of cash flows for liabilities is based on the contractual terms of the underlying contract. However, where the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which Police can be required to pay. When Police is committed to make amounts available in instalments, each instalment is allocated to the earliest period in which Police is required to pay.

	Less than 6 months	Between 6 months to 1 year	Between 1 year and 5 years	Over 5 years
--	--------------------	----------------------------	----------------------------	--------------



	\$000	\$000	\$000	\$000
<b>2011</b>				
Creditors and payables	90,711	151	636	342
<b>2010</b>				
Creditors and payables	74,481	71	485	73

## 23. Categories of Financial Instruments

The carrying amounts of financial assets and financial liabilities in each of the NZ IAS 39 categories are as follows:

	Actual	Actual
	2011	2010
	\$000	\$000
<b>Loans and Receivables</b>		
Cash and Cash Equivalents	44,125	36,779
Debtors and Other Receivables (Note 9)	276,273	232,128
<b>Total Loans and Receivables</b>	<b>320,398</b>	<b>268,907</b>
<b>Financial Liabilities Measured at Amortised Cost</b>		
Creditors and Other Payables (Note 13)	91,840	75,110
<b>Total Financial Liabilities</b>	<b>91,840</b>	<b>75,110</b>

## 24. Post Balance Date Events

There were no significant events subsequent to balance date that had a material impact on the financial statements.

## Non-departmental Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice. They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

These non-departmental balances are consolidated into the Crown Financial Statements and therefore readers of these financial statements and schedules should also refer to the 2010/11 Crown Financial statements.

Non-departmental accounting policies are consistent with departmental accounting policies.

## Schedule of Revenue and Expenses for the Year Ended 30 June 2011

	Actual	Main Estimates	Supplementary Estimates	Actual
	2011	2011	2011	2010
	\$000	\$000	\$000	\$000
Revenue	88,847	86,200	83,200	81,964
Total Non-Departmental Revenue (1)	88,847	86,200	83,200	81,964
Expenses	1,857	1,857	1,857	4,100
Total Non-Departmental Expenses	1,857	1,857	1,857	4,100

Note 1 Refer to the Statement of Appropriation on page 61 for an analysis of revenue.

### Schedule of Assets and Liabilities as at 30 June 2011

	Actual	Main Estimates	Supplementary Estimates	Actual
	2011	2011	2011	2010
	\$000	\$000	\$000	\$000
Current Assets				
Cash	247	170	206	3,213
Accounts Receivable	5,573	10,377	1,857	5,504
Total Non-Departmental Assets	5,820	10,547	2,063	8,717
Accounts Payable	5,573	10,377	1,857	8,511
Funds held on behalf of Crown	247	170	206	206
Total Non-Departmental Liabilities	5,820	10,547	2,063	8,717

For a full understanding of the Crown's financial position and the results of its operations for the period, reference should be made to the consolidated Financial Statements for the Government for the year ended 30 June 2011.

## 5.2 Audit report

## INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF  
NEW ZEALAND POLICE'S  
FINANCIAL STATEMENTS AND NON-FINANCIAL PERFORMANCE INFORMATION  
AND SCHEDULES OF NON-DEPARTMENTAL ACTIVITIES  
FOR THE YEAR ENDED 30 JUNE 2011

The Auditor-General is the auditor of New Zealand Police ("Police"). The Auditor-General has appointed me, G J Taylor, using the staff and resources of Ernst & Young to carry out the audit of the financial statements, and the non-financial performance information and the schedules of non-departmental activities of Police on her behalf.

We have audited:

- ▶ the financial statements of Police on pages 54 to 82, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2011, the statement of comprehensive income, statement of changes in equity, statement of expenses and capital expenditure against appropriations, statement of unappropriated expenditure and capital expenditure and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- ▶ the non-financial performance information of Police that comprises the statement of service performance on pages 34 to 53 and the report about outcomes on pages 8 to 24; and
- ▶ the schedules of non-departmental activities of Police on pages 66 and 83 that comprise the schedule of assets and liabilities as at 30 June 2011, the schedule of expenses, schedule of expenditure and capital expenditure against appropriations, schedule of unappropriated expenditure and capital expenditure, schedule of income and statement of trust monies, for the year ended on that date and the notes to the schedules that include accounting policies and other explanatory information.

## Opinion

In our opinion:

- ▶ the financial statements of Police on pages 54 to 82:
  - ▶ comply with generally accepted accounting practice in New Zealand; and
  - ▶ fairly reflect Police's:
    - ▶ financial position as at 30 June 2011;
    - ▶ financial performance and cash flows for the year ended on that date;
    - ▶ expenses and capital expenditure incurred against each appropriation administered by Police and each class of outputs included in each output expense appropriation for the year ended 30 June 2011;
    - ▶ unappropriated expenses and capital expenditure for the year ended 30 June 2011; and
- ▶ the non-financial performance information of Police on pages 8 to 24 and 34 to 53:
  - ▶ complies with generally accepted accounting practice in New Zealand; and
  - ▶ fairly reflects Police's service performance and outcomes for the year ended 30 June 2011, including for each class of outputs:
    - ▶ its service performance compared with the forecasts in the statement of forecast service performance at the start of the financial year; and
    - ▶ its actual revenue and output expenses compared with the forecasts in the statement of forecast service performance at the start of the financial year.
- ▶ the schedules of non-departmental activities of Police on pages 66 and 83, fairly reflect:
  - ▶ the assets, liabilities, and trust monies as at 30 June 2011 managed by Police on behalf of the Crown; and
  - ▶ the revenues, expenses, expenditure and capital expenditure against appropriations and unappropriated expenditure and capital expenditure for the year ended on that date managed by Police on behalf of the Crown.

Our audit was completed on 30 September 2011. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Commissioner and our responsibilities, and we explain our independence.

## Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements and the non-financial performance information and the schedules of non-departmental activities are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and the non-financial performance information and the schedules of non-departmental activities. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the non-financial performance information and the schedules of non-departmental activities. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, and the non-financial performance information and the schedules of non-departmental activities, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to Police's preparation of the financial statements and the non-financial performance information and the schedules of non-departmental activities that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Police's internal control.

An audit also involves evaluating:

- ▶ the appropriateness of accounting policies used and whether they have been consistently applied;
- ▶ the reasonableness of the significant accounting estimates and judgements made by the Commissioner;
- ▶ the appropriateness of the reported non-financial performance information within the Police's framework for reporting performance;
- ▶ the adequacy of all disclosures in the financial statements and the non-financial performance information and the schedules of non-departmental activities; and
- ▶ the overall presentation of the financial statements and the non-financial performance information and the schedules of non-departmental activities.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and the non-financial performance information and the schedules of non-departmental activities. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

## Responsibilities of the Commissioner

The Commissioner is responsible for preparing:

- ▶ financial statements and non-financial performance information that:
  - ▶ comply with generally accepted accounting practice in New Zealand;
  - ▶ fairly reflect Police's financial position, financial performance, cash flows, expenses and capital expenditure incurred against each appropriation and its unappropriated expenses and capital expenditure; and
  - ▶ fairly reflect its service performance and outcomes; and
- ▶ schedules of non-departmental activities, in accordance with the Treasury Instructions 2010 that fairly reflect those activities managed by Police on behalf of the Crown.

The Commissioner is also responsible for such internal control as is determined is necessary to enable the preparation of financial statements and non-financial performance information and schedules of non-departmental activities that are free from material misstatement, whether due to fraud or error.

The Commissioner's responsibilities arise from the Public Finance Act 1989.

## Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements and the non-financial performance information and the schedules of non-departmental activities and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

## Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

In addition to the audit we have carried out assignments in the area of advisory service which are compatible with those independence requirements. Other than the audit and these assignments, we have no relationship with or interests in Police.

G J Taylor  
Ernst & Young  
On behalf of the Auditor-General  
Wellington, New Zealand

## PART 6

# Information Required by Statute

## 6.1 Interception warrants

In accordance with the provision of section 29 of the Misuse of Drugs Amendment Act 1978, the information in Table 23 is provided.

Table 23: Interception Warrants, 2008/09–2010/11 (under the Misuse of Drugs Act 1975)

Section 14 (Interception Warrants)	2010/11	2009/10	2008/09
Number of applications made	18	83	37
Number of applications granted	18	83	37
Number of applications refused	Nil	Nil	Nil
Number of persons warrants*	17	49	26
Number of premises warrants	1	20	11
Number of warrants which authorised entry onto private premises	10	32	19
Average duration of warrants including renewals (days)**	27	26	23.52
Number of persons prosecuted	65	142	93
Number of persons convicted	5	21	12
Number of persons still under prosecution	59	121	68
Number of prosecutions instituted against Police (including former members) for offences against Section 23 of the Misuse of Drugs Amendment Act 1978	Nil	Nil	Nil
Section 15A (Interception Warrants)	2010/11	2009/10	2008/09
Number of applications made	5	3	1
Number of applications granted	5	3	1
Number of applications refused	Nil	Nil	Nil
Number of persons warrants	5	3	1
Number of premises warrants	1	Nil	Nil
Number of warrants which authorised entry onto private	4	Nil	1

premises

Average duration of warrants including renewals (days)	26	30	27
Number of persons prosecuted	24	266	18
Number of persons convicted	9	21	4
Number of persons still under prosecution	15	245	14
Number of prosecutions instituted against Police (including former members) for offences against Section 23 of the Misuse of Drugs Amendment Act 1978	Nil	Nil	Nil

Section 18 (Renewal of Warrants)	2010/11	2009/10	2008/09
Number of applications made	1	Nil	Nil
Number of applications granted	1	Nil	Nil
Number of applications refused	Nil	Nil	Nil
Number of persons warrants	1	Nil	Nil
Number of premises warrants	1	Nil	Nil
Number of warrants which authorised entry onto private premises	1	Nil	Nil

Section 19 (Emergency Permits)	2010/11	2009/10	2008/09
Number of applications made	Nil	1	1
Number of applications granted	Nil	1	1
Number of applications refused	Nil	Nil	Nil
Number of Interceptions recorded	Nil	113	326

\* One physical warrant counted as one warrant, regardless of number of subjects or premises included.

\*\* Duration regarded as actual duration of interception, not duration granted.

In accordance with the provisions of section 312Q of the Crimes Act 1961, the information in Table 24 is provided.

Table 24: Interception warrants (under the Crimes Act 1961), 2008/09–2010/11

Section 312B (Interception Warrants)	2010/11	2009/10	2008/09
Number of applications made	19	2	8
Number of applications granted	19	2	8
Number of applications refused	Nil	Nil	Nil
Number of persons warrants	19	2	7
Number of premises warrants	6	Nil	1
Number of warrants which authorised entry onto private premises	14	1	5

Average duration of warrants including renewals (days)	25	18	22.3
Number of persons prosecuted	3	9	19
Number of persons convicted	Nil	Nil	Nil
Number of persons still under prosecution	3	9	19
Number of prosecutions instituted against Police (including former members) for offences against Section 216C or 312K of the Crimes Act 1961	Nil	Nil	Nil

Section 312CA (Interception Warrants)	2010/11	2009/10	2008/09
Number of application made	16	11	22
Number of applications granted	16	11	22
Number of applications refused	Nil	Nil	Nil
Number of persons warrants	16	11	18
Number of premises warrants	3	1	4
Number of warrants which authorised entry onto private premises	12	9	9
Average duration of warrants including renewals (days)	27	22	16.78
Number of persons prosecuted	19	16	27
Number of persons convicted	3	2	1
Number of persons still under prosecution	16	14	27
Number of prosecutions instituted against Police (including former members) for offences against Section 216C or 312K of the Crimes Act 1961	Nil	Nil	Nil

Section 312F (Renewal of Warrants)	2010/11	2009/10	2008/09
Number of application mad	Nil	Nil	Nil
Number of applications granted	Nil	Nil	Nil
Number of applications refused	Nil	Nil	Nil
Number of persons warrants	Nil	Nil	Nil
Number of premises warrants	Nil	Nil	Ni

Section 312G (Emergency Permits)	2010/11	2009/10	2008/09
Number of application made	3	3	7
Number of applications granted	3	2	7
Number of applications refused	Nil	1	Nil
Number of interceptions recorded	912	1,408	1,338



Section 216B (3) (Emergency Permits)	2010/11	2009/10	2008/09
Number of application made	Nil	2	1
Number of applications granted	Nil	2	1
Number of applications refused	Nil	Nil	Nil
Number of interceptions recorded	Nil	112	425

## 6.2 Call data warrants

In accordance with section 10R of the Telecommunications (Residual Provisions) Act 1987, the information in Table 25 is provided.

Table 25: Call data warrants (under the Telecommunications (Residual Provisions) Act 1987), 2008/09–2010/11

Section 10A (Call Data Warrants)	2010/11	2009/10	2008/09
Number of applications made	291	243	108
Number of applications granted	291	243	108
Number of applications refused	Nil	Nil	Nil
Average duration of warrants (days)	23	23	21.73

Section 10K	2010/11	2009/10	2008/09
Number of applications made	Nil	Nil	Nil
Number of applications granted	Nil	Nil	Nil
Number of applications refused	Nil	Nil	Nil
Average duration of warrants (days)	Nil	Nil	Nil

## 6.3 Road blocks

In 2010/11, one road block was established under section 317B of the Crimes Act 1961.

## 6.4 Tracking warrants

In accordance with section 200J of the Summary Proceedings Act 1957, the information in Table 26 is provided.

Table 26: Tracking warrants (under the Summary Proceedings Act 1957), 2008/09–2010/11

Tracking warrants	2010/11	2009/10	2008/09
Number of warrants issue	16	12	22
Number of warrant renewals	2	4	5
Average duration – in days	36	51	40

Tracking device used without warrant	Nil	Nil	Nil
Warrants issued under section 200I	Nil	Nil	Nil
Number of device authorised to remain	Nil	Nil	Nil

## 6.5 Bodily samples

In accordance with section 76 of the Criminal Investigations (Bodily Samples) Act 1995, the information in Table 27 is provided.

(1) Commissioner shall include, in annual report prepared by him or her for the purposes of section 101 of the Policing Act 2008, the following information for the period under review:

**Table 27: Bodily samples (under the Criminal Investigations (Bodily Samples) Act 1995), 2010/11**

Bodily Samples 2010/11			
(a)	The number of occasions on which a blood sample has been taken with the consent of a person given in response to a databank request	3	
(ab)	The number of occasions on which a buccal sample has been taken with the consent of a person given in response to a databank request	4,709	
(b)	The number of applications for compulsion orders by type:		
	suspect compulsion orders	59	
	juvenile compulsion orders	16	
(c)	The number of applications referred to in paragraph (b) that were:		
	suspect compulsion orders – granted	59	
	suspect compulsion orders – refused	0	
	juvenile compulsion orders – granted	16	
	juvenile compulsion orders – refused	0	
(ca)	The number of occasions on which a blood sample has been taken pursuant to a compulsion order	1	
(cb)	The number of occasions on which a buccal sample has been taken pursuant to a compulsion order	46	
(cc)	The number of occasions on which a blood sample has been taken pursuant to a databank compulsion notice	5	
(cd)	The number of occasions on which a buccal sample has been taken pursuant to a databank compulsion notice	2335	
(ce)	The number of:		
	(i) databank compulsion notice hearings requested and	(i) 6	
	(ii) Part 3 orders made	(ii) 5*	
	(iii) and the number of orders made that the databank compulsion notice is of no effect in respect to those hearings	(iii) 0	
	(*) One application still being actioned		
(d)	The number of:		**Information not captured nationally
	(i) occasions on which a DNA profile obtained under Part 2 procedure has been used		

## Bodily Samples 2010/11

as evidence against a person in trial; and

(ii) persons referred to in subparagraph (i) in respect of whom a conviction has been entered as a result of the trial

(\*\*) As in previous years, complexities in obtaining accurate data for these measures mean it is not possible to report this information.

(da)	The number of:	
	(i) occasions on which a DNA profile obtained under a Part 3 procedure has been used in support of an application for a suspect compulsion order under Part 2	(i) 18
	(ii) suspect compulsion orders granted in respect of those applications	(ii) 17 *
	(*) One application still being actioned	
(e)	The number of occasions on which any constable has used or caused to be used force to assist a suitably qualified person to take a fingerprick or buccal sample pursuant to a compulsion order or databank compulsion notice:	2
(ea)	The number of occasions on which a buccal sample has been taken as a result of a Part 2A request	0
(eb)	The number of occasions on which a bodily sample has been taken under Part 2B	7,700
(ec)	The number of occasions on which a DNA profile was derived from a bodily sample taken under Part 2B	7,506
(ed)	The number of occasions on which a DNA profile derived from a bodily sample taken under Part 2B matched with DNA information referred to in section 24R(1) (a)	808
(ee)	The number of occasions on which a DNA profile derived from a bodily sample taken under Part 2B matched DNA information collected from the scene of the offence in respect of which the bodily sample was taken.	73
(ef)	The number of occasions on which a constable used reasonable force under section 54A(2)	9
(eg)	The total number of DNA profiles stored on a Part 2B temporary databank at the end of the period under review	4,423
(f)	The total number of DNA profiles stored on a DNA profile databank at the end of the period under review; and	
	• number of bodily samples obtained by consent	97,862
	• number of bodily samples obtained pursuant to a compulsion order	155
	• number of bodily samples obtained pursuant to a databank compulsion notice	22,029
	Total	120,046
(g)	The number of occasions on which a DNA profile obtained from evidence at the scene of an offence or in connection with an offence is matched with a DNA profile obtained under a Part 2 procedure	132
(h)	The number of occasions on which a DNA profile obtained from evidence at the scene of an offence or in connection with an offence is matched with a DNA profile on the DNA profile databank obtained under a Part 3 procedure	506

(2) The information required by subsection (1) (eb) to (eg) must be provided together with a breakdown of those totals according to the ethnicity of the persons from whom the samples were taken, and the number of young persons from whom samples were taken, so far as that information is known by the Police.

		Ethnicity		Young Persons
(eb)	the number of occasions on which a bodily sample has been taken under Part 2B:	Asian European Indian Latin American Māori Middle Eastern Native African Pacific Islander Other Unknown	146 2,946 203 15 3,193 66 47 1,019 34 31	489
(ec)	the number of occasions on which a DNA profile was derived from a bodily sample taken under Part 2B:	Asian European Indian Latin American Māori Middle Eastern Native African Pacific Islander Other Unknown	143 2,881 198 15 3,092 65 46 1,003 33 24	463
(ed)	the number of occasions on which a DNA profile derived from a bodily sample taken under Part 2B matched with DNA information referred to in section 24R(1)(a):	European Indian Latin American Māori Middle Eastern Native African Pacific Islander Unknown	217 1 2 480 3 1 99 5	58
(ee)	the number of occasions on which a DNA profile derived from a bodily sample taken under Part 2B matched DNA information collected from the scene of the offence in respect of which the bodily sample was taken:	European Māori Native African Pacific Islander Unknown	21 42 2 6 2	7
(ef)	the number of occasions on which a constable used reasonable force under section 54A(2):	European Māori Native African Pacific Islander	2 5 1 1	0
(eg)	the total number of DNA profiles stored on a Part 2B temporary databank at the end of the period under review:	Not available		245