



Annual Report

Pūrongo-ā-tau

for the year ended 30 June 2026



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the Public Service Act 2020 and the Public Finance Act 1989**

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Contents

Ngā Ihirangi

	Chief Executive's foreword	2
	Our story	3
	Our strategic intentions	4
	Who we are and what we do	5
	Our year at a glance	8
	Our outcomes	9
	Our operations	31
	Implementing the Government's priorities	31
	Critical assets performance	32
	Māori Crown relations capability	32
	Treaty settlement commitments	33
	Carbon Neutral Government Programme	34
	Our performance reporting	37
	Service performance judgements and assumptions	38
	Appropriation statements	45
	Reporting against our appropriations	49
	Our financials	55
	Statement of responsibility	56
	Independent auditor's report	57
	Departmental financial statements	62
	Notes to the Departmental financial statements	66
	Non-departmental schedules	81
	Notes to the Non-departmental schedules	83
	Appendices	89
	Cabinet Office and New Zealand Royal Honours	90



Chief Executive's foreword

Kupu whakataki a te Tumu Whakarae



It has been a productive and positive year for the Department of the Prime Minister and Cabinet (DPMC). We have been focused on supporting the Prime Minister and the Government to deliver their priorities, and implementing our internal transformation programme so we can work more efficiently and effectively in the future.

Throughout the 2025/26 year our purpose has remained constant: advancing an ambitious, resilient and well-governed Aotearoa New Zealand.

We refreshed our strategic intentions to reflect DPMC's renewed focus on our core roles and responsibilities. This includes supporting informed decision-making, supporting well-conducted government, and leading an effective, strategically focused National Resilience and National Security System. This annual report reflects our performance across both sets of strategic intentions.

At DPMC, we play a vital role in supporting the government by providing expertise, leadership, and coordination across the public sector. This ensures the Governor-General, Prime Minister, and Cabinet can effectively lead and govern New Zealand. Our work is characterised by free and frank advice, agility, collaboration, and a commitment to adding high value.

Notable achievements for the year include contributing to the coordinated government response to the fuel supply disruption, activation of the Officials' Committee for Domestic and External Security Coordination (ODESC) across a number of hazards and threats, establishing the National Resilience Board, hosting the inaugural Policy Leaders' Summit, and publishing New Zealand's 2025 Countering Terrorism and Violent Extremism Strategy and the Cyber Security Strategy 2026–2030.

This year also saw the transfer of hosting responsibilities for the National Emergency Management Agency and insourcing of HR and Finance functions, both covered in more detail later in this document.

In the upcoming reporting year, DPMC will oversee two major constitutional transition events which usually only coincide once every 15 years. In quick succession there will be the General Election in November 2026, and the appointment of the new Governor-General in early 2027. These events demand significant preparation and coordination from the department.

As we look ahead, DPMC remains ready to adapt and respond to the priorities of the government of the day and to changes in our domestic and international environment. We are committed to stewardship, delivery, and innovation to ensure that we continue to provide trusted advice, coordination, and leadership across the public sector. Internally, we will continue embedding our new operating model and building our capability, culture and ways of working needed to support our people and sustain high-quality delivery for the benefit of New Zealanders.

Finally, I want to acknowledge our people, who have navigated a year of change with determination, professionalism and dedication while continuing to deliver across DPMC's core roles. Their efforts have been instrumental in positioning DPMC as a more streamlined, focused, and impactful agency.

Together, we are well-placed to meet the challenges and opportunities ahead.

Ben King
Secretary of the Department of the Prime Minister and Cabinet, and Chief Executive
Te Tumu Whakarae mō Te Tari o te Pirimia me te Komiti Matua



Our story

Te kōrero

This section sets out our strategic framework and key achievements in 2025/26.





Our strategic intentions

He takunetanga rautaki

WHY we exist and what we aim to influence

Our **purpose** is to advance an ambitious, resilient and well-governed Aotearoa New Zealand

Our outcomes are:



Supporting the Government to deliver its priorities



High quality free and frank advice is delivered consistently across the public service



Our constitutional arrangements and systems of executive government are well maintained



A secure, resilient and prosperous New Zealand

WHAT we will deliver

Our core roles and responsibilities are:

Supporting informed decision-making

Supporting well-conducted government

Leading an effective, strategically focused National Resilience and National Security System

HOW we will work



Our goal is to be an influential, agile, high-performing central agency in which our people feel empowered, valued and engaged enabled through:

Our people and expertise

Skilled, diverse and values-led people with the expertise and judgement to advise, lead and steward the system

Our operating approach

Adaptive, purpose-driven and sustainable ways of working that enhance our agility, resilience and decision-making

Our culture and behaviours

A high-trust, inclusive culture that supports collaboration, accountability and delivery



Who we are and what we do

Ko wai mātou, he aha ā mātou mahi

Our purpose is to advance an ambitious, resilient and well-governed Aotearoa New Zealand

At the Department of the Prime Minister and Cabinet (DPMC), we support the government of the day. We do this by leading, advising, stewarding, and delivering activities across the public service, as well as providing specific advice and support to the Governor-General, Prime Minister and ministers.

As a central agency, we play a vital role in leading and coordinating public service agencies. We are uniquely placed to support public sector agencies in the delivery of programmes and policies and ensure there is a focus on progressing the Government's priorities.

Our core roles and responsibilities help us deliver on our purpose

Supporting informed decision-making

We provide the Prime Minister, ministers and Cabinet with insights, advice, and support on the business of the day. We provide strategic advice, taking a comprehensive all-of government view to assist the Government to shape its agenda. Our advice aims to achieve alignment and strong delivery across the public sector. Additionally, we are responsible for shaping and progressing advice on emerging high-priority issues.

We support the Prime Minister, the Minister and Associate Minister for National Security and Intelligence, and Cabinet through the provision of timely, well-informed information and free and frank policy advice on emerging issues, and Cabinet and Cabinet committee papers.

We support the Prime Minister in his role as lead decision maker for strategic crisis management, and in his international engagements to advance New Zealand's interests.

Supporting well-conducted government

We support the Governor-General, Prime Minister and ministers to exercise their constitutional roles. We ensure the smooth, lawful, and trustworthy running of executive government through the provision of secretariat services, constitutional advice and support, legislative support and administration of the New Zealand Royal Honours system.

We support the Governor-General across the four main duties of the office: constitutional, ceremonial, community leadership and international.

We support New Zealand's relationship with our Head of State, His Majesty King Charles III. We also exercise stewardship of the heritage buildings and grounds of the Government Houses in Auckland and Wellington.

Leading an effective, strategically focused National Resilience and National Security System

We lead and steward a National Resilience System that comprises the national security, hazards, strategic crisis management and emergency management systems, so that these are integrated and function collectively to improve resilience to our most serious hazards and national security threats (National Risks). We support the system by ensuring appropriate governance arrangements across government to effectively collaborate to mitigate and better manage National Risks and Crises.

We lead and coordinate the National Security System through stewarding the National Security Strategy and supporting collaboration on nationally significant issues. We deliver 'all source' assessments and lead on national security advice for the Prime Minister, the Minister and Associate Minister for National Security and Intelligence, and other relevant ministers.

We also lead and steward New Zealand's all-hazards, all-threats strategic crisis management arrangements, known as the Officials' Committee for Domestic and External Security Coordination (ODESC) system, in both readiness and response.

NEMA was a departmental agency hosted by DPMC until 25 September 2025 when host responsibility transferred to the Department of Internal Affairs (DIA).

Reporting in a year of transition

DPMC had two sets of strategic intentions in effect during 2025/26. The *Strategic Intentions 2023/24 to 2026/27* applied from 1 July 2025 to 23 February 2026, and the *Strategic Intentions 2025/26 to 2029/30* applied from 24 February 2026. The *DPMC Annual Report 2025/26* bridges the two.

DPMC published new strategic intentions to reflect the refocusing on core roles and responsibilities through the DPMC of the Future work programme. This included a new organisational structure that took effect on 1 July 2025 and the transfer of hosting responsibilities of NEMA from DPMC to DIA on 25 September 2025.

Reporting for 2025/26 is organised around the four outcome areas in the *DPMC Strategic Intentions 2025/26 to 2029/30*. The current strategic intentions describe the organisation that delivered in 2025/26, following the refocusing on core roles and the transfer of NEMA hosting responsibilities on 25 September 2025. Reporting against the current strategic intentions gives the most accurate account of the year and a consistent basis for comparison.

Our core roles and responsibilities have not changed significantly between the two documents. Overall, DPMC maintained delivery across our enduring core roles while implementing the shift in operating model reflected in the new strategic intentions. We reviewed each previous outcome area and associated indicators for their continuing relevance in assessing DPMC's long term impact in advancing an ambitious, resilient, and well-governed Aotearoa New Zealand. Where an outcome indicator continues from the *Strategic Intentions 2023/24 to 2026/27*, we have kept its established measurement and its 2022/23 baseline so that progress can be tracked consistently over the longer term. Where an indicator has been developed for the *Strategic Intentions 2025/26 to 2029/30*, we report it as a new indicator with a 2025/26 baseline. In a small number of cases, a new indicator measures an enduring DPMC role or responsibility against a 2022/23 baseline using previously reported data, so a longer trend remains visible. These cases are identified clearly. Some indicators previously reported under one outcome are now reported under another as a result of the refocus, and we have noted where this has occurred as well.

Mapping outcomes and reporting across the two sets of strategic intentions

The table below explains how DPMC's previous outcome framework maps to the current strategic intentions, including where indicators continue, have changed, or are reported elsewhere in 2025/26.

Previous Strategic Intentions 2023/24 to 2026/27	Current Strategic Intentions 2025/26 to 2029/30	How the outcome has changed	How progress is reported in 2025/26
<i>Outcome 1: The Government is supported to shape and deliver its priorities</i>	<i>Outcome 1: Supporting the Government to deliver its priorities</i>	Continues, refocused on oversight, coordination and support for delivery of Government priorities, targets and actions.	New indicator: Number of Government Targets on track or probable. Reported elsewhere: The quality of DPMC policy advice and assessments, and ministerial satisfaction are reported on page 51.
	<i>Outcome 2: High quality free and frank advice is delivered consistently across the public service</i>	New outcome, drawn from Outcome 1: Gives greater prominence to the quality of policy advice and policy capability across the public service.	Continuing indicator: Uptake of Policy Project tools and frameworks. New indicator: Quality of assessed policy papers across government.

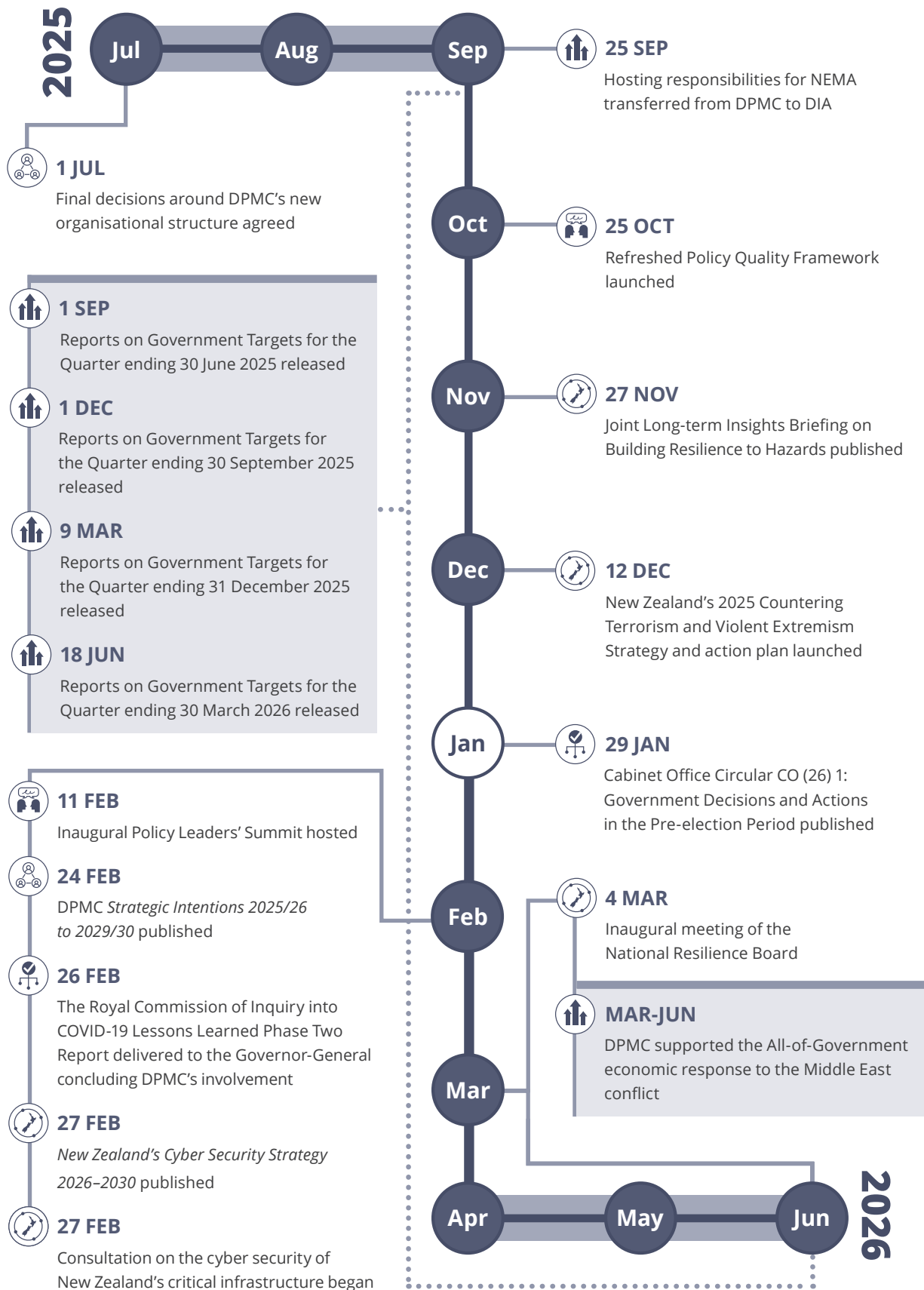
Previous Strategic Intentions 2023/24 to 2026/27	Current Strategic Intentions 2025/26 to 2029/30	How the outcome has changed	How progress is reported in 2025/26
<i>Outcome 2: Aotearoa New Zealand's systems and institutions of executive government are trusted, effective and advance our nation's interests</i>	<i>Outcome 3: Our constitutional arrangements and systems of executive government are well maintained</i>	Continues, refocused on DPMC's core role of supporting well-conducted government.	Continuing indicator: Governor-General satisfaction with support provided. New indicator: Prime Minister satisfaction with support, secretariat and coordination services, replacing the previous ministerial satisfaction indicator for systems and institutions of executive government. No longer reported here: Community engagement, due to the refocusing of the outcome.
<i>Outcome 3: People living in Aotearoa New Zealand are, and feel, resilient, safe and secure</i>	<i>Outcome 4: A secure, resilient and prosperous New Zealand</i>	Continues, refocused on DPMC's role in leading and stewarding the National Resilience and National Security System.	Continuing and updated indicator: Public confidence in government agencies to manage hazards and security threats that could lead to crises. New indicator: Ministerial satisfaction with leadership and stewardship of the National Resilience System, replacing previous ministerial and national security agency satisfaction indicators. No longer reported by DPMC: The community preparedness indicator, following transfer of NEMA hosting responsibilities. It is now reported in the NEMA and DIA Annual Reports.
<i>Organisational health and capability</i>	<i>Outcome: An influential, agile, high-performing central agency in which our people feel empowered, valued and engaged</i>	Continues, updated to reflect DPMC's structure and the ongoing embedding of our operating model.	Continuing indicators: Established organisational health and capability indicators. Reported elsewhere: DPMC's greenhouse gas emissions are reported on pages 34 to 36.

We also report achievement against the outcome indicators in the *Strategic Intentions 2023/24 to 2026/27* and against our appropriations where our core roles continue. Further detail is set out in the Service performance judgements and assumptions on pages 38 to 44 and in the Reporting against appropriations on pages 49 to 54.



Our year at a glance

Te tau kua hipa





Outcome 1: Supporting the Government to deliver its priorities



Our contribution to progressing this outcome:

- providing free and frank advice to deliver the government's priorities
- providing effective oversight, monitoring and support to the Prime Minister, ministers and lead agencies on achieving Government targets
- coordinating across agencies to advise on issues, and reduce barriers to delivery of targets and priorities
- providing advice on issues and solutions to improve public sector performance.

DPMC delivers free and frank advice on government priorities. We help the system of government work as an integrated whole, connecting the Prime Minister, ministers, agencies and priorities so the public service can deliver effectively. We are uniquely placed at the centre, leveraging our whole-of-government perspective and our proximity to the Prime Minister and ministers to steward the system of Government decision-making and public service delivery.

As a central agency, DPMC provides core advisory and support functions to the Prime Minister and Cabinet so they can deliver their work programme.

We work alongside other central agencies, to help the public service stay focused, and get traction on, the Government's priorities, targets and actions.

This outcome continues the intent of *Outcome 1: The Government is supported to shape and deliver its priorities*, from DPMC's *Strategic Intentions 2023/24 to 2026/27*, refocused on free and frank advice, oversight, coordination and support for the delivery of Government policy priorities, targets and actions. How the outcomes and indicators map across the two sets of strategic intentions is set out on pages 6 to 7.

What we achieved in 2025/26

Maintained oversight of and support for the Government's Targets

The Government set nine Targets in April 2024, focused on areas of significant public importance across health, law and order, employment, education, housing and the environment. The Targets drive delivery for New Zealanders by focusing effort, resources, and accountability within lead agencies.

The Delivery Unit maintained oversight of target performance by supporting agencies with their planning and delivery of key priorities and actions, and by providing the Prime Minister with timely advice and insights. As of June 2026, three targets have been met ahead of schedule relating to emergency housing, violent crime, and serious and persistent youth offending.

The Delivery Unit provided the same focus for the Government Quarterly Action Plans. The plans feature a list of actions to be completed within the quarter, related to rebuilding the economy, restoring law and order, and delivering better public services.

To increase the transparency of results for New Zealanders, the Delivery Unit publicly released four sets of Target quarterly report factsheets on the progress of Government Targets, on the DPMC website www.dpmc.govt.nz/publications.

As at 30 June 2026, progress against the nine Targets was:

3 met

Target 3: Reduced serious and persistent child and youth offending, **Target 4:** Reduced violent crime, **Target 8:** Fewer people in emergency housing

1 on track

Target 9: Reduced net greenhouse gas emissions

2 probable

Target 2: Shorter wait times for elective treatment, **Target 6:** Increased student attendance

1 feasible

Target 1: Shorter stays in emergency departments

2 at risk

Target 5: Fewer people on Jobseeker Support, **Target 7:** More students at expected curriculum levels

Coordinated across agencies to reduce barriers and respond to emerging issues

DPMC played a central coordination role across government. In partnership with central agencies, the Delivery Unit contributed a system-wide view of delivery, helping surface emerging risks and prompt early action so that progress across the Government Targets was maintained and agencies were better supported to deliver.

From mid-March to mid-June 2026, DPMC supported the All-of-Government economic response to the conflict in the Middle East. This included supporting the Ministerial Oversight Group with coordinated advice across the public sector, to help keep the economy moving, maintain a fuel supply plan, and protect essential services.

Provided advice to improve public sector performance

As one of the central agencies, DPMC took a whole-of-system view to improve public sector performance. Central agencies identified where the system could lift performance, making sure systemic issues and risks were surfaced early, and working out how best to address them across the public service as a whole. This helped agencies stay focused on the Government's priorities and supported a more coordinated, higher-performing public service.

DPMC also gave practical advice to lift delivery across the system in 2025/26. The Delivery Unit continued to assess each of the Government's Targets and provide feedback to Target lead agencies on their delivery plans. DPMC also supported line agencies to deliver the Government's work programme by helping them build the capability they needed for the task at hand, which at times involved temporarily moving people around the system.

Between 1 July and 31 December 2025, the Delivery Unit produced:

10

Quarterly Plan Progress Reports for consideration by the Prime Minister and Cabinet, covering 61 actions

58 of 61

(95%) actions **completed within agreed timeframes**

26 of 28

actions completed within agreed timeframes in the July-September 2025 quarter

32 of 33

actions completed within agreed timeframes in the October-December 2025 quarter

Supporting the All-of-Government economic response to the Middle East conflict

In early 2026, conflict in the Middle East created uncertainty in global fuel markets and raised concerns about fuel supply and prices in New Zealand. Given the cross-government nature of the challenge, effective coordination and timely decision-making were critical. A coordinated government response was needed to maintain public confidence, assess risks, and ensure fuel supplies remained available.

DPMC played a leadership and coordination role bringing together chief executives and senior officials from key agencies, including the Ministry of Business, Innovation and Employment, the Treasury, the Ministry of Foreign Affairs and Trade, the Ministry of Transport, and the Ministry for Primary Industries.

DPMC coordinated insights and advice from across the public sector, helping ministers maintain a clear picture of emerging risks and response options. DPMC also supported regular engagement between agencies and international partners, ensuring that New Zealand's response reflected both domestic needs and global market developments.

The Government was able to respond quickly and confidently to a rapidly changing situation. Ministers received timely, coordinated advice that supported decisions on fuel security, contingency planning and public communications. The response supported cross-agency collaboration and confidence in New Zealand's ability to manage the disruption. DPMC's role ensured that complex information was distilled into clear advice, enabling decision-makers to act at pace while balancing economic, operational and social considerations.

DPMC's central coordinating position and existing relationships across the public sector were essential for enabling early engagement and sustaining momentum as the situation evolved. The experience highlighted the critical role DPMC plays in aligning ministers and agencies during government responses and reinforced the importance of maintaining our organisational readiness so that the government can respond quickly and cohesively to future crises.

Measuring our progress

This outcome is about supporting informed decision-making and supporting the Government to deliver its priorities.

What success looks like

Successful delivery of our work programme will see a focused public service that delivers high quality, free and frank advice to support delivery of Government priorities, targets, and actions in a well-coordinated way.

Our performance this year against the selected indicator is summarised in the following table, which shows six of the nine Targets are on track or probable, with three Targets already met:

Indicator	Desired trend	Result 2025/26
Number of Government Targets that are on track or probable		6

Key to the indicators:  Increase

The way in which we measure this indicator is set out on page 42.

Outcome indicator judgements and assumptions

DPMC supports planning and delivery of the Government's key priorities, but decisions on individual priorities and targets, and delivery against them, rest with ministers and lead agencies. We have chosen an indicator that reflects our contribution to the system rather than results we do not control. Because DPMC's role is to keep the system focused and moving, the number of Government Targets on track or probable

is the clearest available signal that our oversight, coordination and support are helping the public service maintain momentum across the Government's agenda as a whole.

This is a new indicator introduced with the *Strategic Intentions 2025/26 to 2029/30*. The 2025/26 result establishes a baseline to track against in future years.



Outcome 2: High quality free and frank advice is delivered consistently across the public service



Our contribution to progressing this outcome:

- rigorously testing and challenging agency advice and implementation plans as required
- building a high-performing policy system through setting expectations for the quality of policy advice
- supporting agencies to build policy capability and strengthen policy performance
- supporting agencies to develop insights into and advise on long-term strategic opportunities and challenges
- partnering with the other central agencies to drive system-wide performance.

DPMC plays a system leadership role in lifting policy capability and driving the quality of advice across the public sector to support informed decision-making.

Working alongside the other central agencies, DPMC sets the standards for policy quality, champions long-term thinking, and actively tests agency advice to ensure it is robust, evidence-based and actionable. The Secretary and Chief Executive of DPMC is also the Head of the Policy Profession, and the Policy Project supports this system-leadership role.

This is a new outcome in DPMC's *Strategic Intentions 2025/26 to 2029/30*, giving greater prominence to the quality of policy advice and the lift in policy capability

across the public service previously reported under *Outcome 1: The Government is supported to shape and deliver its priorities*. How the outcomes and indicators map across the two sets of strategic intentions is set out in Reporting in a year of transition on pages 6 to 7.

Like other policy agencies, DPMC also has a role in delivering services including providing first-opinion policy advice. Reporting on our enduring role in national security, national risk and resilience is captured in *Outcome 4: A secure, resilient and prosperous New Zealand* and the quality of DPMC's policy advice is reported in the Advice and Support Services appropriation on page 51.

What we achieved in 2025/26

Rigorously tested and challenged agency advice and delivery plans to support the effective delivery of Government priorities

Delivering free and frank advice to the Prime Minister is the primary role of the Policy Advisory Group (PAG). As the Prime Minister's policy "eyes and ears", PAG advised and supported the Prime Minister and, where needed, other ministers across a wide range of portfolios, providing free and frank advice on immediate, medium and long-term issues.

A core part of this role is testing and challenging the advice that reaches Cabinet. Over the year, PAG provided second-opinion advice on 932 decision-making

policy papers submitted to Cabinet and Cabinet committees from across portfolios to ensure it was coherent, and well-founded. In doing so, PAG contributed to well-informed decision-making, quality public service delivery of the Government's work programme, and a consistent, collective approach to free and frank advice across the public service.

PAG's reach across the system also enabled it to support the Government's response to the fuel crisis triggered by the conflict in the Middle East from March to June 2026, coordinating insights and advice across the public sector for the Ministerial Oversight Group (see *Outcome 1: Supporting the Government to deliver its priorities*).

DPMC also tested and challenged agency delivery plans directly. The Delivery Unit worked alongside target lead agencies, supporting them to refine their delivery plans for progress against the nine Government Targets. This supported agencies to maintain momentum in their progress towards the Government's Targets and key priorities, with three targets met ahead of schedule.

Continued to lift policy capability across the public sector

Providing high-quality advice that supports the Government to make informed decisions is a key role of the public sector. The Policy Project supported a high-performing policy system by setting expectations for the quality of policy advice, supporting agencies to build policy capability, and developing insights into, and advise on, long-term strategic opportunities and challenges.

The Policy Project develops and delivers resources and training for policy practitioners. These strengthen the capability of agencies and policy professionals to provide robust, evidence-based advice that meets ministers' needs and contributes to effective policy outcomes for New Zealand. In 2025/26, the Policy Project continued to broaden the reach and impact of its capability-building initiatives across its public sector engagement with 37 agencies attending 91 workshops in 2025/26. This includes six Crown entities with policy roles, extending the reach of system capability-building efforts beyond core government departments.

In addition, the Policy Project delivered 26 in-person and online events focused on key policy themes, featuring leading academics and senior public service leaders. This included the inaugural Policy Leaders' Summit on free and frank advice, which brought together more than 200 policy leaders.

Cross-government policy scores remain constant

Agencies who provide policy advice to government were surveyed in 2025/26 to better understand updates to policy system capability, policy quality and ministerial satisfaction on their performance in 2024/25.

The 2025/26 survey collated information from 31 agencies, revealing challenges and progress in lifting policy quality across government. The average policy quality score across agencies remained stable at 3.46 out of 5 in 2024/25, the same as the previous year, reflecting steady performance and the continued need to lift policy quality across government. 95 percent of advice to ministers met the acceptable standard of 3 or higher, and ministers reported strong confidence and trust in officials, with an average satisfaction score of 4.2 out of 5, compared to 4 out of 5 the year before. Tracking the quality of policy advice across government is now an enduring indicator for this outcome. It reflects DPMC's work to build policy capability across the public sector and lift policy quality, supporting DPMC's core role in enabling informed decision-making.

Set expectations for the quality of policy advice

DPMC sets the public service standards for policy quality and monitors how the system is performing through an annual Policy Information Request. The Policy Project maintains a core suite of three frameworks that together define good policy and how to build it: the Policy Quality Framework, the Policy Skills Framework and the Policy Capability Framework. Since 2019, agencies with a policy function have been required to assess a sample of their policy papers against the Policy Quality Framework, the public sector standard that is updated regularly, and 31 agencies now report against it in their annual reports.

To support building policy capability and strengthen policy performance, the Policy Project's focus for 2026/27 is to maximise the impact of training and events through targeted opportunities that address critical capability gaps. The Policy Project will also implement new programmes focused on policy delivery, and artificial intelligence (AI) and policy, to ensure the policy system delivers high-quality free and frank advice.

In 2025/26:

2,618
policy professionals

(2024/25: 2,048)

from

37
agencies

(2024/25: 30)

attended

91
Policy Project workshops

(2024/25: 71)

Supported agencies to develop insights into, and advise on, long-term strategic opportunities and challenges

Supported development of long-term strategic approaches

The public service has a duty of stewardship, to look ahead and provide advice on future challenges and opportunities. This requires us to think, anticipate, and act in the future interests of people in New Zealand. To achieve this, the Public Service Act 2020 required departmental chief executives to publish a Long-term Insights Briefing at least once every three years. In 2025/26, DPMC, through the Policy Project, provided guidance, workshops and coordination to support agencies preparing Long-term Insights Briefings, which are designed to enhance public debate on long-term issues.

As at 30 June 2026, 15 agencies had published 13 Long-term Insights Briefings covering themes such as fiscal sustainability, technological change, regional disparities, mental health, and the needs of children and young people. Agencies are expected to use these briefings to inform departmental work programmes and strengthen capability in strategic foresight, engagement, and communication.

DPMC to coordinate the future Long-term Insights Briefings

The model for Long-term Insights Briefings changed during 2025/26. The Public Service Amendment Act 2026 introduced a single system-wide briefing, to be coordinated by DPMC once each parliamentary term. Under the new arrangements, DPMC must produce the briefing independently of ministers, consult the public on a draft, and issue guidance to other chief executives that supports long-term thinking and builds the capability of the public service to undertake it. The change responds to feedback that the previous process was resource intensive and duplicative, and to the view that long-term thinking should be a core, ongoing function rather than a three-yearly activity. DPMC will work with public service agencies to determine the topic and content of the first briefing under the new legislation. The new approach is intended to enable a more integrated examination of issues of national significance and to strengthen public debate about New Zealand's future.

Hosting the inaugural Policy Leaders' Summit

The Policy Project supported Ben King, Head of the Policy Profession, to host the inaugural Policy Leaders' Summit in February 2026. The event brought together more than 200 public service leaders to discuss key challenges facing policymakers, with a particular focus on what effective free and frank advice looks like and why it matters. There were three key messages.

Free and frank advice is fundamental to strong policy performance. It enables informed decision-making, helps manage risk, and supports governments to deliver on their priorities. Summit participants heard perspectives from ministers, public sector chief executives, and former chiefs of staff on creating and delivering high-quality free and frank advice to ministers.

Ministers value honest, clear, and courageous advice. Prime Minister Christopher Luxon encouraged policy leaders to provide ambitious, evidence-based options supported by strong implementation plans and ongoing evaluation. Minister Chris Bishop highlighted the importance of credibility, clarity, and courage in policy advice.

Effective advice is built on trust, evidence, and understanding ministers' needs. Audrey Sonerson, Director-General of Health, emphasised that advice must be grounded in robust evidence and expertise. Ray Smith, Director-General of the Ministry for Primary Industries, stressed the importance of providing advice that is relevant to ministers' priorities and built on trusted relationships.

Policy professionals must advise fearlessly and implement enthusiastically. Peter Mersi, Commissioner of Inland Revenue, reinforced that providing free and frank advice remains a core responsibility, even when ministers choose a different course of action.

Ninety-six percent of Policy Summit attendees rated the event as either excellent or good.

"The real value in the sessions was hearing from those at the coal face (excellent panel members and speakers)..." (Quote from attendee)

Partnering with the other central agencies to drive system-wide performance

DPMC worked in partnership with central agencies to provide a system-wide view of delivery, helping to surface emerging risks and ensure early actions were taken by agencies to address delivery issues. This supported agencies to maintain progress across Government Targets and to drive system-wide performance on the Government's key priorities and actions. For *Target 6: Increased Student Attendance*, officials across the central agencies collaborated to provide support to the update of the Ministry of Education's Target delivery plan, strengthening the foundation for sustained progress towards achieving the target.

DPMC also supported regular engagement between New Zealand's central agency chief executives and their counterparts in Australia and Singapore. These annual exchanges provide an opportunity to share perspectives on the international, domestic and economic environment, compare approaches to common public sector challenges, and identify opportunities for practical collaboration.

In 2025/26, discussions included public sector transformation, AI adoption, talent and workforce management, and economic resilience. The exchanges provided practical insights that informed thinking in New Zealand while strengthening important relationships between our central agency systems.

Measuring our progress

This outcome is about supporting informed decision-making through high quality free and frank advice that is delivered consistently across the public service.

What success looks like

Successful delivery of our work programme will see a public service that consistently delivers high quality, free and frank advice on the issues of today and the challenges of tomorrow. Ministers will also receive the evidence, advice and support they need to make well-informed decisions from agencies working as a unified system.

Our performance this year against selected indicators is summarised in the following table:

- *Uptake of Policy Project tools and frameworks* – current progress shows an increasing number of agencies are using the Policy Project's frameworks and developing capability plans, including two new agencies in 2024/25. There is a small decrease in the uptake of our frameworks. Two new agencies established in 2025/26 have indicated their future use of the tools and frameworks.
- *Average score of assessed policy papers across government* – a new indicator for 2025/26 that draws on previously reported data so trends in policy quality are visible from 2022/23. Current progress shows agency policy quality scores have stabilised.

Indicator	Desired trend	Baseline 2022/23	Progress 2023/24	Progress 2024/25
Uptake of Policy Project tools and frameworks in support of improving policy quality across the public sector	→ or ↑	See below		
Percentage of agencies with a policy function that have a capability building improvement plan		50%	76%	71%
Percentage of agencies with a policy function using the Policy Skills Framework		85.2%	96.5%	93.5%
Percentage of agencies with a policy function using the Policy Capability Framework		89.3%	96.5%	93.5%
Average score of assessed policy papers across government	↑	3.51	3.46	3.46

Key to the indicators: ↑ Increase → Maintain

The way in which we measure these indicators is set out on page 42.

Outcome indicator judgements and assumptions

This outcome is about the performance of the policy system, not DPMC's own policy advice. The quality and satisfaction of DPMC's policy advice is reported on page 51.

While we are not accountable for the quality of other agencies' advice, DPMC measures policy system improvement through the quality of policy and the uptake of the tools and support we provide. The in-year capability-building activity of the Policy Project (its workshops, events and framework support, reported in this outcome) indirectly supports the longer-term lift in policy quality that our outcome indicators track. Reporting on individual agency performance for 2025/26 can be found by referring to each agency's annual report for 2025/26. DPMC encourages agencies to identify focus areas for improvement supported by agency capability plans. Other factors also impacting policy performance include the complexity and pace of agency work programmes, and the time available for policy training and building capability.

Our outcome indicators are informed by the annual Policy Information Request completed by agencies with a policy function. This year we reported on the performance of 31 agencies. Because in-year results are not available in time for this annual report, the data presented in the indicators report data gathered on the prior financial year. The Policy Information Request is the most complete and consistent system-wide information available on policy quality and capability. The information reported in the selected indicators is relevant for tracking trends as policy capability and quality shift gradually.

Previous DPMC annual reports attributed prior year uptake of tools and frameworks to the year it was reported in. This is restated to attribute the data to the year it relates to. 2025/26 data will be reported in the *DPMC Annual Report 2026/27*.



Outcome 3: Our constitutional arrangements and systems of executive government are well maintained



Our contribution to progressing this outcome:

- maintaining an effective Cabinet system to support decision-making
- providing procedural and constitutional advice in the pre- and post-election periods to the Governor-General, the government and the public service
- supporting the transition to a new Governor-General.

DPMC is one of the stewards of New Zealand's executive government. We ensure the effective operation of the Cabinet system and provide advice to the Prime Minister and ministers to support the good conduct of government business. We support the Governor-General to fulfil her constitutional, ceremonial and community duties, including managing heritage buildings and grounds of the Auckland and Wellington residences, and visitor services, and recognising the significant contributions of New Zealanders in service to New Zealand.

We ensure the smooth, lawful and trustworthy running of executive government through our support services. This is central to DPMC's role in stewarding the system of Government decision-making.

DPMC maintains an effective Cabinet system, supporting the conduct of government business during elections, and facilitating the smooth transfer of power between administrations.

Public awareness of the New Zealand Royal Honours system and its administration contributes to confidence in the way significant contributions from New Zealanders are recognised.

This outcome continues the intent of *Outcome 2: Aotearoa New Zealand's systems and institutions of executive government are trusted, effective and enhance our nation's interests*, from DPMC's *Strategic Intentions 2023/24 to 2026/27*, refocused on DPMC's core role of supporting well-conducted government. How the outcomes and indicators map across the two sets of strategic intentions is set out on pages 6 to 7.

What we achieved in 2025/26

Maintained an effective Cabinet system to support decision-making

The Cabinet Office supported the effective operation of executive government by delivering impartial, high-quality advice and secretariat services to Cabinet and Cabinet committees.

We worked closely with ministers in 2025/26 to provide guidance on identifying, declaring and managing conflicts of interest. These processes help ensure the transparency of conflicts of interest and support continued public trust and confidence in decision-making.

We also provided constitutional, policy and procedural advice to the Governor-General, the Prime Minister and ministers, helping them carry out their responsibilities effectively. This included supporting the Prime Minister with portfolio changes in April 2026 and briefing new ministers.

Modernising the CabNet system

Work to modernise the electronic CabNet system that processes Cabinet material began in 2025/26. The upgrade modernises CabNet's underlying technology and introduces improvements, while preserving the system's core processes and its records. The changes will make CabNet easier to use for agencies and ministers' offices. Modernising the system that underpins Cabinet decision-making and keeping processes reliable, secure and fit for purpose helps support the constitutional arrangements and systems of executive government at the core of this outcome.

Provided constitutional advice ahead of the election period

In 2025/26, we began our election work programme. In association with the Public Service Commission, we started a series of briefings for public service agencies on the constitutional conventions and practices that apply in the pre- and post-election periods. With Cabinet's approval, we issued CO(26)1 Government Decisions and Actions in the Pre-election Period, the first in a series of election-related Circulars. Our election work programme will continue in 2026/27.

Supported the Governor-General to undertake her duties

During the year, Government House continued to support the Governor-General in carrying out her duties of office. These included her constitutional duties, such as the appointment of new ministers; ceremonial duties, such as conducting investitures; and representing New Zealand internationally through trips to Türkiye, Australia, Tonga and Samoa, as well as across the Realm of New Zealand.

The Governor-General also undertook a regional visit to Nelson/Tasman in March 2026, and continued to support patronages and community organisations by attending and speaking at events throughout the year.

Preparing for the transition of the Governor-General

The term of office of the Rt Hon Dame Cindy Kiro as Governor-General was due to end on 21 October 2026. As happens from time to time, the end of her five-year term coincides with the cycle of the General Election. The Prime Minister therefore asked the Governor-General, and she agreed, to extend her term of office to 31 March 2027, to manage any timing issues that might otherwise arise with the appointment of a new Governor-General.

Increased public awareness of the New Zealand Royal Honours system

The Governor-General hosted 44 ceremonies in Auckland, Wellington and Dunedin at which she invested 401 people with their New Zealand Royal Honours insignia. The Governor-General describes her involvement in investiture ceremonies as one of the most important duties she performs on behalf of His Majesty King Charles III, King of New Zealand.

Investiture ceremonies present an opportunity for friends and family to join the Governor-General in recognising and celebrating the service, achievements and dedication of recipients.

Each ceremony is recorded and shared online. Images and citations of the recipients are also posted on the Governor-General's social media pages, helping to raise awareness of the New Zealand Royal Honours system and the very worthy recipients recognised through it.

1,442

number of agenda items considered at Cabinet and Cabinet committee meetings in 2025/26 (2024/25: 1,528)

100%

of Cabinet and Cabinet committee policy papers **published on time** (2024/25: 99.55% of all papers)

99.65%

of Cabinet minutes **published on time** (2024/25: 98.68%)

0.3%

Cabinet and Cabinet committee minutes requiring subsequent **amendment** (2024/25: 0%)

We continued to promote understanding of the role of the Governor-General in our system of government by conducting educational tours from schools, external visits for the elderly and community groups, and public tours, of Government House.

4,071

visitors
(2024/25: 3,526)

238

tours:
(2024/25: 213)

74

community group tours
(2024/25: 73)

66

education group tours
(2024/25: 66)

72

public tours
(2024/25: 60)

10

external presentations to Wellington schools and community groups
(2024/25: 9)

16

tours of Government House Auckland gardens
(2024/25: 11)

Governor-General's visits to the Realm of New Zealand

"The bond between us is truly the bond of kāiga, of family – and, as in any family, that means being there for one another through all the challenges we may face as members of our global community."
 From the Governor-General's welcome speech on Atafu Atoll (Tokelau), 13 February 2026

The Governor-General is the representative of the Sovereign in New Zealand, with the holder of the office fulfilling important constitutional, ceremonial, community, and international roles. The Realm of New Zealand consists of our country plus the Cook Islands, Niue, Tokelau, and the Ross Dependency (Antarctica), with His Majesty King Charles III in Right of New Zealand as the Head of State for all. Each Realm country or territory has unique constitutional arrangements and relationships with New Zealand.

In the last year, Their Excellencies Rt Hon Dame Cindy Kiro and Dr Davies visited all parts of the Realm except for Niue (last visited in October 2024).

Cook Islands – July/August 2025

This six-day visit marked celebrations for Cook Islands' 60 years of self-government in free association with New Zealand. Their Excellencies met Cook Islanders from across Rarotonga and Pa Enua (the outer islands), enjoyed traditional performances in the Te Maeva Nui festival, and learned about conservation and community initiatives.

Ross Dependency (Antarctica) – November 2025

This five-day visit to the southernmost part of the Realm of New Zealand focused on important scientific, conservation, and environmental protection projects on the ice. Their Excellencies visited Shackleton's Hut and Hillary's Hut and spoke with world-leading conservators, learned about the redevelopment of Scott Base, and met with scientists working on climate-related projects.

Tokelau – February 2026

This three-day visit marked the centenary of the unique relationship between New Zealand and Tokelau. On Fakaofu, Nukunonu, and Atafu atolls, Their Excellencies received a spectacular welcome, met with the Taupulega (council of elders) and Fatupaepae (women's group), and visited hospitals and schools – hearing about the community's aspirations, and the values that shape life on these islands.

One of DPMC's strategic intentions is ensuring New Zealand's constitutional arrangements and systems of executive government are well maintained. Representing His Majesty the King of New Zealand, these visits by the Governor-General reinforce the longevity and importance of our relationships within the Realm, and their unique role in strengthening global diplomacy and regional cooperation.



Dame Cindy and Dr Davies at the official welcome to the Cook Islands, marking 60 years of self-government in free association with New Zealand.



Dame Cindy observes the Earth Sciences NZ team at work investigating how aquatic microbial communities are responding to environmental change in Antarctica.



Their Excellencies being welcomed onto Atafu atoll as part of centenary celebrations in Tokelau.

Measuring our progress

This outcome is about supporting well-conducted government through maintaining our constitutional arrangements and systems of executive government.

What success looks like

Successful delivery of our work programme will see an effective, well maintained and trusted system of executive government and a well-supported Governor-General.

Our performance this year against selected indicators is summarised in the following table which shows that:

- *Governor-General Satisfaction* – we achieved a rating of 4.34 (expectations met most of the time) out of 5 (expectations always met) from the Governor General in relation to the support we provided to her. This is comparable to previous years.

- *Prime Minister Satisfaction* – we achieved a rating of 4 (expectations met most of the time) out of 5 (expectations always met) from the Prime Minister in relation to the support, secretariat and coordination services DPMC provides. This is comparable to previous years.

Indicator	Desired trend	Baseline 2022/23	Progress 2023/24	Progress 2024/25	Progress 2025/26
Governor-General satisfaction with support provided	➡ or ⬆	4.46	4.21	4.42	4.34
Prime Minister satisfaction with the support, secretariat and coordination services provided	➡ or ⬆	4	5	4	4

Key to the indicators: ⬆ Increase ➡ Maintain

The way in which we measure these indicators is set out on pages 42 to 43.

Outcome indicator judgements and assumptions

DPMC supports executive government and the Governor-General to fulfil their roles through the provision of advice and support, and we measure our success by their satisfaction with that support. Satisfaction of the Governor-General and satisfaction of the Prime Minister best reflect the role DPMC plays in supporting executive government.

Governor-General satisfaction is a continuing indicator, tracked against a 2022/23 baseline.

Prime Minister satisfaction is a new indicator, using a 2022/23 baseline so long-term trends in this enduring DPMC role can be tracked. Both indicators are performance measures in the Advice and Support Services Multi-Category Appropriation. The methodology for these measures is set out on pages 42 to 43.



Outcome 4: A secure, resilient, and prosperous New Zealand



Our contribution to progressing this outcome:

- implementing system-level changes to ensure appropriate legislative and governance support for the National Resilience System
- driving proactive and responsive strategic crisis management through leadership of the Officials' Committee for Domestic and External Security Coordination (ODESC) system
- coordinating advice on strategic risk management gaps or opportunities, through the National Risk and Resilience Framework
- ensuring New Zealand has a relevant and adaptive National Security Strategy that is responsive to the threat environment
- leading and coordinating an integrated national security community.

DPMC leads and stewards the National Resilience System so that it is integrated and functions collectively to improve New Zealand's resilience to our most serious National Risks. These are hazards and national security threats that could trigger a national level crisis at any time, and cause significant harm to our collective safety, security and prosperity. We do this by working with agencies across government to ensure proactive strategic management of National Risks and issues.

DPMC leads, drives and implements the National Risk and Resilience Framework and the National Security Strategy, alongside overseeing the system's governance arrangements to ensure the system is connected, aligned and effective.

Within this system-wide role, DPMC provides advice and assurance to the Prime Minister, ministers and key decision-makers, leads the strategic crisis management arrangements of the ODESC system and is the Strategic Coordination Agency for a defined set of National Risks and Strategic Core Issues.

This outcome continues the intent of *Outcome 3: People living in Aotearoa New Zealand are, and feel, resilient, safe and secure*, from DPMC's *Strategic Intentions 2023/24 to 2026/27*, refocused on DPMC's core roles in leading an effective, strategically focused National Resilience and National Security Systems. How the outcomes and indicators map across the two sets of strategic intentions is set out on pages 6 to 7.

What we achieved in 2025/26

Strengthened system leadership across the National Resilience and National Security community

As steward and lead of the National Resilience System and National Security System, DPMC continued to convene the cross-agency fortnightly Leaders' Intelligence Briefing, ensuring senior leaders across the national security system had access to timely intelligence assessments and a shared understanding of emerging risks. This supported more joined-up decision-making and helped agencies align their planning, advice and response activity.

DPMC also discharged our role as the assigned Strategic Coordination Agency for four national security core issues and their associated National Risks: terrorism and violent extremism, foreign interference and espionage, emerging, critical and sensitive technologies, and, jointly with the Government Communications Security Bureau (GCSB), cyber security. Through regular standing committees for these issues, DPMC supported implementation of the Countering Foreign Interference Strategy and secured Cabinet approval for refreshed Countering Terrorism and Violent Extremism and Cyber Security Strategies. This strengthened system leadership, clarified priorities for agencies, and helped keep New Zealand's national security settings responsive to a changing threat environment.

Maintained a relevant and adaptive National Security Strategy

In 2025/26, DPMC continued to support the National Security Board to govern implementation of the National Security Strategy. As the agency that leads and implements the Strategy across the national security system, DPMC maintained senior-level oversight and kept agencies focused on shared priorities.

In response to a rapidly changing geostrategic environment, DPMC brought forward the refresh of the National Security Strategy, with a new strategy to be delivered in 2026/27. Bringing this work forward will ensure New Zealand's strategic settings remain current, adaptive, and better aligned to the risks and opportunities facing the country.

Strengthened the governance and legislative foundations of the National Resilience System

Following a September 2025 Cabinet decision, the roles agencies perform were simplified from four overlapping roles to two clear and distinct ones, assigned by DPMC: Strategic Coordination Agencies, responsible for leading the whole-of-government strategic approach to a particular National Risk or core issue; and Lead Agencies, responsible for preparing for and managing the response to an emergency or crisis. This gives agencies clearer accountabilities and a stronger basis for managing National Risks.

As part of this, the National Resilience Board held its inaugural meeting in March 2026, with DPMC serving as Chair and secretariat. The National Emergency Management Board and the Natural Hazards Risk Reduction Forum also held their first meetings during the year. Alongside the National Security Board, these arrangements strengthen oversight of National Risks and resilience challenges, clarify system-level accountabilities, and give senior officials a stronger basis for understanding resilience gaps and priorities. DPMC continued to strengthen coordination between these bodies to support cohesive, non-duplicative governance across the wider system.

As steward of the Intelligence and Security Act 2017, DPMC progressed policy work to amend the Act, securing Cabinet approvals across three tranches in April 2025, December 2025 and March 2026, with a Bill to be drafted before the end of 2026. This work supports a more effective and fit-for-purpose legislative framework for New Zealand's intelligence and security agencies.

The National Assessments Bureau produce a range of products to support key policy development, and decision makers across the national security community and the wider government. These 'all source' assessments and intelligence products are produced on matters affecting Aotearoa New Zealand's security interests.

In 2025/26, the National Assessments Bureau produced:

411

(2024/25: 515)

Reports, including:

57

(2024/25: 85)

Assessment Reports

48

(2024/25: 46)

Prime Minister's weekly briefings

306

(2024/25: 384)

Other published assessments

Led the National Risk and Resilience Framework to build resilience to National Risks

DPMC continued to lead and implement the National Risk and Resilience Framework, which sets out the strategic actions government will take to build resilience to New Zealand's National Risks. Working across agencies, we provided boards, ministers and Cabinet with oversight and assurance on the status and effectiveness of national risk management and resilience-building activity. This improved visibility of system-wide risks and helped decision-makers identify where further action, investment or coordination may be needed. In October 2025 the first National Risk and Resilience Report was provided to ministers, setting a baseline view of the status and effectiveness of national risk management and priorities for building resilience across New Zealand's National Risks.

Supporting readiness through testing the system and updating guidance

Through the National Exercise Programme, DPMC continued to strengthen the strategic readiness of the ODESC system with two exercises completed in 2025/26. These focused on a wildfire scenario and a space weather event, testing strategic decision-making

arrangements, identifying lessons for improvement, and strengthening the system's ability to respond to complex, nationally significant events.

A series of strategic risk identification workshops improved agencies' management of a range of natural hazards and national security threats. Using scenario-based approaches, these workshops supported interagency collaboration, helped clarify roles and responsibilities, and supported readiness and response planning, including for geostrategic issues, the Middle East conflict, cyber incidents, space weather, wildfire, and a mass arrivals event. This helped agencies move from risk awareness to more practical planning, clearer decision pathways and better preparedness.

The *National Resilience System Handbook* was updated in 2025/26 to reflect recent changes to roles, responsibilities and governance structures.

National Risks public survey

We released the latest biennial **National Risks Public Survey**, previously the National Security Public Survey, to increase our understanding of New Zealanders'

CASE STUDY

Development and public consultation of the Cyber Security Strategy and Action Plan

In February 2026, DPMC released New Zealand's Cyber Security Strategy, the Strategy's first Action Plan, and the discussion document *'Enhancing the Cyber Security of New Zealand's Critical Infrastructure'*. The Strategy sets out a clear vision and roadmap of actions to help secure New Zealand's digital future out to 2030.

The Strategy was developed during one of the most dynamic periods for cyber security. Globally, nations have been responding to the Salt Typhoon and Volt Typhoon espionage campaigns, which have few precedents in terms of their scale and sophistication. On the technology front, advances in AI have driven significant disruption across the cyber security sector, while developments in quantum technologies have raised the prospect that traditional encryption methods could become obsolete within the lifetime of the new Strategy.

To better understand these challenges, DPMC, in partnership with the GCSB, undertook targeted engagement with around 400 stakeholders.

Discussions were held across the cyber security community, including critical infrastructure entities, industry peak bodies, non-government organisations (NGOs), and iwi organisations, to identify the Strategy's priorities. This engagement informed the development of a new set of national cyber security outcomes, objectives and actions. Government now has a clear plan for working more effectively with industry and international partners, incentivising stronger cyber security practices across the economy, and improving its capacity to prepare for and respond to cyber security incidents.

Since the release of the Strategy there has been work across government to progress the items in the Action Plan. DPMC has received 115 submissions on strengthening the resilience of critical infrastructure. In June 2026, the Public Service Amendment Act received the Royal Assent allowing products, vendors or services that pose a national security risk to be banned from the public sector.

perceptions of National Risks. The results, which are available on our website, provide insights into public confidence in government agencies' abilities to manage the hazards and security threats that could lead to a crisis, and help identify opportunities to build confidence, share information and better engage. Refer to the outcome indicator for commentary on the result.

Delivered a joint Long-term Insights Briefing on hazard resilience

DPMC and the Ministry for the Environment jointly delivered a Long-term Insights Briefing, **Building New Zealand's Long-term Resilience to Hazards**, which was tabled in Parliament in November 2025. The briefing met DPMC's requirement to produce a Long-term Insights Briefing under the Public Service Act 2020 and adds to the public discussion on national resilience. It examined New Zealand's evolving hazard landscape, the trade-offs and difficult decisions ahead, and opportunities for building resilience, helping shift the conversation from responding to individual events towards understanding and managing long-term resilience challenges.

Drove proactive strategic crisis management through the ODESC system

As leader of the ODESC system, DPMC convened system agencies in response to a range of matters during the year. In 2025/26, 52 ODESC system activations and system meetings were held to bring agencies together

to ensure consistent situational awareness, strategic risks identification and mitigation, coordinated advice and support timely decision-making during significant events. Significant events that occurred during the year and resulted in ODESC system activations and system meetings included: recurrent and severe weather events, Tropical Cyclone Vaianu, the continued response to the grounding and sinking of HMNZS Manawanui in Samoa, cyber incidents, geostrategic issues, the Bondi terrorism attack, and conflict in the Middle East.

This work ensured agencies had consistent situational awareness and coordinated advice, surfaced emerging risks, and supported national-level decision-making during complex and fast-moving events. DPMC disseminated four ODESC debriefs and Post-Exercise Reports, turning lessons from responses and exercises into practical improvements in coordination, decision-making and readiness. It also demonstrated the continuing demand for strategic crisis coordination and the importance of maintaining a ready, connected and well-practised ODESC system.

In 2025/26, DPMC established the Alternate ODESC system secretariat, creating an additional team able to assume ODESC secretariat responsibilities if Wellington is unavailable. This strengthened system readiness, improved continuity of crisis coordination, and supports broader work to ensure government can maintain critical functions and support national leadership during catastrophic events.

Measuring our progress

This outcome is about DPMC's leadership and stewardship of the National Resilience System to ensure a secure, resilient, and prosperous New Zealand.

What success looks like

Successful delivery of our work programme will see a coordinated and proactive National Resilience System that identifies risks, builds readiness, and responds to hazards, threats and crises to ensure a secure, resilient, and prosperous New Zealand. Our performance this year against selected indicators is summarised in the following table which shows that:

- *Public confidence* – the 2026 National Risks Public Survey shows public confidence has fallen to 45 percent, down from 51 percent in 2023/24 and a further decline from the baseline of 52 percent. We believe this reflects a worsening threat environment and growing uncertainty from technological and geopolitical change. Respondents said greater information about national security threats, plans and preparedness would help build confidence.
- *Ministerial Satisfaction* – we achieved 4 (expectations met most of the time) out of 5 (expectations always met). This result establishes a baseline for ministerial satisfaction with DPMC's leadership and stewardship of the National Resilience System, including the national security and ODESC systems.



Outcome: An influential, agile, high-performing central agency in which our people feel empowered, valued and engaged



DPMC advances an ambitious, resilient, and well-governed Aotearoa New Zealand. To achieve this we require an influential, agile, high-performing organisation in which our people feel empowered, valued and engaged.

DPMC holds a unique position at the centre of the New Zealand Government, and our people are foundational to our success. Delivering high-quality advice, coordinating across the system, ensuring the smooth running of executive government and stewarding the national security and resilience systems requires a skilled, diverse and values-driven workforce, supported by modern ways of working and a high-trust, inclusive culture.

In 2025/26, we focused on our people and expertise, how we work, and our culture and behaviours while continuing to deliver through a significant organisational transformation. A new organisational structure took effect in July 2025, refocusing DPMC on our core business and supporting a sharper, more streamlined and impactful department. We continued to embed the new structure and operating model through our Transformation Programme, which has three workstreams encompassing culture change, operating model and optimisation. This work continues into 2026/27 as we realise the benefits of the transformation.

Our people and expertise

As the transformation continued, appointing key leaders and filling vacancies held open during the change process were central to having the right people in place to advise, lead and steward the national security and national resilience systems and maintain delivery of our internal priorities. With greater certainty in our funding and structure following a sustained period of hosting time-limited functions, we moved from a long-standing reliance on fixed-term arrangements toward a largely permanent workforce. Permanent staff numbers rose over the year while the number of fixed-term roles fell, reflecting our return to core business and building the institutional knowledge, continuity and capability needed to sustain delivery over the long term.

As part of the new structure, we brought our people and culture functions into Corporate, and the finance function into the Office of the Chief Executive. Establishing these functions internally built capability that sits closer to our business units and operating context, and gave us the systems, processes and relationships to plan our workforce, manage our

finances and support our people directly. We maintained transactional services and strategic advice throughout the transition, while positioning these teams to provide connected, responsive and strategically aligned support as the new operating model continues to embed.

We also concentrated on our core business by winding down or transferring out functions that sit outside our core roles and responsibilities. On 25 September 2025, hosting responsibilities for NEMA transferred from DPMC to DIA, aligning it with a larger, more operationally focused organisation. We also completed the close-out of the time-limited Cyclone Recovery functions that began in 2024/25, transferring enduring recovery functions to DIA while retaining a residual obligation to administer the Severe Weather Recovery Legislation Act 2023. In 2025/26, we also concluded our role in responding to the Royal Commission of Inquiry into COVID-19 Lessons Learned Phase Two, which finished on 26 February 2026 with the delivery of the Royal Commission's report to the Governor-General.

How we work

To remain effective in a dynamic operating environment, we strengthened our ways of working to be more purpose driven, collaborative and adaptive. We reduced unnecessary burden and improved efficiency across our internal processes and systems, supported by a corporate policy review programme that enabled clearer decision-making. We also updated our internal governance arrangements so that decisions were well informed, timely and aligned with organisational priorities, with clearer roles and responsibilities. We continued to embed our updated operating model and advanced our adoption of AI and other digital tools, supporting our people to use data and technology responsibly and to build confidence and capability in how they work.

DPMC also actively managed organisational risks in 2025/26. We managed the risks of a significant organisational restructure and the transfer of hosting responsibilities of NEMA to DIA on 25 September 2025, protecting continuity of core functions and delivery throughout. We supported staff through the transition from a largely fixed-term to a more permanent workforce and brought corporate functions in-house. As the transformation continued, we strengthened knowledge and capability retention and progressed the responsible adoption of AI through a dedicated working group. We are also preparing for the 2026 General Election and the transition to a new Governor-General, ensuring our systems and advice remain robust through these events.

Our culture and behaviours

Our culture underpins our performance, and engaging with our people was a focus during the year. Through our baseline Kōrero Mai Employee Experience Survey and our baseline Māori Capability Survey, Whāia te Mātauranga, we established a clear picture of staff experience and capability following significant organisational change. The findings are informing the culture change and capability-building work that forms the next phase of our Transformation Programme. The Kōrero Mai Employee Experience Survey achieved an 89.6 percent participation rate and an engagement score of 73.2 percent, the highest we have recorded since the survey began in 2018. In the Māori Capability Survey, 72 percent of staff took part, and 83 percent agreed it is worthwhile to build their confidence in te ao Māori.

In October 2025, DPMC released an updated integrated strategy to achieve our diversity, equity, and inclusion (DEI) goals, including continuing to address gender and ethnicity pay gaps. This strategy supports DPMC staff to deliver high-quality work, and aligns with our obligation to promote, develop, and monitor equal employment opportunities. DPMC's 2025/26 DEI plan is available on our website at: www.dPMC.govt.nz/publications.

Over the past year, DPMC has continued to provide safe and inclusive work environments to facilitate increased staff engagement. Quarterly all-staff hui provided regular opportunities to share progress and involve our people in embedding the new operating model, while a new Values and Culture Reference Group has begun refreshing our organisational values to support the next phase of culture change. Guided by our DEI Plan, Te Taunaki Plan actions and our Te Tiriti o Waitangi obligations, we have prioritised wellbeing, made it easier to raise security and health and safety concerns,

and updated our Code of Conduct and speaking-up guidance to reinforce a culture where people feel empowered, valued and engaged.

Gender balanced leadership

In 2025/26, women occupied 64.86 percent of all leadership roles (24 of 37) and 65.52 percent of Tiers 2 and 3. This is a slight decrease from last year as we navigated a change process.

Gender pay gap

Because our workforce is relatively small, a shift in just one or two employees can have a significant positive or negative effect on any percentage change reported.

2025/26 mean: 14.31 percent (Target: <10 percent)
(2024/25: 8.7 percent)

Our gender pay gap increased by 5.61 percentage points at year end 2025/26.

2025/26 median: 19.13 percent
(2024/25: 23.7 percent)

Our median gender pay gap has decreased 4.57 percentage points in the past year. The median is higher than the mean due to a much greater proportion of women in lower pay bands.

2025/26 horizontal: -2.60 percent

Our horizontal gender pay gap measures the discrepancy in pay between men and women within the same pay band. 2025/26 data shows women are paid 2.60 percent more than men within the same pay band.

Our people

203

staff as at
30 June 2026

Business units

75 National Security and Resilience Group

39 Corporate

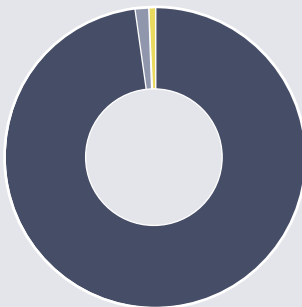
30 Government House

27 Policy and Delivery Unit

25 Cabinet Office

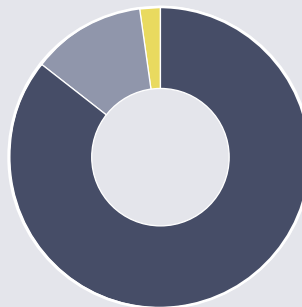
7 Office of the Chief Executive

Location



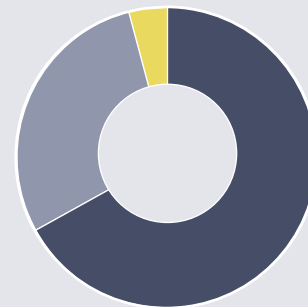
- 199 Wellington
- 3 Auckland
- 1 Canterbury

Workforce



- 174 Permanent
- 25 Fixed term
- 4 Seconded

Gender



- 136 Female
- 59 Male
- 8 Gender diverse/
Prefer not to say

Further information on our workforce is available in our DEI plan on our website www.dpmc.govt.nz/publications.

Measuring our progress

As a predominantly office and information-based organisation, our people are our most important asset, and maintaining their capability, wellbeing, engagement and institutional knowledge is central to DPMC's performance. The following table sets out the indicators we use to monitor our progress towards becoming an influential, agile, high-performing central agency in which our people feel empowered, valued and engaged.

Our performance this year shows that:

- *Our gender pay gap* has decreased against the baseline and increased by 5.6 percentage points from 2024/25. Due to DPMC being relatively small, some gender pay gap volatility may occur, especially in a year of organisational change. Our DEI plan establishes the longer-term strategy and supporting activity to achieve targets.
- *The ethnic diversity of our workforce* has slightly improved against the baseline, though it is less than 2024/25. Increasing the diversity of our workforce is a longer-term strategy.
- *Te ao Māori capability* has improved significantly against the baseline and is consistent with results from DPMC's 2025 Te Taunaki Census results.
- *Turnover of staff* is a new indicator. 2025/26 establishes the baseline for tracking progress against this indicator in future years.
- *Staff engagement* at DPMC has increased since it was last measured internally in 2023/24 and increased from DPMC's 2025 Te Taunaki Census results.

Indicator	Desired trend	Baseline 2022/23	Progress 2023/24	Progress 2024/25	Progress 2025/26
Gender pay gap (percentage)	↓	15.5	9.9	8.7	14.3
Ethnic diversity of workforce (percentage)	↑	13.5	14.1	14.5	13.8
Te ao Māori capability of our workforce (percentage)	↑	50.2	49	71 ¹	68
Turnover of staff with less than two years of service (percentage)	↓	New indicator			9.8
Staff engagement (percentage)	↑	61	61	63 ²	73

Key to the indicators: ↑ Increase ↓ Decrease

The way in which we measure these indicators is set out on pages 43 to 44.

Outcome indicator judgements and assumptions

We have included a collection of indicators from DPMC's *Strategic Intentions 2023/24 to 2026/27* and a new indicator to track organisational health and capability over the medium to long term as we embed our new structure and operating model. Indicators that carry across from DPMC's *Strategic Intentions 2023/24 to 2026/27* are compared against a 2022/23 baseline, whereas the new indicator *Turnover of staff with less than two years of service* uses a 2025/26 baseline.

The workforce figures reflect DPMC during a period of significant organisational change. The previously reported *staff satisfaction* indicator has been updated to *staff engagement* to better track if our people are feeling empowered, valued and engaged. This year we removed questions from our Kōrero Mai Employee Experience Survey that are not directly linked to measuring staff engagement and satisfaction. The 2025/26 result is comparable to prior years and informs our work to implement culture change, operating model and optimisation work programmes.

The staff engagement and te ao Māori capability indicators are based on data we collected directly through our Kōrero Mai Employee Experience Survey and Whāia te Mātauranga Survey in 2025/26. In 2024/25 the equivalent indicators drew on Te Taunaki, the Public Service Census conducted in March 2025 with these sources differing in timing, population and questions. We believe previous results approximate progress against those indicators in years when internal surveys are not conducted.

In 2025/26, DPMC amended the calculation of te ao Māori capability of our workforce to reflect the shift to assessing competency and confidence in the Whāia te Mātauranga Survey. The 2025/26 result is comparable to prior years and with the focus of our Te reo Māori Language and Whāinga Amorangi Plans.

1 The information reported in 2024/25 was obtained through the March 2025 Te Taunaki Census. The 2024/25 result was compared against a Māori Crown capability score of 60 percent, obtained from the March 2021 Te Taunaki Census.

2 The information reported in 2024/25 was obtained through the March 2025 Te Taunaki Census. The 2024/25 result was compared against a baseline staff satisfaction score of 74 percent, obtained from the March 2021 Te Taunaki Census.



Our operations

Ā mātou whakahaere mahi

Our key work programmes, services and activities are set out in Our outcomes on pages 4 to 30. Additionally, we report against our performance on appropriations on pages 45 to 54. Together these provide detailed information on what we set out to do, and how well we achieved our ambition.

Implementing the Government's priorities

Government Targets

Our role in contributing to the development and delivery of the Government Targets is set out in *Outcome 1: Supporting the Government to deliver its priorities* on pages 9 to 12. Information on the Targets can be found at www.dPMC.govt.nz/our-programmes/government-targets.

Other priorities

The Prime Minister expects DPMC to be a purposeful and impactful organisation focused on our core roles and responsibilities, including our role as a central agency. Information on implementing our new organisational structure and continuing to embed our operating model through the Transformation Programme can be found on pages 27 to 30.

Significant Budget decisions

In Budget 2026, DPMC received funding to address a fiscal cliff that was primarily due to the end of, or transfer to, other agencies of 'non-core' functions. Funding in Budget 2026 will enable DPMC to continue to deliver on our core functions and to deliver on our strategic intentions. Significant Budget initiatives are published in the Minister of Finance's Summary of Initiatives, available on the Treasury website. Information on other significant funding decisions taken during the year is available in the Supplementary and Estimates of Appropriations for Vote Prime Minister and Cabinet, which are also available on the Treasury website.

The table below provides information on these significant Budget initiatives and related performance information:

Initiative	Budget year	Intended result	Performance information
Core Agency Functions of the Department of the Prime Minister and Cabinet – Continued Funding	2026	Funding to support delivery of core functions under a streamlined organisational model, addressing the recent ending of time-limited funding	Our story on pages 4 to 30 Reporting against our appropriations on pages 49 to 54
Central agency, national security, risk and resilience	2025	Continue funding for one year as an interim measure pending consideration in future Budgets	

Baseline savings

DPMC was not required to achieve baseline savings in 2025/26.

Reduction in expenditure on contractors and consultants

Expenditure on contractors and consultants increased in 2025/26 by \$0.331 million compared with the previous year. This is due to an increase in expenditure by DPMC on a short-term software project. This is offset by a reduction in spend by NEMA as hosting responsibilities transferred to DIA on 25 September 2025 and therefore only three months of their expenditure are included in 2025/26.

Contractors and consultants

2022/23 \$000	% workforce expenditure	2023/24 \$000	% workforce expenditure	2024/25 \$000	% workforce expenditure	2025/26 \$000	% workforce expenditure
3,098	7	2,165	5	933	2	2,770	6

Critical assets performance

The assets we use comprise intangible assets, including acquired and internally generated software as well as property, plant and equipment assets. These assets include both assets owned by the Department as well as software provided as a service.

Strong asset and investment management practices are critical to our long-term success as not only are these a key enabler for all our services, they are also vital in achieving value for money.

However, while all assets are important, some service areas use assets that are service critical. A service critical asset is defined as an asset which, if damaged or destroyed, is likely to have a significantly adverse impact on the delivery of the agency's services. For DPMC this includes:

- **Support to Cabinet and Cabinet committees:** Software is used to securely support Cabinet and Cabinet committee processes. The performance indicator is set out below.

Indicator Category	Service Area	Indicator	Result 2023/24	Result 2024/25	Result 2025/26
Availability	Support to Cabinet and Cabinet committees	Proportion of time that CabNet is available for use (outside of scheduled maintenance windows)	100%	100%	100%

Māori Crown relations capability

Our te reo Māori plan supports te reo Māori as a taonga in te ao Māori. The plan is informed by Maihi Karauna, the Crown's Strategy for Māori Language Revitalisation. Alongside this, the DPMC Whāinga Amorangi plan is our foundation for building Māori Crown relations capability across the department.

During 2025/26, DPMC continued to support staff to strengthen their Māori Crown relations capability through a range of learning and development opportunities focused on te reo Māori, tikanga Māori, te ao Māori, Te Tiriti o Waitangi, and New Zealand history.

Results from DPMC's 2026 Whāia te Mātauranga Survey demonstrate continued progress. Fifty-eight percent of respondents agreed they could describe key historical

moments in the Māori Crown relationship from both Māori and Pākehā perspectives, compared with 38 percent in 2024. Seventy-two percent agreed that a Te Ao Māori perspective is relevant to their work, compared with 70 percent in 2024.

The survey also indicates increased confidence in key capability areas including participating in pōwhiri, introducing oneself in te reo Māori, practising tikanga Māori in the workplace, and pronouncing te reo Māori correctly.

During 2025/26, DPMC commenced a review of our Whāinga Amorangi plan to ensure it continues to build the Māori Crown relations capability needed across the department. A refreshed plan will be developed in late 2026 to guide the next phase of capability development.

Treaty settlement commitments

He Korowai Whakamana

Reporting on commitments

He Korowai Whakamana, a Cabinet agreed framework, enhances the Crown's accountability for its Treaty settlement commitments on behalf of the Prime Minister. *He Korowai Whakamana* requires core Crown agencies to record and track the status, and report annually on, their settlement commitments. DPMC is one of the agencies responsible for settlement commitments. DPMC is responsible for tracking the Crown's overall progress with delivering on Treaty settlement commitments.

In 2023, core Crown agencies used Te Haeata – the Settlement Portal to record whether each of their commitments is complete, on track, yet to be triggered or has delivery issues.

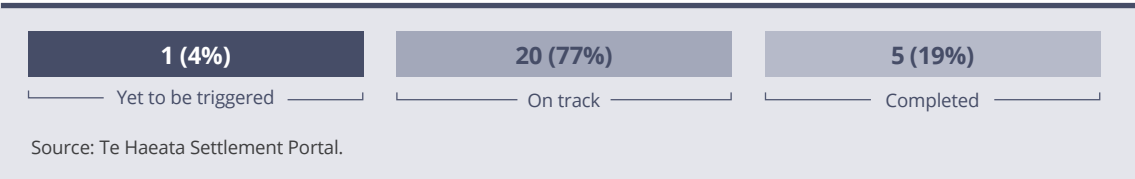
As part of *He Korowai Whakamana*, core Crown agencies will report on the status of their settlement commitments from financial year 2023/24.

Status of DPMC commitments

As a supporting agency responsible for negotiating the settlement of historical Treaty of Waitangi claims, DPMC is responsible for a variety of settlement commitments on behalf of the Prime Minister. This includes commitments relating to participation arrangements over natural resources, relationship redress, vesting and gift back.

As at 30 June 2024 and 30 June 2025, DPMC was responsible for 26 Treaty settlement commitments. As at 30 June 2026, DPMC was responsible for 27 Treaty settlement commitments. This includes one Treaty settlement commitment that is awaiting publication in Te Haeata. This is expected to be uploaded by the end of the calendar year and will be reported in the *DPMC Annual Report 2026/27*.

Note that one commitment was incorrectly reported as on track in previous years. This commitment for Ngāti Porou was completed with the signing of the accord on 23 April 2014. The below tracker has been updated to reflect the completion of this commitment in 2014.



Carbon Neutral Government Programme

In response to the Government's announcement of a Climate Emergency in 2020, DPMC has actively participated in the Carbon Neutral Government Programme (CNGP). The programme aims to accelerate emissions reductions across the public sector and offset remaining gross emissions from 2025 to achieve carbon neutrality.

DPMC has continued to make progress in meeting its CNGP goals. We worked with Toitū EnviroCare (Enviro Mark Solutions Limited) to ascertain our commitments and have measured and verified departmental emissions for each year from 1 July 2019 through to 30 June 2026.

DPMC's emissions profile

2025/26 was a recertification year under the CNGP. A review of DPMC's emission sources, using new guidance on reporting requirements, resulted in three additional sources being identified as meeting the

materiality threshold and consequently being incorporated into reporting. In 2019/20 the base year, we emitted 937.22 tonnes of carbon dioxide equivalent (tCO₂e). In the following years our operations were impacted by COVID-19 with 626.48 tCO₂e emitted in 2020/21, and 1,159.12 tCO₂e emitted in 2022/23.

This year we emitted 870.46 tCO₂e which, even with the increased scope of reporting, was less than last year (930.09 tCO₂e emitted in 2024/25).

Our performance is six percentage points or 57.38 tCO₂e below the 2025/26 target.

The following table shows our greenhouse gas emissions profile broken down by the four CNGP Categories³ applicable to DPMC. Emissions from transportation (Category 3) are the largest contributor to greenhouse gas emissions, with air travel being the primary emissions source (see chart on following page).

Emissions profile broken down by category, scope and total annual emissions⁴

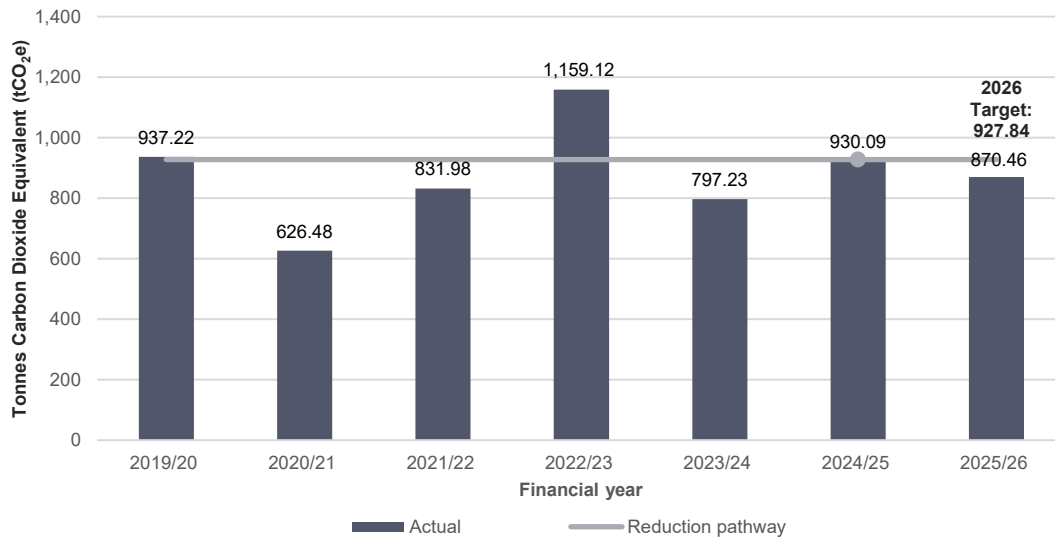
Category	Scope	2019/20 (tCO ₂ e)	2023/24 (tCO ₂ e)	2024/25 ⁵ (tCO ₂ e)	2025/26 (tCO ₂ e)
1 Direct emissions	Scope 1	124.73	153.29	97.10	138.11
2 Indirect emissions from imported energy	Scope 2	91.38	73.65	101.88	63.34
3 Indirect emissions from transportation	Scope 3	682.35	534.05	698.63	606.15
4 Indirect emissions from products and services used by organisation	Scope 3	36.76	36.24	32.48	62.87
5 Indirect emissions associated with the use of products and services from the organisation	Scope 3	0	0	0	0
6 Indirect emissions from other sources	Scope 3	0	0	0	0
TOTAL GROSS EMISSIONS (tCO₂e)		937.22	797.23	930.09	870.46
Change in gross emissions from previous financial year			(31.22%)	16.66%	6.41%
Change in gross emissions since base year			(14.94%)	-0.76%	7.12%

³ The terminology of 'categories' is used in ISO 14064-1:2018, to add further definition to the different 'scopes' that are used in the Greenhouse Gas Protocol. Scope 1 and 2 are the same as categories 1 and 2, respectively. Scope 3 includes categories 3, 4, 5 and 6.

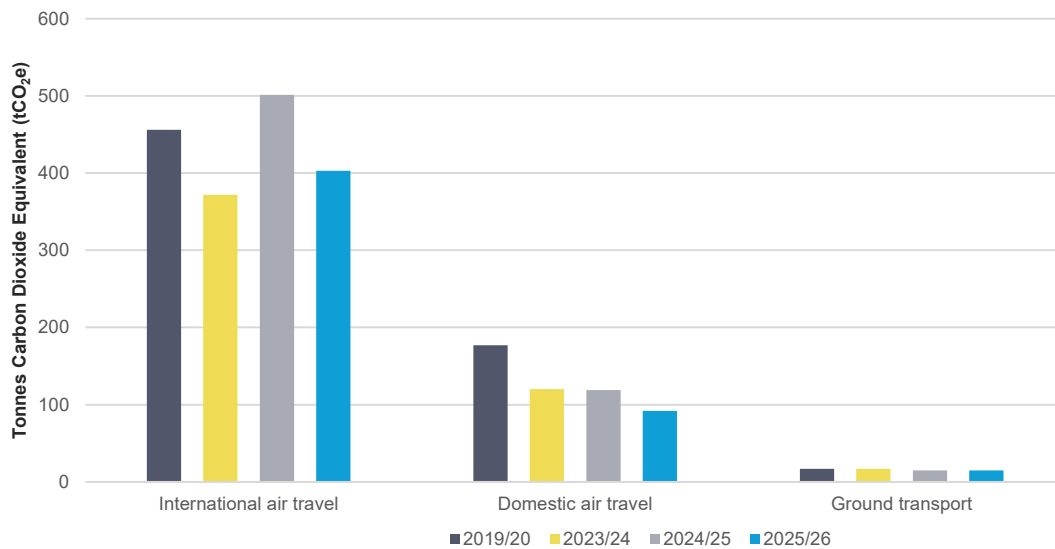
⁴ In May 2023, the Ministry for the Environment issued an update in the electricity transmission and distribution emissions factors. This was necessary to ensure that the CNGP remains aligned with leading science and is up to date with the latest information available. As required by the CNGP we updated previous years to reflect this change.

⁵ Figures for 2024/25 Category 1 and Category 3 emissions have been adjusted to address a minor error. The total gross emissions remain the same.

Total annual emissions



Total transportation emissions (tCO₂e) compared to base year and prior year⁶



⁶ Ground transport figures have been restated due to changes in emissions factors.

Emissions intensity by full-time equivalent (FTE) and expenditure

Since the base year, our work programme and number of staff have fluctuated. Despite this, we decreased our emissions while continuing to deliver impactful work. Our emissions per FTE has decreased from 4.71 tCO₂e to 4.30 tCO₂e per FTE staff members as shown below.

FTE and Expenditure compared to base year and prior year

KPI	2019/20	2023/24	2024/25	2025/26
FTEs	198.99	258.60	214.50	202.40
Expenditure (\$m) ⁷		58.33	55.13	54.52
Emissions intensity				
Total gross emissions per FTE (tCO ₂ e)	4.71	3.08	4.34	4.30
Total gross emissions per million dollars of expenditure (tCO ₂ e)		13.67	16.87	15.97

Reducing our emissions

As part of our commitment to the programme, operational setting and processes have been reviewed to reduce emissions where possible. DPMC's Travel Policy requires that all travel must support an identified business need. Managers and staff are encouraged to consider whether travel could be replaced by use of video conferencing technology and Microsoft Teams. However operational needs still determine the need to travel.

In 2025, DPMC adopted a new Carbon Emissions Reduction Plan. This includes a revised emissions reduction target of a 1 percent decrease in gross emissions compared with the baseline year.

The following targets were agreed:

- **2026 target:** Gross emissions (all Categories) to be no more than 927.84 tCO₂e – a 1 percent reduction in gross emissions compared to base year.
- **2030 target:** Gross emission (all Categories) to be no more than 927.84 tCO₂e – a 1 percent reduction in gross emissions compared to base year.

While these targets do not meet CNGP objectives of a 21 percent reduction by 2025 and 42 percent by 2030, our reduction plan reflects our operating context. DPMC is a small agency, our work involves extensive travel, within New Zealand and internationally. Accordingly, while we have relatively low emissions, we have limited ability to influence them.

Improving our data

Noting audit feedback that emissions calculations based on expenditure is reliant on assumptions and industry-average emissions factors, an important part of our plan is a commitment to improving data quality and understanding the nature of our emissions. This year we have improved our data sources, providing enhanced levels of detail to support accurate analysis. We will continue to explore opportunities to improve data sources.

In addition, we will explore reporting on AI use and cloud-based services.

Independent verification

We achieved Toitū carbonreduce certification in August 2026 and will continue to measure, manage, and reduce our carbon emission in line with ISO14064-1:2018.

A copy of our Toitū carbonreduce certification disclosure can be viewed on the Toitū website.



⁷ Expenditure data is only available from 2021/22.



Our performance reporting

Tā mātou pūrongo mahi

This section reports on what we achieved within each appropriation against the expectations set in the Vote Prime Minister and Cabinet Estimates and Supplementary Estimates of Appropriations for 2025/26.



Service performance judgements and assumptions

The service performance information on pages 4 to 30, pages 38 to 44 and pages 49 to 54 was prepared in accordance with Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48). Performance measures deleted or expired through the Supplementary Estimates of Appropriations 2025/26 from the Estimates of Appropriations 2025/26 are explained on pages 52, 53 and 54.

The outcome indicators added, amended, removed and restated during 2025/26 to reflect reporting on two sets of strategic intentions are explained on pages 6 to 7. Prior-year comparatives affected by these changes have been restated where practicable and are identified where they appear.

Disclosure of judgements

In preparing the service performance information for the 2025/26 year, the Department has made a number of significant judgements about what information to present. These judgements are based on an assessment of the most appropriate and meaningful information for readers assessing performance against the Department's objectives and to fairly represent the diverse nature of the Department's activities. Decisions about the service performance information to present were made by Executive Leadership Team Board members to enhance the quality of performance information that can be presented and to meet PBE FRS 48 standards.

The judgements that had the most significant effect on the non-financial information presented related to the selection of information about the Department's strategic intentions and related activities during the period. For some activities there is not a distinct numerical value that can be observed to reflect the effectiveness of that activity. Judgement is applied to identify how measures can be derived to provide readers of the annual report with relevant information.

Significant judgements are required in relation to the Department's policy and assessments quality, satisfaction measures, services to ministers and Cabinet, and strategic intentions outcome indicators. How we make these judgements is described below.

Explanatory commentary for non-achievement

In our reporting non-achievement of a target, we provide an explanation where this assists in telling a fulsome performance story. We primarily do so in instances where non-achievement is 8 percent or more as such variation is generally accompanied by written commentary that provides insights into the results.

Where the target performance is 4 out of 5, this equates to a variance in scoring of 0.32 or more below the target. This means that a score of 3.68 or below will have an accompanying explanation as to why the target was not met. A score below 4 and above 3.68 is reported as not achieved without additional commentary.

Quality of policy advice and intelligence assessments

A key role of DPMC is the provision of policy advice and intelligence assessments to inform decision-making. It is important that our policy advice and intelligence assessments are of high-quality, timely, and relevant. We use the Policy Quality Framework (PQF) to assess the quality of a randomly selected sample of policy advice and intelligence assessments. Policy advice and intelligence assessments are scored on a scale of 1 to 5, where 1 means unacceptable and 5 means outstanding. All first opinion policy advice produced by DPMC contributes to one policy quality score across DPMC. All second opinion policy advice (such as that provided by the Policy Advisory Group) is excluded. The quality of intelligence assessments is determined through an external review of a sample of 16 intelligence assessments produced during the financial year.

The policy quality review panel consists of senior policy staff across DPMC. Prior to 2024/25, the review panel was chaired by an external contractor. Since 2024/25 a senior staff member from the Policy Advisory Group, whose work is not included in the policy quality review, has chaired the panel. A sample of seven papers for DPMC were reviewed in line with guidance from the Policy Project on sample sizes for small policy agencies. All other aspects of the process meet the PQF and remained the same, other than that the selection of the random sample of substantive policy papers was conducted by the team administering the panel.

The review of intelligence assessments is conducted at the end of the financial year by three external reviewers who are selected for their appropriate security clearance level and experience with intelligence assessments. In 2025/26, the sample included a broader range of products produced by the National Assessments Bureau in 2025/26, such as bulletin items and assessments. In previous years only assessments were reviewed.

We have set targets related to the average quality of our advice and intelligence assessments, and additionally for policy advice, the distribution of policy quality scores so that we can provide an additional focus for our policy quality improvement efforts.

Average scores

The PQF sets a public service-wide target for policy quality of 3 out of 5 for an assessed sample of papers. The Department sets a higher target of 4 out of 5, reflecting the high ambition we have for the quality of our policy advice.

We have used the following judgements when reporting these results:

- not achieved – where the policy or intelligence assessment quality score is less than the target score, and
- achieved – where the policy or intelligence assessment quality score meets or exceeds the target score.

Distribution measures

The PQF recommends setting a target for the distribution of policy quality scores across an assessed sample. DPMC has set the following targets to provide a better reflection of performance:

- 70 percent of papers score 3 or higher
- 30 percent of papers score 4 or higher, and
- no more than 10 percent of papers score 2 or less.

We have used the following judgements when reporting these results:

- not achieved – where fewer than two out of the three dimensions of the policy quality distribution score have been met
- partially achieved – where two out of the three dimensions of the policy quality distribution score have been met, and
- achieved – where all of the three dimensions of the policy quality distribution score have been met.

Satisfaction measures

Measuring Prime Minister, minister, Governor-General or stakeholder satisfaction with advice and services is conducted annually for the entire financial year by survey. Two types of satisfaction measures are reported on: Satisfaction with policy advice and satisfaction with advice and services. Satisfaction is measured on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations.

Satisfaction with policy advice

Ministerial satisfaction with policy advice is either an overall satisfaction rating communicated to officials or measured using the Policy Project's Ministerial Policy Satisfaction Survey. The survey contains a common set of questions that agencies use to assess their minister's satisfaction with the services provided. The PQF sets out a public service-wide methodology for assessing ministerial and stakeholder satisfaction. The PQF does not set a public service-wide standard for this measure. All DPMC policy satisfaction measures have a target of 4 out of 5, reflecting the high level of ambition for supporting our ministers with timely, well-informed advice.

Satisfaction with advice and services

Satisfaction in relation to advice and/or services is either an overall satisfaction rating communicated to officials or an average of overall satisfaction in the specified area. Satisfaction is measured on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations. In 2025/26, DPMC measured satisfaction with advice and services in the following areas:

- Prime Minister satisfaction with the policy advice service including advice on delivery
- Prime Minister satisfaction with the leadership and stewardship of the National Resilience System
- Prime Minister satisfaction with the support, secretariat and coordination services provided
- Governor-General satisfaction with the advisory and constitutional services provided, and
- Minister for Emergency Management and Recovery satisfaction with the maintenance of emergency response capability during the transition of host responsibility for NEMA to DIA on 25 September 2025.

Public confidence in government agencies to deal with national security threats and emergencies

DPMC commissions a biennial National Risks Public Survey to understand public perceptions of National Risks to inform government work to build resilience and support the safety, security and prosperity of New Zealanders.

The Survey provides an understanding, across a nationally representative total sample of 2,000 people with a focus on:

- what 'national security & risks' means to New Zealanders, and which hazards they see as most likely, now (next 12 months) and in the future (next 10 years)
- the level of confidence New Zealanders have in the Government's ability to manage hazards & threats and what the government can do to build confidence
- what information New Zealanders would like to receive on hazards & threats.

While previous surveys focused on national security threats, the scope of the 2024 and 2026 surveys was broadened to include significant hazards. Results from Question 11 in the survey inform the trend of an indicator in *Outcome 4: A secure, resilient and prosperous New Zealand*. The survey results are published online:

<https://www.dPMC.govt.nz/our-programmes/risk-and-resilience/national-risk-and-resilience-framework/2026-national-risks-public-survey-report>

The reported data is the proportion of respondents who responded "Very confident" or "Somewhat confident" to 32 national security threats or significant hazards using the following question which is presented on the screen one at a time in a randomised order.

If any of the following were to happen in the next 12 months, how confident are you that New Zealand's government agencies could provide appropriate levels of security and protection and respond effectively to:

The indicator in the *Outcome 4: A secure, resilient, and prosperous New Zealand* is calculated as the overall confidence score of the surveyed threat and hazard areas.

Previously DPMC reported on the results of a subset of threat and hazard areas relevant to in-year DPMC and NEMA work programmes. In 2025/26, this indicator was broadened to report on the full list of surveyed threat and hazard areas to recognise DPMC's role in leading and stewarding the National Resilience System to prepare for and respond to nationally significant events. Prior years' results have been restated to reflect this change and to track progress consistently across years.

Further information on this outcome indicator can be found on pages 25 to 26.

Our ministers

In 2025/26, the following ministers were sent ministerial satisfaction surveys to complete at year end or at the conclusion of hosting a function:

- Prime Minister Rt Hon Christopher Luxon – Prime Minister and Minister for National Security and Intelligence, and
- Hon Mark Mitchell – Minister for Emergency Management and Recovery.

In 2025/26 there were no changes to ministers or stakeholders DPMC provides advice and support to. Where there has been a change in minister or other stakeholders during a financial year, the Department encourages them to seek the view of their predecessor in completing the survey.

The Hon. Mark Mitchell was appointed as the Associate Minister for National Security and Intelligence on 7 April 2026. DPMC did not survey the Associate Minister for National Security and Intelligence on their satisfaction with advice and support provided by DPMC from 7 April 2026 to 30 June 2026, given the short timeframe in which the Associate Minister had the portfolio. DPMC surveyed the Prime Minister in their role as Minister for National Security and Intelligence, whose responses report the score for the relevant measures.

Transfer of hosting responsibilities of the National Emergency Management Agency to the Department of Internal Affairs

In April 2025, Cabinet agreed responsibility for hosting NEMA as a departmental agency would transfer from DPMC to DIA. The transfer took effect on 25 September 2025. In 2025/26, DPMC hosted NEMA from 1 July 2025 to 25 September 2025 with performance reporting information relating to NEMA for that period included in the *DPMC Annual Report 2025/26*.

The *Strategic Intentions 2023/24 to 2026/27* included NEMA who contributed to the achievement of several outcome indicators. DPMC published its *Strategic Intentions 2025/26 to 2029/30* on 24 February 2026 which does not include NEMA. This means reporting against outcomes in the *DPMC Annual Report 2025/26* does not include NEMA. Historical reporting against outcomes from DPMC's *Strategic Intentions 2024/25 to 2026/27* that NEMA contributed to can be found in previous DPMC annual reports.

2025/26 performance reporting against the Emergency Management Leadership and Support Multi-Category Appropriation only relates to the period from 1 July 2025 to 25 September 2025, during which DPMC hosted NEMA. The overarching measure selected was informed by a December 2025 survey of the Minister for Emergency Management and Recovery on their satisfaction with emergency response capability during transfer of hosting responsibilities. Refer to the *NEMA Annual Report 2025/26* and the *DIA Annual Report 2025/26* for reporting on the period 25 September 2025 to 30 June 2026.

Timeliness of ministerial Official Information Act 1982 (OIA) requests

DPMC supports the Prime Minister, Minister for National Security and Intelligence and Minister for Emergency Management and Recovery (for the period 1 July to 25 September 2025) through the provision of high quality and timely ministerial services. A core part of this is drafting responses to Official Information Act 1982 (OIA) requests within agreed timelines, when commissioned to DPMC by a minister's office.

DPMC aims to provide 95 percent of responses to ministerial OIA requests to the relevant minister's office within 18 working days of being commissioned, unless an extension is agreed. The selection of this timeliness measure and target provides an accurate indicator of DPMC's performance in providing high quality and timely services to the ministers we support to allow them to respond to OIA requests within the statutory timeline. All ministers are subject to the OIA and must provide official information within 20 working days of receiving a request, unless extended.

All ministerial OIA requests for ministers supported by DPMC are processed through an internal workflow management tool with timeliness expressed as a percentage. Responses to ministerial OIA requests commissioned to DPMC and completed within the 1 July 2025 – 30 June 2026 reporting period are included in this measure.

OIA requests received by DPMC are not included in this measure. Departmental OIA timeliness is reported to the Public Service Commission and can be found on their website: <https://www.publicservice.govt.nz/guidance/official-information/oia-statistics>

Other appropriation measures

The selection of other activity measures and their methodology is explained under each appropriation performance report. Results are reported to two decimal places. Where whole numbers are to be reported, these have been rounded, where necessary, to the nearest whole number.

Strategic intentions outcomes indicators

Our strategic intentions provides an overview of DPMC and sets out how we will deliver on our purpose to advance an ambitious, resilient, and well-governed Aotearoa New Zealand. It summarises the outcomes we contribute to and what success looks like. DPMC published its *Strategic Intentions 2025/26 to 2029/30* on 24 February 2026, which can be found at: <https://www.dPMC.govt.nz/sites/default/files/2026-02/dPMC-strategic-intentions-2025-26-to-2029-30.pdf>

DPMC's outcomes are achieved through a mix of direct delivery and influence. We are accountable for the quality and timeliness of our advice and services, and for the coordination, assurance, and stewardship activities we deliver. Ministers and lead agencies remain accountable for decisions and delivery within their portfolios. Accordingly, this report distinguishes DPMC's direct performance measures from broader system-level indicators, which provide context about collective performance but are not measures of DPMC alone.

From 1 July 2025 to 23 February 2026 the *Strategic Intentions 2024/25 to 2026/27* was in effect. From 24 February 2026 onwards the *Strategic Intentions 2025/26 to 2029/30* was in effect. Refer to pages 6 to 7 on reporting across the two strategic intentions.

To track progress towards our outcomes, we use a mix of new and continuing outcome indicators that tell us whether DPMC's programmes and deliverables are having the intended impacts. How the outcomes and indicators map across the two sets of strategic intentions is set out in Reporting in a year of transition on pages 6 to 7. Continuing indicators are tracked against a 2022/23 baseline where available; new indicators establish a 2025/26 baseline, and the result reported in 2025/26 is the baseline against which future years are tracked. Results are reported to two decimal places where they are informed by Vote Prime Minister and Cabinet appropriation measures that report to two decimal places or where it tells a fuller performance story; all other results are reported to one decimal place.

The outcome indicators selected for reporting 2025/26 achievement of strategic intentions are outlined below. Significant judgements and methodology relating to the outcome measures are also shown.

Outcome 1: Supporting the Government to deliver its priorities

Indicator	Methodology	Judgement
Number of Government Targets that are on track or probable	This indicator is the number of Government Targets assessed as met, on track or probable at the end of the financial year, drawn from the quarterly Government Target reports. 'On track' means the delivery of a target is highly likely, and performance against the estimated trajectory will be sustained. 'Probable' means the delivery of a target is likely however constant attention will be needed to ensure risks do not materialise into major issues threatening performance. This is a new indicator for 2025/26 with a 2025/26 baseline.	2025/26 is the baseline year for this new indicator and no trend judgement is made. From 2026/27 the trend will be reported as: On track – where the number of Government Targets are met, on track or probable is maintained or increases on the baseline Not on track – where the number of Government Targets met, on track or probable is below the baseline No change – where the number of Government Targets met, on track or probable is unchanged from the baseline

Outcome 2: High quality free and frank advice is delivered consistently across the public service

Indicator	Methodology	Judgement
Uptake of Policy Project tools and frameworks: - Percentage of agencies with a policy function that have a capability building plan improvement plan - Percentage of agencies with a policy function using the Policy Skills Framework - Percentage of agencies with a policy function using the Policy Capability Framework	This indicator is calculated using the activities of the Policy Project to build policy quality capability in the public service. This consists of the prior years' uptake of tools and frameworks. The indicator consists of three data points and reports last years' uptake due to a lag in data availability.	Not on track – where fewer than three out of the three dimensions of the indicator are less than the baseline score On track – where all three dimensions of the indicator exceed the baseline score No change – where all the three dimensions of the indicator have not changed from the baseline score
Average score of assessed policy papers across government	This indicator is calculated as the average score of assessed policy papers from all agencies with a policy advice function. It consists of last years' reported results for policy quality, gathered in the annual Policy Information Request. This is a new indicator for 2025/26 that draws on previously reported data and is tracked against a 2022/23 baseline.	Not on track – where the average score of assessed policy papers across government is less than the baseline score On track – where the average score of assessed policy papers across government exceeds the baseline score No change – where the average score of assessed policy papers across government has not changed from the baseline score

Outcome 3: Our constitutional arrangements and systems of executive government are well maintained

Indicator	Methodology	Judgement
Governor-General satisfaction with support provided	Two Governor-General satisfaction measures were averaged to determine the trend. These are satisfaction with advisory and constitutional services, and satisfaction with the programme and household services. This also provides an overall measure for the appropriation. This is a continuing indicator, tracked against a 2022/23 baseline.	Not on track – where the average of the satisfaction score is less than the baseline score On track – where the average of the satisfaction score meets or exceeds the baseline score No change – where the average satisfaction score has not changed from the baseline score

Outcome 3: Our constitutional arrangements and systems of executive government are well maintained (cont'd)

Indicator	Methodology	Judgement
Prime Minister satisfaction with the support, secretariat and coordination services provided	One Prime Minister satisfaction measure is used to determine the trend. This is satisfaction with the support, secretariat and coordination services provided. This is a new indicator, tracked against a 2022/23 baseline using previously reported data.	Not on track – where the satisfaction score is less than the baseline score On track – where the satisfaction score meets or exceeds the baseline score No change – where the satisfaction score has not changed from the baseline score

Outcome 4: A secure, resilient and prosperous New Zealand

Indicator	Methodology	Judgement
Public confidence in government agencies to manage hazards and security threats that lead to crises	This indicator is calculated as the overall confidence score from the biennial National Risks Public Survey to determine the trend. This is a continuing indicator, tracked against a 2022/23 baseline; prior-year results have been restated.	Not on track – where the overall confidence score is less than the baseline score On track – where the overall confidence score meets or exceeds the baseline score No change – where the overall confidence score has not changed from the baseline score
Ministerial satisfaction with leadership and stewardship of the National Resilience System, including the national security and ODESC systems	One satisfaction measure is used to determine the trend. This is ministerial satisfaction with the leadership and stewardship of the National Resilience System. This is a new indicator for 2025/26 with a 2025/26 baseline.	2025/26 is the baseline year for this new indicator and no trend judgement is made. From 2026/27 the trend will be reported as: Not on track – where the satisfaction score is less than the baseline score On track – where the satisfaction score meets or exceeds the baseline score No change – where the satisfaction score has not changed from the baseline score

Outcome: An influential, agile, high-performing central agency in which our people feel empowered, valued and engaged

Indicator	Methodology	Judgement
Gender pay gap (percentage)	This indicator is calculated as the mean difference in pay between female and male staff, expressed as a percentage to determine a trend. This is a continuing indicator, tracked against a 2022/23 baseline.	Not on track – where gender pay gap exceeds the baseline score On track – where the gender pay gap meets or is less than the baseline score No change – where the gender pay gap has not changed from the baseline score
Ethnic diversity of workforce (percentage)	This indicator is calculated as the percentage of staff who identify from non-European/Pākehā ethnicities. This is a continuing indicator, tracked against a 2022/23 baseline.	Not on track – where the ethnic diversity of workforce is less than the baseline score On track – where the ethnic diversity of workforce meets or exceeds the baseline score No change – where the ethnic diversity of workforce has not changed from the baseline score
Te ao Māori capability of our workforce (percentage)	This indicator is calculated as an average of the results of four competency related questions in the 2025/26 Whāia te Mātauranga survey. The percentage of respondents reporting somewhat agree and above is used as the result for each question, expressed as a percentage to determine a trend. This is a continuing indicator, tracked against a 2022/23 baseline.	Not on track – where the te ao Māori capability of our workforce is less than the baseline score On track – where the te ao Māori capability of our workforce meets or exceeds the baseline score No change – where the te ao Māori capability of our workforce has not changed from the baseline score

Outcome: An influential, agile, high-performing central agency in which our people feel empowered, valued and engaged (cont'd)

Indicator	Methodology	Judgement
Turnover of staff with less than two years of service (percentage)	This indicator is calculated as the number of staff with less than two years' service, expressed as a percentage to determine a trend. This is a new indicator for 2025/26 with a 2025/26 baseline.	2025/26 is the baseline year for this new indicator and no trend judgement is made. From 2026/27 the trend will be reported as: Not on track – where the turnover of staff with less than two years of service exceeds the baseline score On track – where the turnover of staff with less than two years of service meets or is less than the baseline score No change – where the turnover of staff with less than two years of service has not changed from the baseline score
Staff engagement (percentage)	This indicator is calculated as the overall average derived from all 64 questions in the 2025/26 Kōrero Mai staff experience survey, expressed as a percentage to determine a trend. This is a continuing indicator, tracked against a 2022/23 baseline.	Not on track – where staff engagement is less than the baseline score On track – where staff engagement meets or exceeds the baseline score No change – where staff engagement has not changed from the baseline score

Appropriation statements

The following statements report information about the expenses and capital expenditure incurred against each appropriation that the Department administers for the year ended 30 June 2026. They are prepared on a GST-exclusive basis.

Responsibility for hosting the National Emergency Management Agency transferred from the Department of the Prime Minister and Cabinet to the Department of Internal Affairs on 25 September 2025. The appropriations below therefore include the National Emergency Management Agency from 1 July 2025 to 25 September 2025 in 2025/26.

Statement of Budgeted and Actual Departmental and Non-departmental Expenses and Capital Expenditure against Appropriations

for the year ended 30 June 2026

	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000	Where performance information is reported
DEPARTMENTAL CAPITAL EXPENDITURE				
Department of the Prime Minister and Cabinet – Capital Expenditure PLA	1,413	2,370	1,519	Our performance reporting section
TOTAL DEPARTMENTAL CAPITAL EXPENDITURE	1,413	2,370	1,519	
NON-DEPARTMENTAL OTHER EXPENSES				
Governor-General's Programme PLA	1,899	2,050	2,050	Exempt under section 15D(2)(b)(iii) of the Public Finance Act 1989
Governor-General's Salary and Allowance PLA	495	500	500	Exempt under section 15D(2)(b)(ii) of the Public Finance Act 1989
Governor-General's Travel Outside New Zealand PLA	216	407	407	Exempt under section 15D(2)(b)(iii) of the Public Finance Act 1989
Local Authority Emergency Expenses PLA	371	5,000	371	Exempt under section 15D(2)(b)(iii) of the Public Finance Act 1989
Remuneration of Commissioners of Intelligence Warrants PLA	89	174	174	Exempt under section 15D(2)(b)(ii) of the Public Finance Act 1989
TOTAL NON-DEPARTMENTAL OTHER EXPENSES	3,070	8,131	3,502	
MULTI-CATEGORY EXPENSES AND CAPITAL EXPENDITURE				
Advice and Support Services MCA				
DEPARTMENTAL OUTPUT EXPENSES				
Advice and Support to Government and the Governor-General	48,248	60,594	53,022	Our performance reporting section

	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000	Where performance information is reported
NON-DEPARTMENTAL OTHER EXPENSES				
Depreciation and Maintenance of Government House Buildings and Related Assets	1,953	2,232	2,232	Exempt under section 15D(2)(b)(ii) of the Public Finance Act 1989
Support for Prime Minister's Chief Science Advisor	-	295	-	Exempt under section 15D(2)(b)(iii) of the Public Finance Act 1989
NON-DEPARTMENTAL CAPITAL EXPENDITURE				
Government House – Capital Expenditure	375	550	550	Exempt under section 15D(2)(b)(iii) of the Public Finance Act 1989
TOTAL ADVICE AND SUPPORT SERVICES MCA	50,576	63,671	55,804	
Emergency Management Leadership and Support MCA				
DEPARTMENTAL OUTPUT EXPENSES				
Advice and Support for Emergency Risk Reduction, Readiness, Response and Recovery	10,322	53,066	10,321	Our performance reporting section
NON-DEPARTMENTAL OTHER EXPENSES				
Emergency Risk Reduction, Readiness, Response and Recovery	1,014	3,666	1,014	Exempt under section 15D(2)(b)(ii) of the Public Finance Act 1989
TOTAL EMERGENCY MANAGEMENT LEADERSHIP AND SUPPORT MCA	11,336	56,732	11,335	
TOTAL MULTI-CATEGORY EXPENSES AND CAPITAL EXPENDITURE	61,912	120,403	67,139	
TOTAL ANNUAL AND PERMANENT APPROPRIATIONS	66,395	130,904	72,160	

Reconciliation between total appropriations for Departmental expenses and the Departmental Statement of Comprehensive Revenue and Expenses

2024/25 Actual \$000		2025/26 Actual \$000
47,695	Total expenses in Departmental Statement of Comprehensive Revenue and Expenses	48,248
58,884	Expenditure related to NEMA appropriations	10,322
106,579	TOTAL APPROPRIATIONS FOR DEPARTMENTAL EXPENSES	58,570

Reconciliation between total appropriations for Non-departmental expenses and the Schedule of Non-departmental Expenses

2024/25 Actual \$000		2025/26 Actual \$000
1,130,531	Total expenses in Schedule of Non-departmental Expenses	6,483
(124,540)	GST input expense	(446)
1,005,991	TOTAL APPROPRIATIONS FOR NON-DEPARTMENTAL EXPENSES	6,037

Reconciliation to Total Annual and Permanent Appropriations

2024/25 Actual \$000		2025/26 Actual \$000
106,579	Total Appropriations for Departmental Expenses	58,570
1,005,991	Total Appropriations for Non-departmental Expenses	6,037
4,165	Remeasurement of provisions for emergency events	-
350	Total Departmental Capital Expenditure	1,413
346	Total Non-departmental Capital Expenditure	375
1,117,431	TOTAL ANNUAL AND PERMANENT APPROPRIATIONS	66,395

Statement of Departmental and Non-departmental Expenses and Capital Expenditure incurred without, or in excess of Appropriation, or other Authority

for the year ended 30 June 2026

The Department has not incurred any departmental or non-departmental expenses or capital expenditure without, or in excess of appropriation, or other authority (2025: Nil).

Statement of Capital Injections

for the year ended 30 June 2026

2024/25 Actual \$000	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000
- Capital Injection	-	2,270	-

Capital injections relate to the transfer of the National Emergency Management Agency from the Department of the Prime Minister and Cabinet to the Department of Internal Affairs on 25 September 2025.

Statement of Capital Injections without, or in excess of, Authority

for the year ended 30 June 2026

The Department has not received any capital injections during the year without, or in excess of, authority (2025: Nil).

Reporting against our appropriations

Department of the Prime Minister and Cabinet – Capital Expenditure PLA

This appropriation is intended to achieve the renewal, upgrade or redesign of assets in support of the delivery of the Department’s services.

What we achieved

In 2025/26, expenditure was in accordance with the Department’s approved capital plan and included expenditure on a software project (\$1.349 million), maintenance and upgrades of offices, IT equipment (\$0.049 million), and furniture (\$0.025 million). This enabled us to maintain an effective operating environment for the Department.

How much it cost

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000
350	Property, Plant and Equipment	1,413	2,370	1,519
350	TOTAL APPROPRIATION	1,413	2,370	1,519

Advice and Support Services



This appropriation is intended to enable and facilitate decision-making by executive government through the delivery of policy advice and support services to the Prime Minister, Cabinet and its committees, the Executive Council and the Governor General.

What we achieved

Performance measure	Target 2025/26	Result 2024/25	Result 2025/26	Achieved
The Prime Minister is satisfied with the services and support provided by the Department of the Prime Minister and Cabinet	4	4.17	4.25	✓
The Governor-General is satisfied with the services and support provided by the Department of the Prime Minister and Cabinet	4	4.42	4.34	✓

How Prime Minister and Governor-General satisfaction is calculated

The satisfaction of the Prime Minister and Governor-General with the services and support provided by the Department of the Prime Minister and Cabinet is an aggregated result from all satisfaction measures in the Prime Minister portfolio and the Governor-General satisfaction measures contained in the Advice and Support Services Multi-Category Appropriation that have a reported result.

Satisfaction is measured on a scale from 1 to 5, where 1 means never met expectations and 5 means always met expectations.

How much it cost

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Budget \$000	2025/26 Supp. Estimates \$000
50,810	Revenue Crown	51,118	60,264	51,118
1,052	Revenue Department	1,706	290	1,864
321	Revenue Other	685	40	40
52,183	TOTAL REVENUE	53,509	60,594	53,022
47,695	Departmental Expenses	48,248	60,594	53,022
4,488	Net Surplus/(Deficit)	5,261	-	-
2,080	Non-departmental Expenses	1,953	2,527	2,527
346	Non-departmental Capital Expenditure	375	550	550

Departmental expenditure was lower than both the Budget and Supplementary Estimates of Appropriations mainly due to lower costs following an organisational change and efficiencies realised in 2025/26.

Non-departmental expenditure was underspent against the Supplementary Estimates of Appropriations due to lower than anticipated spend for Government House planned maintenance and capital projects. This is mainly the result of lower than anticipated project costs.

Category: Advice and Support to Government and the Governor-General

This category is intended to provide policy advice to support decision-making by the Prime Minister and the Prime Minister and Cabinet and provide support services to the Prime Minister, Cabinet and its committees, the Executive Council and the Governor-General.

What we achieved

Performance measure	Target 2025/26	Result 2024/25	Result 2025/26	Achieved
Advice to Government				
The Prime Minister is satisfied with the policy advice service including advice on delivery	4	5	5	✓
The portfolio ministers are satisfied with the policy advice service for national security, risk and resilience	4	3.50	4	✓
Average score for assessed policy papers	4	3.61	3.21	✗
Quality of policy advice papers – 70% score 3 or higher, 30% score 4 or higher and no more than 10% score 2 or less	Achieved	Achieved	Partially Achieved	✗
Ministerial satisfaction with the leadership and stewardship of the National Resilience System	4	New measure	4	✓
Average score of a sample of intelligence assessments reviewed by an external reviewer	4	3.81	3.57	✗
Responses to ministerial Official Information Act 1982 (OIA) requests provided within agreed timeframes	95%	100%	100%	✓
Support to the Prime Minister, Cabinet and the Governor-General				
The Prime Minister is satisfied with the support, secretariat and coordination services provided	4	4	4	✓
Cabinet and Cabinet committee minutes requiring subsequent amendment (excluding amendments made as the result of Cabinet decisions)	0.5%	0.0%	0.3%	✓
Policy papers for Cabinet and Cabinet committee meetings will be published on CabNet by the close of business, two days before the meeting (subject to on-time lodgement in CabNet)	90%	99.55%	100%	✓
Cabinet minutes will be published on CabNet by the close of business, three days after the Cabinet meeting	95%	98.68%	99.65%	✓
The Governor-General is satisfied with the advisory and constitutional services provided	4	4.42	4.42	✓
The Governor-General is satisfied with the programme and household services provided	4	4.42	4.25	✓

Why these measures were chosen

The performance measures in the Advice and Support Services Multi-Category Appropriation were selected as they are core to DPMC supporting the Governor-General, Prime Minister and ministers to undertake their roles effectively. These measures best reflect that DPMC's roles and responsibilities of supporting informed decision-making, supporting well-conducted government and leading and effective, strategically focused National Resilience and National Security System.

Why we did not achieve our policy quality targets

We set two measures of policy quality; one an average score and one on the distribution of scores. The Policy Quality Framework sets a public service-wide target for policy quality of 3 out of 5. The Department sets a higher target of 4 out of 5, reflecting the high ambition we have for the quality of our policy advice. This year, we did not achieve the average score measure and partially achieved the distribution measure.

A random sample of our policy papers was assessed with an in-house review panel. We met two of the three components of the distribution measure: 71.43% of our papers scored 3 or higher (down from 100% in 2024/25), no papers scored 2 or below (the same as 2024/25). While 28.57% of our papers scored 4 or above, this is down from 35.72% in 2024/25 and below our target of 30%. While we met the public service-wide target for policy quality, we did not meet our ambitious target.

The review found that our advice was concise and easy to read. Decision making could be aided by including more detail from the appendices in the body of the advice. We will continue to focus on implementing the recommendations of the review to help us further improve our advice and work towards achieving our ambitious targets.

Why we did not achieve our quality of intelligence assessments target

The average score of a sample of intelligence assessments reviewed by an external reviewer was 3.57 out of 5 in 2025/26. We did not achieve this measure in 2025/26. This measure was also not achieved in 2024/25.

The sample included a broader range of products produced by the National Assessments Bureau throughout 2025/26, including bulletin items and assessments. In previous years only assessments were reviewed. 15 out of 16 products scored at least 3 out of 5 (acceptable) in 2025/26.

Intelligence products are produced for a broad range of readers. The review found writing was of a high standard, clear, consistent, and easy to follow. Identifying the target audience of the products and drawing out implications for a wider audience as potential improvements. We will continue to focus on implementing the recommendations of the review to help us further improve our advice and work towards achieving our ambitious target.

How advice and services provided by Cabinet Office and Government House is measured

The Prime Minister and Governor-General are surveyed annually on their satisfaction with advice and services provided by DPMC. The Governor-General's satisfaction with support provided by DPMC is measured using separate surveys administered by the Cabinet Office and Government House.

Changes in performance measurement

The following changes in performance measurement were made in the Supplementary Estimates of Appropriations 2025/26:

- The following measures were removed to align with DPMC's advice and support provided to the Prime Minister in our role in leading and stewarding the National Resilience System:
 - Ministerial satisfaction with the leadership of the national resilience, national security and emergency management systems
 - Risk-coordinating agencies are satisfied with the leadership of the national resilience system.
- The following measure was removed due to a change in the way the Cyber Security Fund is administered. Monitoring the progress of projects agreed by the Cyber Security Strategy Coordination Committee is now the responsibility of agencies receiving the funding:
 - Percentage of projects under the Cyber Security Strategy work programme on track to meet key delivery and funding milestones, as reported to the Cyber Security Strategy Coordination Committee (CSSCC).
- The following measure was added to better reflect DPMC's advice and support provided to the Prime Minister in our role in leading and stewarding the National Resilience System:
 - Ministerial satisfaction with the leadership and stewardship of the National Resilience System.

How much it cost

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000
50,810	Revenue Crown	51,118	60,264	51,118
1,052	Revenue Department	1,706	290	1,864
321	Revenue Other	685	40	40
52,183	TOTAL REVENUE	53,509	60,594	53,022
47,695	Departmental Expenses	48,248	60,594	53,022
4,488	Net Surplus/(Deficit)	5,261	-	-

Emergency Management Leadership and Support



This appropriation is intended to achieve an all-hazards, all-risks emergency management system that reduces risk, and is ready and able to, and assist recovery from, emergencies.

What we achieved

Performance measure	Target 2025/26	Result 2024/25	Result 2025/26	Achieved
The Minister for Emergency Management and Recovery is satisfied with the maintenance of emergency response capability during the transition of host responsibility for the National Emergency Management Agency to the Department of Internal Affairs on 25 September 2025	4	New measure	4	✓

Changes in performance measurement

The following changes in performance measurement were made in the Supplementary Estimates of Appropriations 2025/26.

- The following measures were removed due to hosting responsibilities for NEMA transferring from DPMC to DIA on 25 September 2025. All measures in this appropriation were replaced with one overarching measure to reflect the work involved in this transfer from 1 July to 25 September 2025:
 - The National Emergency Management Agency maintains a positive public reputation index score
 - Overall preparedness – New Zealanders are actively preparing for emergencies and know how to protect themselves against life safety risks posed by our most dangerous natural hazards.
- The following measure was added to report on the impact of the work in transferring hosting responsibilities of NEMA from DPMC to DIA:
 - The Minister for Emergency Management and Recovery is satisfied with the maintenance of emergency response capability during the transition of host responsibility for the National Emergency Management Agency to the Department of Internal Affairs on 25 September 2025.

How much it cost

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000
54,969	Revenue Crown	10,321	52,836	10,321
948	Revenue Department	74	230	-
108	Revenue Other	5	-	-
56,025	TOTAL REVENUE	10,400	53,066	10,321
51,502	Departmental Expenses	10,322	53,066	10,321
4,523	Net Surplus/(Deficit)	78	-	-
19,408	Non-departmental Expenses	1,014	3,666	1,014
-	Non-departmental Capital Expenses	-	-	-

The decrease in 2025/26 is due to the responsibility for hosting the National Emergency Management Agency having been transferred from the Department of the Prime Minister and Cabinet to the Department of Internal Affairs on 25 September 2025.

Category: Advice and Support for Emergency Risk Reduction, Readiness, Response and Recovery

This category is intended to achieve the provision of advice to ministers and the emergency management sector on the design, operation and performance of the emergency management system; building the capability and capacity of the emergency management sector (including communities) to plan for, respond to and recover from, emergencies; and leading and supporting response to and recovery from emergencies.

Changes in performance measurement

The following changes in performance measurement were made in the Supplementary Estimates of Appropriations 2025/26.

- The following measures were removed due to hosting responsibilities for NEMA transferring from DPMC to DIA on 25 September 2025. All measures in this appropriation were replaced with one overarching measure to reflect the work involved in this transfer from 1 July to 25 September 2025:
 - Percentage of New Zealanders who have taken action to prepare for an emergency in the last 12 months
 - Percentage of New Zealanders who know the correct action to take during an earthquake
 - Percentage of New Zealanders who know the correct action to take if they feel a long or strong earthquake near the coast
 - Satisfaction is at least 6 out of 10 in relation to the two measures below:
 - o if a Guideline, Technical Standard, or Code was required did it meet the CDEM sector users' needs
 - o the National Emergency Management Agency supports capability development by facilitating learning and training activities for organisations with responsibilities under the Civil Defence Emergency Management Act 2002
 - Number of Tsunami Monitoring and Detection buoys maintained to minimum manufacturer's standard
 - Number of times the National Emergency Management Agency improvement action plan is reviewed
 - The Minister for Emergency Management and Recovery is satisfied with the policy advice service provided by the National Emergency Management Agency
 - Average score for assessed policy papers
 - Quality of policy advice papers – 70% score 3 or higher, 30% score 4 or higher and no more than 10% score 2 or less.

How much it cost

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2025/26 Unaudited Supp. Estimates \$000
54,969	Revenue Crown	10,321	52,836	10,321
948	Revenue Department	74	230	-
108	Revenue Other	5	-	-
56,025	TOTAL REVENUE	10,400	53,066	10,321
51,502	Departmental Expenses	10,322	53,066	10,321
4,523	Net Surplus/(Deficit)	78	-	-

The decrease in 2025/26 is due to the responsibility for hosting the National Emergency Management Agency having been transferred from the Department of the Prime Minister and Cabinet to the Department of Internal Affairs on 25 September 2025.



Our financials

Tauāki pūtea

This section contains our financial statements for 2025/26, which report on the financial resources used by DPMC to deliver the goods and services purchased by our ministers, as well as financial statements, notes and other explanatory information.



Statement of responsibility

I am responsible, as the Chief Executive of the Department of the Prime Minister and Cabinet (the Department), for:

- the preparation of the Department's financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Department is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this Annual Report; and
- the accuracy of any end-of-year performance information prepared by the Department, whether or not that information is included in the Annual Report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of the Department;
- the financial statements fairly reflect the financial position of the Department as at 30 June 2026 and its operations for the year ended on that date; and
- the forecast financial statements fairly reflect the forecast financial position of the Department as at 30 June 2027 and its operations for the year ending on that date.



Ben King

Secretary of the Department of the Prime Minister and Cabinet, and Chief Executive
Te Tumu Whakarae mō Te Tari o te Pirimia me te Komiti Matua

Date: 28 September 2026

Independent Auditor's Report

To the readers of Department of the Prime Minister and Cabinet's annual report for the year ended 30 June 2026

The Auditor-General is the auditor of the Department of the Prime Minister and Cabinet (the 'Department'). The Auditor-General has appointed me, Anthony Heffernan, using the staff and resources of The Audit Office, to carry out the audit of the information required to be audited on his behalf.

Opinion

We have audited:

- The financial statements of the Department that comprise the statement of financial position, statement of commitments, and statement of contingent liabilities and contingent assets as at 30 June 2026, the statement of comprehensive revenue and expenses, statement of changes in equity, 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 on pages 62 to 80.
- The end-of-year performance information for appropriations of the Department for the year ended 30 June 2026 on pages 38 to 41 and pages 49 to 54.
- The statements of expenses and capital expenditure of the Department for the year ended 30 June 2026 on pages 45 to 48.
- The schedules of non-departmental activities managed by the Department on behalf of the Crown, that comprises the schedules of assets, liabilities, commitments, contingent assets, and contingent liabilities as at 30 June 2026, the schedules of expenses and revenue for the year ended 30 June 2026, and the notes to the schedules that include accounting policies and other explanatory information on pages 81 to 88.

In our opinion:

- The financial statements of the Department present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with Public Benefit Entity Standards.

- The end-of-year performance information for each appropriation for the year ended 30 June 2026 is appropriate and meaningful and prepared in accordance with the Department's measurement bases or evaluation methods and Public Benefit Entity Standards, and presents fairly, in all material respects:
 - what has been achieved with the appropriation; and
 - the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred.
- The statements of expenses and capital expenditure have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- The schedules of non-departmental activities which are managed by the Department on behalf of the Crown have been prepared, in all material respects, in accordance with the Treasury Instructions.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the information to be audited* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Department for preparing financial statements and end-of-year performance information for appropriations that are fairly presented and comply with Public Benefit Entity Standards and legislative requirements.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of end of year performance information for an appropriation that is appropriate and meaningful; and
- the preparation of end-of-year performance information for an appropriation in accordance with the Department's measurement bases or evaluation methods and Public Benefit Entity Standards and legislative requirements.

The Chief Executive is responsible on behalf of the Department for preparing Statements of expenses and capital expenditure, schedules of non-departmental activities managed by the Department on behalf of the Crown in accordance with the Public Finance Act 1989 and Treasury Instructions.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Department for assessing the Department's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Department, or there is no realistic alternative but to do so.

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

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audit, our procedures are limited to checking that the information agrees to the Estimates of Appropriations for the Government of New Zealand for the year ending 30 June 2026. For performance information for appropriations, we agree any changes from the performance measures and standards in the Estimates to the Supplementary Estimates. For the forecast financial information for the year ending 30 June 2027, our procedures are limited to checking to the best estimate financial forecast information based on the Budget Economic Fiscal Update for the year ending 30 June 2027.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit 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 the Department's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- In respect of the end-of-year performance information for appropriations, we:
 - obtain an understanding of the process applied by the Department to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods and evaluate whether these present an appropriate and meaningful assessment of the Department's service performance.
 - evaluate whether the end-of-year performance information for appropriations is prepared in accordance with the Department's measurement bases or evaluation methods, in accordance with Public Benefit Entity Standards.
- We evaluate whether the statements of expenses and capital expenditure, schedules of non-departmental activities have been prepared in accordance with legislative requirements.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises all of the information included in the annual report other than the information we audited and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Department in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Department.



Anthony Heffernan
The Audit Office
On behalf of the Auditor-General
Wellington, New Zealand
28 September 2026

Departmental financial statements

Statement of Comprehensive Revenue and Expenses

for the year ended 30 June 2026

2024/25 Actual \$000		Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2026/27 Unaudited Forecast \$000
REVENUE					
50,811	Revenue Crown	2	51,118	113,100	55,272
1,374	Other Revenue	2	2,392	560	362
52,185	TOTAL REVENUE		53,510	113,660	55,634
EXPENSES					
31,356	Personnel Costs	3	29,496	62,830	34,898
354	Depreciation and Amortisation Expense	8, 9	625	1,795	1,357
480	Capital Charge	4	539	740	529
15,505	Other Operating Expenses	5	17,588	48,295	18,850
47,695	TOTAL EXPENDITURE		48,248	113,660	55,634
4,490	NET SURPLUS/(DEFICIT) FROM CONTINUING OPERATIONS		5,262	-	-
6,336	NET SURPLUS/(DEFICIT) FROM DISCONTINUED OPERATIONS	6	78	-	-
10,826	TOTAL NET SURPLUS/(DEFICIT)		5,340	-	-
-	Other Comprehensive Revenue and Expenses		-	-	-
10,826	TOTAL COMPREHENSIVE REVENUE AND EXPENSES		5,340	-	-

Explanations of major variances against the original 2025/26 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of Financial Position

as at 30 June 2026

2024/25 Actual \$000		Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2026/27 Unaudited Forecast \$000
ASSETS					
CURRENT ASSETS					
11,630	Cash and Cash Equivalents		7,135	10,000	10,000
24,544	Debtor Crown	2	7,724	16,226	2,839
403	Other Receivables	7	1,619	1,060	430
58	Prepayments		50	116	-
289	Inventory		306	328	289
36,924	TOTAL CURRENT ASSETS		16,834	27,730	13,558
NON-CURRENT ASSETS					
5,320	Property, Plant and Equipment	8	2,485	5,955	1,906
-	Intangible Assets	9	1,339	6	3,539
5,320	TOTAL NON-CURRENT ASSETS		3,824	5,961	5,445
42,244	TOTAL ASSETS		20,658	33,691	19,003
LIABILITIES					
CURRENT LIABILITIES					
10,148	Payables and Deferred Revenue	10	2,017	12,492	6,332
1,077	Provision for Restructuring Costs	11	110	-	-
10,826	Provision for Repayment of Surplus	12	5,340	-	-
5,218	Employee Entitlements	13	2,309	4,128	2,028
27,269	TOTAL CURRENT LIABILITIES		9,776	16,620	8,360
NON-CURRENT LIABILITIES					
267	Employee Entitlements	13	170	-	-
267	TOTAL NON-CURRENT LIABILITIES		170	-	-
27,536	TOTAL LIABILITIES		9,946	16,620	8,360
14,708	NET ASSETS		10,712	17,071	10,643
EQUITY					
14,708	Taxpayers' Funds		10,712	17,071	10,643
14,708	TOTAL EQUITY		10,712	17,071	10,643

Explanations of major variances against the original 2025/26 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2026

2024/25 Actual \$000	Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2026/27 Unaudited Forecast \$000
14,708	Balance as at 1 July	14,708	14,801	10,643
10,826	Total Comprehensive Revenue and Expenses	5,340	-	-
-	Capital injections	-	2,270	-
-	Capital withdrawals	(3,996)	-	-
(10,826)	Return of operating surplus to the Crown	(5,340)	-	-
14,708	BALANCE AS AT 30 JUNE	10,712	17,071	10,643

Statement of Cash Flows

for the year ended 30 June 2026

2024/25 Actual \$000	Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000	2026/27 Unaudited Forecast \$000
CASH FLOWS FROM OPERATING ACTIVITIES				
126,137	Receipts from the Crown	78,259	123,417	56,562
3,499	Receipts from Other Revenue	2,337	560	362
(39,727)	Payments to Suppliers	(27,280)	(48,372)	(18,693)
(63,582)	Payments to Employees	(40,394)	(62,753)	(34,852)
(735)	Payments for Capital Charge	(636)	(740)	(529)
(1,697)	Goods and Services Tax (net)	(2,756)	-	-
23,895	NET CASH FLOWS FROM OPERATING ACTIVITIES	9,530	12,112	2,850
CASH FLOWS FROM INVESTING ACTIVITIES				
-	Receipts from sale of Property, Plant and Equipment	2,209	-	-
(350)	Purchases of Property, Plant and Equipment	(73)	(2,370)	(100)
-	Purchases of Intangible assets	(1,339)	-	(2,750)
(350)	NET CASH FLOWS FROM INVESTING ACTIVITIES	797	(2,370)	(2,850)
CASH FLOWS FROM FINANCING ACTIVITIES				
(22,368)	Repayment of operating Surplus to the Crown	(10,826)	(12,012)	-
-	Capital Contributions	-	2,270	-
-	Capital Withdrawals	(3,996)	-	-
(22,368)	NET CASH FROM FINANCING ACTIVITIES	(14,822)	(9,742)	-
1,177	Net Increase/(Decrease) in Cash and Cash Equivalents	(4,495)	-	-
10,453	Cash and cash equivalents at the beginning of the year	11,630	10,000	10,000
11,630	CASH AND CASH EQUIVALENTS AT END OF THE YEAR	7,135	10,000	10,000

Explanations of major variances against the original 2025/26 budget are provided in Note 17.

The accompanying notes form part of these financial statements.

Statement of Commitments

as at 30 June 2026

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for acquiring property, plant and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date.

Cancellable capital commitments that have penalty or exit costs on exercising that option to cancel explicit in the agreement are reported at the value of those penalty or exit costs (that is, the minimum future payments).

Non-cancellable operating lease commitments

The Department leases property, plant and equipment in the normal course of business. These leases are for office premises around New Zealand. These non-cancellable operating leases have varying terms, escalation clauses and renewal rights. The non-cancellable leasing period for these leases varies. There are no restrictions placed on the Department by any of the operating lease arrangements.

2024/25 Actual \$000		2025/26 Actual \$000
CAPITAL COMMITMENTS		
-	Motor Vehicles	103
-	TOTAL CAPITAL COMMITMENTS	103
NON-CANCELLABLE OPERATING LEASE COMMITMENTS		
The future aggregate minimum lease payments to be paid under non-cancellable operating leases		
2,614	No later than one year	1,492
10,006	Later than one year and not later than five years	4,276
558	Later than five years	-
13,178	TOTAL NON-CANCELLABLE OPERATING LEASE COMMITMENTS	5,768

Statement of Contingent Liabilities and Contingent Assets

as at 30 June 2026

Contingent liabilities

The Department has no contingent liabilities (2025: Nil).

Contingent assets

The Department has no contingent assets (2025: Nil).

The accompanying notes form part of these financial statements.

Notes to the Departmental financial statements

for the year ended 30 June 2026

1. Statement of Accounting Policies

Reporting entity

The Department of the Prime Minister and Cabinet (the Department) is a government department defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Department's operations includes the Public Finance Act 1989 (PFA) and the Public Service Act 2020. The Department's ultimate parent is the New Zealand Crown.

The Department's primary objective is to provide services to the New Zealand public and does not operate to make a financial return. It operates as the advisor, leader and steward of New Zealand's system of executive government.

The Department has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practices in New Zealand (NZ GAAP).

The financial statements of the Department are for the year ended 30 June 2026 and were approved for issue by the Chief Executive on 28 September 2026.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the PFA, which includes the requirement to comply with NZ GAAP and Treasury Instructions.

The financial statements have been prepared in accordance with and comply with Tier 1 NZ PBE Accounting Standards.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ dollars), and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

There have been no changes in the Department's accounting policies since the date of the last audited financial statements.

Comparatives

The comparative financial period presented is 12 months. All comparative information is consistent with the previous year except for the Statement of Comprehensive Revenue and Expenses and its related notes which have been restated to show the Net Surplus/(Deficit) for continuing and discontinued operations separately.

Standards issued and not yet effective and not early adopted

Standards and amendments issued but not yet effective and that have not been adopted early, and that are relevant to the Department are:

2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1)

This amendment clarifies the principles for classifying a liability as current or non-current. The amendment is effective for the year ending 30 June 2027.

These amendments are not expected to have a significant impact on the department's financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Critical accounting estimates and assumptions

In preparing these financial statements the department has made estimates and assumptions about the future. These estimates and assumptions may differ from the subsequent actual results. The Department continually evaluates the estimates and assumptions, which are based on historical experience and other factors, including expectations of future events that the Department believes to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of liabilities relate to the measurement of long service and retirement leave (see Note 13).

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. The Department is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

Goods and services tax

All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are stated on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue (IR) is included as part of receivables or payables in the statement of financial position.

The net GST paid to or received from the IR, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Department is a public authority and consequently is exempt from income tax. Accordingly, no provision has been made for income tax.

Budget and forecast figures

Basis of the budget and forecast figures

The 2026 budget figures are for the year ended 30 June 2026 and were published in the 2024/25 annual report. They are consistent with the Department's best estimate financial forecast information submitted to the Treasury for the *Budget Economic and Fiscal Update* (BEFU) for the year ending 30 June 2026.

The 2027 forecast figures are for the year ending 30 June 2027, which are consistent with the best estimate financial forecast information submitted to the Treasury for the BEFU for the year ending 30 June 2027.

The forecast statements have been prepared to communicate forecast financial information for accountability purposes, as required by the Act.

The budget and forecast figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

The 30 June 2027 forecast figures have been prepared in accordance with and comply with PBE FRS 42 *Prospective Financial Statements*.

The forecast financial statements were approved for issue by the Chief Executive on 15 April 2026.

The Chief Executive is responsible for the forecast financial statements, including the appropriateness of the assumptions underlying them and all other required disclosures.

Although the Department regularly updates its forecasts, updated forecast financial statements for the year ending 30 June 2027 will not be published.

Significant assumptions used in preparing the forecast financial information

The forecast figures contained in these financial statements reflect the Department's purpose and activities and are based on several assumptions on what might occur during the 2026/27 year. The forecast figures have been compiled on the basis of existing government policies and ministerial expectations at the time the Estimates of Appropriations 2025/26 were finalised.

The main assumptions which were adopted as at 15 April 2026 were as follows:

- The Department's activities and output expectations will be focused on its core activities.
- Operating costs were based on historical experience and other factors that are believed to be reasonable in the circumstances and are the Department's best estimate of future costs that will be incurred.

- Remuneration rates are based on current wages and salary costs, adjusted for anticipated remuneration changes.
- Estimated year-end information for 2025/26 was used as the opening position for the 2026/27 forecasts.

The actual financial results achieved for 30 June 2027 are likely to vary from the forecast information presented, and the variations might be material.

Since the forecasts were approved, no significant changes that would have a material effect on the forecast have occurred.

Statement of cost accounting policies for Department Financial Statements

The cost accounting policies of the Department are used to allocate the expenditure incurred to the related appropriation as provided in the Appropriation Statements on pages 45 to 48. There have been no changes in cost accounting policies since the date of the last audited Financial Statements. The Department has determined the cost of outputs using the following cost allocation system:

- direct costs are expenses incurred from activities in producing outputs. These costs are charged directly to the related appropriations, and
- indirect costs are expenses incurred by Corporate (previously known as the Strategy, Governance and Engagement Group). Indirect costs are allocated to appropriations based on full-time equivalent personnel numbers. Indirect costs include those costs incurred by the Central Agencies' Shared Services function within the Treasury and then recovered from DPMC.

2. Revenue

Accounting policy

Revenue Crown

Revenue from the Crown is measured based on the Department's funding entitlement for the reporting period. The funding entitlement is established by Parliament when it passes the Appropriation Act for the financial year.

The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved prior to balance date.

There are no conditions attached to the funding from the Crown. However, the Department can incur expenses only within the scope and limits of its appropriations.

The fair value of Revenue Crown has been determined to be equivalent to the funding entitlement.

Debtor Crown represents amounts receivable from the Crown under normal appropriation arrangements. These arise where the Department has incurred expenditure in advance of receiving cash funding, or where revenue earned has not yet been received.

Receivables from the Crown are classified as non-exchange receivables and are measured at face value, as they are generally settled within the following financial year. The balance represents the appropriated amount receivable from the Crown at balance date. The Department has no reason to believe that the Crown will not fully settle the amount outstanding. Accordingly, no provision for impairment has been made.

Other revenue

Other revenue is recognised in the year in which the services are delivered. Revenue is recognised based on costs incurred in delivering the services, as this best reflects the stage of completion of the arrangement and the value of services provided. Amounts received before the related services are provided are recognised as revenue received in advance.

Breakdown of Other Revenue

2024/25 Actual \$000		2025/26 Actual \$000
1,053	Revenue Department – Other Government Agencies	1,707
321	Third Party – Other Revenue	685
1,374	TOTAL OTHER REVENUE	2,392

3. Personnel Costs

Accounting policy

Salaries and wages

Salaries and wages are recognised as an expense as employees provide services.

Superannuation schemes

Defined contribution schemes

Employee contributions to the State Sector Retirement Savings Scheme ("SSRSS"), KiwiSaver, and the Government Superannuation Fund ("GSF") are accounted for as defined contribution superannuation schemes and are expensed in the surplus or deficit as incurred.

Defined benefit scheme

The Department makes contributions to the Defined Benefit Plan (DBP) Contributors Scheme (the scheme), which is managed by the Board of Trustees of the National Provident Fund. The scheme is a multi-employer defined benefit scheme.

Insufficient information is available to apply defined benefit accounting because the scheme's terms do not specify how any surplus or deficit will affect future contributions by individual employers, nor is there a prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

Employer contributions to the defined benefit plans totalling \$190,000 (2025: \$203,000) have been classified as defined-contribution plan contributions. The expected contributions for the year ending 30 June 2027 are approximately \$180,000.

Breakdown of Personnel Costs

2024/25 Actual \$000		2025/26 Actual \$000
29,498	Salaries and Wages	28,197
855	Employer Contributions to Defined-Contribution Plans	891
(152)	Increase/(Decrease) in Employee Entitlements	(141)
1,077	Restructuring Costs	-
78	Other Personal Costs	549
31,356	TOTAL PERSONNEL COSTS	29,496

4. Capital Charge

Accounting policy

The capital charge is recognised as an expense in the financial year to which the charge relates.

The Department pays a capital charge to the Crown on its equity as at 30 June and 31 December each year.

The capital charge rate for the year ended 30 June 2026 was 5% (2025: 5%).

5. Other Operating Expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

Grant expenditure

The Department's grants awarded have no substantive conditions attached. Non-discretionary grants are those grants awarded if the grant application meets the specified criteria. They are recognised as an expense when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Department has no obligation to award on receipt of the grant application. They are recognised as an expense when approved by the Grants Approvals Committee and the approval has been communicated to the applicant.

Other expenses

Other expenses are recognised as goods and services are received.

Breakdown of Other Operating Expenses

2024/25 Actual \$000		2025/26 Actual \$000
7,230	Central Agencies' Shared Services (finance, human resources and payroll, information technology, information management, web and publishing services)	7,665
1,564	Premises Rental	2,445
1,540	Professional Services	1,455
310	Grants & Sponsorship	1,253
1,109	Travel Costs	1,096
1,233	Facilities Costs	1,001
739	Building and Ground Maintenance Costs	782
276	IT-related Costs	313
508	Consultancy	311
95	Fees to The Audit Office for Audit of Financial Statements	162
156	Honours Insignia Costs	151
295	Legal Fees	124
138	Photocopying and Printing Costs	105
104	Telecommunications	93
86	Professional Development and Resources	86
48	Kitchen and Catering Expenses	65
5	Promotion and Publicity Costs	5
1	Motor Vehicle Lease and Maintenance Expenses	3
11	Net (gain)/loss on Disposal of Property, Plant and Equipment	1
57	Other expenses	472
15,505	TOTAL OTHER OPERATING EXPENSES	17,588

6. Discontinued Operations

On 7 April 2025 Cabinet agreed that the responsibility for hosting the departmental agency, the National Emergency Management Agency (NEMA), be transferred from the Department of the Prime Minister and Cabinet (DPMC) to the Department of Internal Affairs (DIA) on 25 September 2025. For financial reporting purposes the transfer of the NEMA operations from DPMC to DIA has been treated as a discontinued operation.

The comparative amounts as reported in the Statement of Comprehensive Revenue and Expenses and the related notes have been restated to show the Net Surplus/(Deficit) for continuing and discontinued operations separately.

The financial performance and cash flows of the discontinued operations are presented below for NEMA related activities for the period 1 July 2025 to 25 September 2025.

Financial Performance of Discontinued Operation

2024/25 Actual \$000		2025/26 Actual \$000
65,220	Revenue	10,400
58,884	Expenses	10,322
6,336	SURPLUS FROM DISCONTINUED OPERATIONS	78

Cash Flows of Discontinued Operation

2024/25 Actual \$000		2025/26 Actual \$000
7,020	Net cash from operating activities	(5,634)
(323)	Net cash used in investing activities	477
(15,281)	Net cash used in financing activities	(6,333)
(8,584)	NET DECREASE IN CASH GENERATED BY THE DISCONTINUED OPERATIONS	(11,490)

Transfer of Discontinued Operation

As at 25 September 2025 the following NEMA-related net assets were transferred from DPMC to DIA.

	2025/26 Actual \$000
Assets	
Property, Plant and Equipment	2,209
Other Receivables	12
TOTAL ASSETS	2,221
Liabilities	
Employee entitlements	1,630
Payables	229
TOTAL LIABILITIES	1,859
NET ASSETS TRANSFERRED	362
CASH RECEIVED FROM DIA	362

7. Other Receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses (ECL). The Department applies the simplified ECL model of recognising lifetime ECL's for short-term receivables.

In measuring ECLs, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

Short-term receivables are written off when there are no reasonable expectations of recovery. Indicators that there are no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

Breakdown of Other Receivables

2024/25 Actual \$000		2025/26 Actual \$000
245	Receivables from exchange transactions	320
158	Accrued receivables from exchange transactions	180
-	Receivables from GST	1,119
403	TOTAL RECEIVABLES	1,619
	<i>Receivables consist of</i>	
400	Cost recoveries from Government agencies	497
3	Other receivables	3
-	Receivables from GST	1,119
403	TOTAL RECEIVABLES	1,619

Ageing of Other Receivables

2024/25 Actual \$000		2025/26 Actual \$000
233	Current	1,423
21	Past Due 31-60 days	-
-	Past Due 61-90 days	184
149	Past due 91 days not impaired ⁸	12
403	TOTAL RECEIVABLES	1,619

⁸ While some receivables are past due, including those outstanding for more than 90 days, no impairment provision has been recognised as a review of historical collection patterns, counterparty characteristics, and forward-looking information indicates no significant increase in credit risk. The Department considers these balances to be recoverable, and the lifetime expected credit losses to be immaterial.

8. Property, Plant and Equipment

Accounting policy

Property, plant and equipment consists of furniture and fittings, motor vehicles and plant and equipment. All asset classes are measured at cost, less accumulated depreciation, and impairment loss.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Department and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

An item of property, plant and equipment is initially recognised at their cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. Where an asset is acquired through a non-exchange transaction, it is recognised at fair value as at date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in surplus or deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Department and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant, and equipment at rates that will write off the cost of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of major classes of property, plant, and equipment have been estimated as follows:

- Fixtures 10 years
- Furniture 5 years
- Plant and Equipment 3 to 5 years
- Motor Vehicles 4 years

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the remaining useful life of the improvements.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value-in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to its recoverable amount. The total impairment loss is recognised in surplus or deficit. The reversal of an impairment loss is also recognised in surplus or deficit.

Breakdown of Property, Plant and Equipment Movements

Movements for each class of property, plant, and equipment are as follows:

	Furniture and Fittings \$000	Motor Vehicles \$000	Work in Progress \$000	Plant and Equipment \$000	Total \$000
COST					
Balance as at 1 July 2024	4,765	44	865	2,201	7,875
Additions	-	-	350	-	350
Disposals	(55)	-	-	(83)	(138)
Transfers	96	-	(1,136)	1,040	-
BALANCE AS AT 30 JUNE 2025	4,806	44	79	3,158	8,087
Additions	49	-	17	8	74
Disposals	(2,062)	-	-	(2,079)	(4,141)
Transfers	77	-	(77)	-	-
Other Movements	74	46	(2)	-	118
BALANCE AS AT 30 JUNE 2026	2,944	90	17	1,087	4,138
ACCUMULATED DEPRECIATION AND IMPAIRMENT					
Balance as at 1 July 2024	426	18	-	1,432	1,876
Depreciation Expense	605	11	-	392	1,008
Disposals	(34)	-	-	(83)	(117)
BALANCE AS AT 30 JUNE 2025	997	29	-	1,741	2,767
Depreciation Expense	436	11	-	242	689
Disposals	(570)	-	-	(1,351)	(1,921)
Other Movements	74	41	-	3	118
BALANCE AS AT 30 JUNE 2026	937	81	-	635	1,653
CARRYING VALUE					
As at 1 July 2024	4,339	26	865	769	5,999
As at 30 June 2025	3,809	15	79	1,417	5,320
As at 30 June 2026	2,007	9	17	452	2,485

The depreciation amounts in this table include both discontinuing and continuing operations.

9. Intangible Assets

Accounting policy

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire the specific software and bring it to use.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the costs of services, software development employee costs, and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Costs associated with development and maintenance of the Department's website 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 is recognised in surplus or deficit for the year.

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

- Acquired computer software 5 years 20%
- Internally developed computer software 5 years 20%

The useful life of software is determined at the time the software is acquired and brought into use and is reviewed at each reporting date for appropriateness. For computer software licences, the useful life represents management's view of the expected period over which the Department will receive benefits from the software for, but not exceeding the licence term. For internally generated software, the useful life is based on historical experience with similar systems as well as anticipation of future events that might affect the useful life, such as changes in technology.

Impairment

Intangible assets that have an indefinite useful life or that are not yet available for use are tested annually for impairment, irrespective of whether there is any indicator of impairment. For further details on the impairment approach refer to the policy in Property, Plant and Equipment (Note 8). The same approach applies to the impairment of intangible assets.

Intangible assets subsequently measured at cost that have an indefinite useful life or that are not yet available for use are tested annually for impairment, irrespective of whether there is any indicator of impairment.

Breakdown of Intangible Assets Movements

Movements in the carrying value for each class of intangible asset are as follows:

	Acquired software \$000	Internally developed software \$000	Work in Progress – Internally developed software \$000	Total \$000
COST				
Balance as at 1 July 2024	247	4,445	-	4,692
BALANCE AS AT 30 JUNE 2025	247	4,445	-	4,692
Additions	-	-	1,339	1,339
Disposals	(55)	-	-	(55)
BALANCE AS AT 30 JUNE 2026	192	4,445	1,339	5,976
ACCUMULATED AMORTISATION AND IMPAIRMENT				
Balance as at 1 July 2024	236	4,445	-	4,681
Amortisation Expense	11	-	-	11
BALANCE AS AT 30 JUNE 2025	247	4,445	-	4,692
Amortisation Expense	-	-	-	-
Disposals	(55)	-	-	(55)
BALANCE AS AT 30 JUNE 2026	192	4,445	-	4,637
CARRYING VALUE				
As at 1 July 2024	11	-	-	11
As at 30 June 2025	-	-	-	-
As at 30 June 2026	-	-	1,339	1,339

10. Payables

Accounting policy

Short-term payables are recorded at the amount payable to suppliers.

Breakdown of Payables

2024/25 Actual \$000		2025/26 Actual \$000
PAYABLES – EXCHANGE TRANSACTIONS		
845	Income in Advance	1,012
3,942	Accrued Expenses	873
3,724	Payables	132
8,511	TOTAL PAYABLES (EXCHANGE)	2,017
PAYABLES – NON-EXCHANGE TRANSACTIONS		
1,637	GST Payable	-
1,637	TOTAL PAYABLES (NON-EXCHANGE)	-
10,148	TOTAL PAYABLES	2,017

11. Provision for Restructuring Costs

Accounting policy

A provision is recognised for future expenditure of an uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

The provision for restructuring costs is recognised when an approved, detailed, formal plan for a restructure has either been announced publicly to those affected or when implementation has already commenced.

On 15 May 2025, a proposed new structure for the Department was released to all staff for consultation.

On 3 July 2025 the new structure was confirmed and communicated to all staff. The provision covers employee termination benefits (e.g. redundancy payments) directly associated with the implementation of the restructuring. All amounts are expected to be fully paid within 12 months of reporting date.

Movements in Provision

2024/25 Actual \$000		2025/26 Actual \$000
-	As at July	1,077
1,077	Additional provision made during the year	-
-	Amounts used	(828)
-	Unused amounts reversed	(139)
1,077	AS AT JUNE	110

12. Return of Operating Surplus

2024/25 Actual \$000	2025/26 Actual \$000
10,826	5,340
Return of operating surplus	

The return of operating surplus to the Crown is required to be paid by 31 October of each year.

13. Employee Entitlements

Accounting policy

Short-term employee entitlements

Accrued salaries, annual leave, retirement leave, and other employee entitlements that are expected to be settled within 12 months of balance date are measured based on accrued entitlements at current rates of pay.

Long-term employee entitlements

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information, and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, vested long service leave, and non-vested long service leave expected to be settled within 12 months of balance date are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Critical accounting estimates and assumptions

Measuring long service leave depends on several factors that are determined on an actuarial basis using several assumptions. Two key assumptions used in calculating this liability include the discount rate and the salary inflation factor. Any changes in these assumptions will affect the carrying amount of the liability.

The discount rates used are those advised by the Treasury. The salary inflation factor is the Department's best estimate forecast of salary increments and rates advised by the Treasury.

Any changes in these appropriate assumptions will change the carrying amount of the liability.

2025	Discount rate	2026
3.14%	Year 1	2.97%
3.47%	Year 2	3.75%
5.58%	Year 3	5.38%

2025	Salary inflation factor	2026
2.60%	Year 1	2.00%
2.89%	Year 2	3.12%
2.89%	Year 3	3.12%

Breakdown of Employee Entitlements

2024/25 Actual \$000		2025/26 Actual \$000
CURRENT		
2,882	Annual Leave	1,483
1,957	Salary Accrual	642
179	Long Service Leave	30
47	Other Employee Benefits	21
153	Sick Leave	133
5,218	TOTAL CURRENT LIABILITIES	2,309
NON-CURRENT		
267	Long Service Leave	170
267	TOTAL NON-CURRENT LIABILITIES	170
5,485	TOTAL EMPLOYEE ENTITLEMENTS	2,479

14. Reconciliation of Net Surplus to Net Cash Flows from Operating Activities

2024/25 Actual \$000		2025/26 Actual \$000
10,826	NET SURPLUS (DEFICIT)	5,340
ADD/(LESS) NON-CASH ITEMS		
1,019	Depreciation and Amortisation	689
1,019	TOTAL NON-CASH ITEMS	689
ADD/(LESS) WORKING CAPITAL MOVEMENT		
11,898	(Increase)/Decrease in Receivables and Prepayments	14,644
39	(Increase)/Decrease in Inventories	(16)
1,658	Increase/(Decrease) in Payables	(4,407)
(2,491)	Increase/(Decrease) in GST	(2,756)
1,077	Increase/(Decrease) in Provisions	(967)
(135)	Increase/(Decrease) in Employee Entitlements	(3,007)
12,046	TOTAL NET MOVEMENT IN WORKING CAPITAL ITEMS	3,491
(17)	Add/(Less) Movements in Non-current Liabilities	-
ADD/(LESS) ITEMS CLASSIFIED AS INVESTING OR FINANCING ACTIVITIES		
21	(Gain)/loss on disposal of property, plant, and equipment	10
23,895	NET CASH FLOWS FROM OPERATING ACTIVITIES	9,530

15. Financial Instruments

Classification of financial instruments

For financial reporting purposes all financial assets and financial liabilities are classified as being measured at amortised cost.

Based on the nature of financial instruments held, the Department has no financial instruments measured at fair value as at 30 June 2026 (2025: Nil).

Financial instrument risks

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

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises from future purchases and recognised liabilities that are denominated in a foreign currency.

The Department may contract for services internationally, but has limited exposure to currency risk because such transactions are concluded within a short period.

Credit risk

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

In the normal course of its business, credit risk arises from receivables and deposits with banks.

The Department's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables.

The Department is permitted to deposit funds only with Westpac (Standard & Poor's credit rating of AA-), a registered bank, and enter into foreign exchange forward contracts with the New Zealand Debt Management function within Treasury (Standard & Poor's credit rating of AA). The credit risk of cash and cash equivalents is considered trivial.

The credit risk in regard to receivable balances is considered low because the Department transacts with counterparties that have a strong credit history, primarily government departments, and forward-looking information does not suggest a deterioration in their ability to meet obligations.

Liquidity risk

Liquidity risk is the risk that the Department will encounter difficulty raising liquid funds to meet its commitments as they fall due. As part of meeting its liquidity requirements, the Department closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management function within Treasury. The Department maintains a target level of available cash to meet liquidity requirements.

The only form of financial instrument liabilities held by the Department are payables which are generally payable in less than 30 days.

16. Related-party Transactions

The Department is a wholly owned entity of the Crown.

Related parties exist when an entity or person(s) has the ability to significantly influence the financial and operating policies of the Department. The Department has a related party relationship with the Crown, and key management personnel.

The Department undertakes transactions with other departments, Crown entities and State-Owned Enterprises (SOEs). These transactions are carried out at an arm's length basis and are therefore not disclosed as related-party transactions except for rent for part of the Department located in the Executive Wing of Parliament Buildings where no rent is being incurred. Apart from those transactions, the Department has not entered into any related-party transactions.

In conducting its activities, the Department is required to pay various taxes and levies to the Crown and entities related to the Crown. The payment of these taxes and levies is based on the standard terms and conditions that apply to all tax and levy payers. The Department is exempt from paying income tax.

There were no related-party transactions involving key management personnel or their close family members. No provision has been required, nor any expense recognised, for impairment of receivables from related parties (2025: Nil).

Key management personnel compensation

Key management personnel includes the Chief Executives (DPMC and NEMA) and 6 other members of the Executive Leadership Team and those formally acting in these positions during the financial year on a full-time equivalent basis.

2024/25 Actual \$000		2025/26 Actual \$000
3,153	Total key management personnel remuneration	2,403
8	Number of persons recognised as key management personnel (determined on an FTE basis)	5.6

The above key management personnel compensation excludes the remuneration and other benefits for the Prime Minister and other Cabinet Ministers. The Minister's remuneration and other benefits are not received only for his role as a member of key management personnel of the Department. The Remuneration Authority sets the Minister's remuneration and other benefits under the Members of Parliament (Remuneration and Services) Act 2013, and they are paid under permanent legislative authority on behalf of the Crown by the Department of Internal Affairs.

17. Explanations of Major Variances Against Budget

Explanations for major variances between the Department's original 2025/26 budget figures and the 2025/26 year actuals are as follows:

Revenue

Revenue was lower than budgeted by \$60.150 million due to:

- The transfer of the National Emergency Management Agency (NEMA) which was transferred to the Department of Internal Affairs (DIA) on 25 September 2025, and which is described further in note 6.
- A transfer of appropriation of \$12.500 million was processed during Budget 2026 from 2025/26 to 2026/27 due to lower costs following an organisation change and efficiencies realised in 2025/26.

Expenditure

Expenditure was lower than budgeted by \$65.412 million due to:

- The transfer of NEMA which was transferred to DIA on 25 September 2025, and which is described further in note 6.
- Lower costs following an organisational change and efficiencies realised in 2025/26.

Balance sheet

Reductions in balance sheet accounts primarily relate to the transfer of NEMA to the DIA on 25 September 2025, and which is described further in note 6.

Expenditure on a software project was reclassified during the financial year from Property, Plant and Equipment to Intangible Assets.

Cash flow

Changes in cash flows from operating, investing, and financing primarily relate to the transfer of NEMA to the DIA on 25 September 2025, and which is described further in note 6.

18. Events After the Balance Date

There have been no significant events after balance date.

Non-departmental schedules

The following non-departmental schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets that the Department manages on behalf of the Crown.

Schedule of Non-departmental Revenue and Receipts

for the year ended 30 June 2026

The following non-departmental schedules record the revenue, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets that the Department manages on behalf of the Crown.

2024/25 Actual \$000		2025/26 Actual \$000	2025/26 Unaudited Budget \$000
3,520	Other Revenue	643	6,450
3,520	TOTAL NON-DEPARTMENTAL REVENUE AND RECEIPTS	643	6,450

Schedule of Non-departmental Expenses

for the year ended 30 June 2026

2024/25 Actual \$000		Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000
1,000,920	Grants and Contributions	2	873	4,283
(4,165)	Increase/(Decrease) to Provisions for emergency events	6	-	-
3,203	Depreciation	5	1,752	3,508
6,033	Other Operating Costs	3	3,412	6,533
124,540	Goods and Services Tax		446	3,515
1,130,531	TOTAL NON-DEPARTMENTAL EXPENSES		6,483	17,839

Schedule of Non-departmental Assets and Liabilities

as at 30 June 2026

2024/25 Actual \$000 (Restated*)		Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000
ASSETS				
CURRENT ASSETS				
23,836	Cash in Bank		1,111	14,918
254,775	Funds held by Programme Administrator	4	-	-
1,971	Receivables		15	17
11,662	Prepayment	-	11	-
292,244	TOTAL CURRENT ASSETS		1,137	14,935

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.

2024/25 Actual \$000 (Restated*)		Note	2025/26 Actual \$000	2025/26 Unaudited Budget \$000
NON-CURRENT ASSETS				
207,712	Property, Plant and Equipment	5	141,527	159,440
207,712	TOTAL NON-CURRENT ASSETS		141,527	159,440
499,956	TOTAL NON-DEPARTMENTAL ASSETS		142,664	174,375
LIABILITIES				
CURRENT LIABILITIES				
1,392	Payables		380	8,706
700,196	Provisions	6	-	6,269
701,588	TOTAL CURRENT LIABILITIES		380	14,975
NON-CURRENT LIABILITIES				
324,158	Provisions	6	-	-
324,158	TOTAL NON-CURRENT LIABILITIES		-	-
1,025,746	TOTAL LIABILITIES		380	14,975
REVALUATION RESERVES				
132,108	Property Revaluation Reserves	5	77,578	86,895
132,108	TOTAL REVALUATION RESERVES		77,578	86,895

Schedule of Non-departmental Commitments

as at 30 June 2026

The Department, on behalf of the Crown, has no operating commitments in Vote Prime Minister and Cabinet (2025: Nil).

The Department, on behalf of the Crown, has no capital commitments in Vote Prime Minister and Cabinet (2025: Nil).

Schedule of Non-departmental Contingent Liabilities and Contingent Assets

as at 30 June 2026

The Department on behalf of the Crown, has no contingent liabilities and assets (2025: Ten unquantifiable contingent liabilities).

The accompanying notes form part of these financial statements.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.

Notes to the Non-departmental schedules

1. Statement of Accounting Policies

Reporting entity

These non-departmental schedules present financial information on public funds that the Department manages on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2026. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, refer to the Financial Statements of the Government for the year ended 30 June 2026.

Basis of preparation

The non-departmental schedules have been prepared in accordance with the accounting policies of the consolidated Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental statements and schedules are consistent with generally accepted accounting practice (Public Benefit Entity Accounting Standards) as appropriate for public benefit entities.

Presentation currency and rounding

The non-departmental schedules are presented in New Zealand dollars (NZ dollars), and all values are rounded to the nearest thousand dollars (\$000).

Changes in accounting policies

There have been no changes in the Crown's accounting policies impacting the presentation of the non-departmental schedules and accompanying notes since the date of the last audited financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes to which they relate. Significant accounting policies that do not relate to a specific note are outlined below.

Critical accounting estimates and assumptions

In preparing these non-departmental schedules, estimates and assumptions have been made concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the non-departmental assets and liabilities within the next reporting period are in respect of estimating the fair value of land and buildings (see Note 2 Property, Plant and Equipment) and the non-departmental provisions for emergencies (see Note 7 Provisions).

Goods and services tax

Items in the non-departmental statements and schedules are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense in the schedule of non-departmental expenses, and is eliminated against GST revenue on consolidation of the Financial Statements of the Government.

Donated 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 Schedule of Non-departmental Revenue and Receipts if it meets the capitalisation value threshold.

Explanatory notes provide details of significant Vote Prime Minister and Cabinet non-departmental expenditure, revenue, assets and liabilities. All non-departmental balances are included in the Financial Statements of the Government of New Zealand.

Comparatives

The comparative financial period presented is 12 months. All comparative information is consistent with the previous year.

2. Grants and Contributions

2024/25 Actual \$000		2025/26 Actual \$000
982,527	Grants for North Island Severe Weather Events	-
14,267	Grants for Emergency Events	371
4,126	Other Grants	502
1,000,920	TOTAL	873

Grants and contributions primarily related to the FOSAL programme, which was transferred to the Department of Internal Affairs (DIA) on 1 July 2025. This transfer resulted in a significant reduction in grants and contributions expenditure in 2025/26.

3. Other Operating Expenses

Breakdown of other operating expenses is as follows:

2024/25 Actual \$000		2025/26 Actual \$000
1,023	Personnel Costs	1,151
2,609	Consultancy	-
909	Building and Equipment Maintenance Costs	716
526	Travel Costs	632
830	Ceremonial and Catering Costs	746
136	Other Operating Expenses	167
6,033	TOTAL OTHER OPERATING EXPENSES	3,412

4. Funds Held By Programme Administrator

Funds held by National Infrastructure Funding and Financing Limited (NIFFCo) for distribution pertain to funding provided to the company to deliver financial support to local authorities impacted by severe weather events under the Cyclone Recovery programme. NIFFCo has been determined to be acting as an agent of the Crown for the programme with relation to the distribution of funding grants. In reaching this judgement, the following key factors have been considered:

- NIFFCo's role is to manage and administer the programme and arrange for funding to be transferred to recipients on satisfaction of terms of the funding agreements.
- NIFFCo does not have significant discretion in respect to which recipients are funded, or how much they receive.
- NIFFCo received a fixed administration fee rather than margin-based income.

Breakdown of funds held by NIFFCo is as follows:

2024/25 Actual \$000		2025/26 Actual \$000
68,075	FOSAL – Category 2	-
56,132	FOSAL – Category 3	-
33,747	Flood Resilience	-
96,821	Kaupapa Māori Pathway	-
254,775	TOTAL	-

From 1 July 2025, the administration of the FOSAL programme was transferred to the Department of Internal Affairs (DIA). Accordingly, this provision was transferred to DIA's non-departmental schedules as of that date.

Following the disestablishment of the Chief Executive, Cyclone Recovery, hosted by the Department, the provisions for Emergency Expenses and FOSAL were transferred to the Department of Internal Affairs on 25 September 2025.

5. Property, Plant and Equipment

Accounting policy

Property, plant, and equipment consists of the following asset classes: land, buildings, antiques and artworks, plant and equipment and other assets.

Land is measured at fair value, and buildings are measured at fair value less accumulated depreciation and impairment losses. Antiques and artworks are measured at fair value. All other assets classes are measured at cost, less accumulated depreciation, and impairment losses.

Revaluations

Land and buildings are revalued, with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from fair value. If there is a material difference, then the asset classes are revalued.

Land and building revaluation movements are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense, and are accumulated to an asset revaluation reserve in equity for that class of asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense, but is recognised in surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in surplus or deficit will be recognised first in surplus or deficit up to the amount previously expensed, then recognised in other comprehensive revenue and expense.

Depreciation

Depreciation is provided on a straight-line basis to allocate cost or revalued amounts, net of any estimated residual value, over the estimated useful life other than Land and Antiques and artworks. The useful lives and associated depreciation rates of other major classes of assets have been estimated as follows:

Type of Asset	Estimated Life (years)
Buildings	50-120 years
Plant and Equipment	3-51 years
All Other Assets	3-100 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Critical accounting estimates and assumptions

Estimating the fair value of land and buildings

Land

During 2025/26, Wellington City Council re-zoned the majority of the Government House Wellington land from High Density Residential to Open Space. This change was identified as a significant indicator that the carrying value of the land may differ materially from fair value and, accordingly, an updated valuation assessment was conducted. Independent land valuations were completed by Quotable Value New Zealand (QV) for Government House Auckland and Wellington as at 30 June 2026.

Buildings

No independent building valuation was completed as at 30 June 2026. Management assessed the building fair value movements using the Capital Goods Price Index and this identified movement was below management's quantitative materiality thresholds.

Non-specialised buildings are valued at fair value using market-based evidence using the Direct Sales Comparison Method. The Direct Sales Comparison Method is based on comparison of the subject asset to other similar assets that have recently sold. Adjustments are made to allow for factors such as age of sale, size, location, quality, condition, marketability, age, shape of site, access, contour, aspect and tenure.

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using several significant assumptions. Significant assumptions used in the 30 June 2025 valuation include:

- The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations.
- The replacement cost rates are derived from construction contracts of like assets, reference to publications such as the QV Costbuilder (formerly Rawlinsons Construction Handbook), recent costings obtained from construction details and New Zealand Property Institute cost information.
- Current supply chain issues and market conditions are impacting replacement costs in the depreciated replacement cost calculations. On advice from the valuer, our judgment is that these resulting cost increases will be sustained over the long term rather than short-term fluctuations. Therefore, recent cost increases have been taken into account in determining depreciated replacement cost.
- There are no significant asbestos issues associated with the buildings.
- The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
- Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Estimating the fair value of antiques and artworks

The most recent valuation of land and buildings was performed by an independent registered valuer, James Parkinson of Dunbar Sloane Limited. The valuation is effective as at 30 June 2024.

When ascribing values to items, consideration was given to:

- Market based evidence as adjudged by Dunbar Sloane as active and knowledgeable participants in the market.
- Historical significance, recognising that there is a strong trend in sales results that reflect that significance.
- Comparisons with the values ascribed to similar items held in other institutions including the National Museum, Te Papa Tongarewa collection.
- Recent auction catalogued sales and online sales both nationally and internationally.
- Online International art data bases, including Artnet.
- Current market evidence and trends.

Breakdown of Property, Plant, and Equipment and Further Information

Movements for each class of property, plant, and equipment are as follows:

	Land \$000	Buildings \$000	Antiques and Artworks \$000	Plant and Equipment \$000	Work in Progress \$000	Other Assets \$000	Total \$000
COST							
BALANCE AS AT 1 JULY 2024	81,548	65,147	4,697	21,987	640	2,212	176,231
Additions	-	-	-	-	346	-	346
Transfers	-	-	-	309	(840)	531	-
Other Movements	-	-	-	2	-	-	2
Revaluation	43,050	460	5	-	-	-	43,515
BALANCE AS AT 30 JUNE 2025	124,598	65,607	4,702	22,298	146	2,743	220,094
Additions	-	-	-	67	63	245	375
Transfers	-	-	-	87	(103)	16	-
Disposals	-	-	-	(20,297)	-	-	(20,297)
Other movements	-	-	-	-	-	-	-
Revaluation	(54,530)	-	-	-	-	-	(54,530)
BALANCE AS AT 30 JUNE 2026	70,068	65,607	4,702	2,155	106	3,004	145,642
ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES							
BALANCE AS AT 1 JULY 2024	-	846	-	8,477	-	1,548	10,871
Depreciation Expense	-	846	-	2,207	-	150	3,203
Revaluation Write Back	-	(1,692)	-	-	-	-	(1,692)
BALANCE AS AT 30 JUNE 2025	-	-	-	10,684	-	1,698	12,382
Depreciation Expense	-	886	-	723	-	144	1,753
Disposals	-	-	-	(10,020)	-	-	(10,020)
Revaluation Write Back	-	-	-	-	-	-	-
BALANCE AS AT 30 JUNE 2026	-	886	-	1,387	-	1,842	4,115
CARRYING VALUE							
As at 1 July 2024	81,548	64,301	4,697	13,510	640	664	165,360
As at 30 June 2025	124,598	65,607	4,702	11,614	146	1,045	207,712
As at 30 June 2026	70,068	64,721	4,702	768	106	1,162	141,527

6. Provisions

Accounting policy

A provision is recognised for future expenditure of uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation. Where the effect of time value of money is material, a pre-tax discount rate based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, is used to estimate present value of the future cash outflows. Any increase in the provision due to the passage of time is recognised as an interest expense and is included in other operating expenses.

From 1 July 2025, the administration of the FOSAL programme was transferred to the Department of Internal Affairs (DIA). Accordingly, this provision was transferred to DIA's non-departmental schedules as of that date.

Following the disestablishment of the Chief Executive, Cyclone Recovery, hosted by the Department, the provisions for Emergency Expenses and FOSAL were transferred to the Departmental of Internal Affairs on 25 September 2025.

	Emergency Expenses \$000	Future of Severely Affected Locations \$000				Total \$000
		Flood Resilience	Category 2	Category 3	Kaupapa Māori Pathway	
Balance as at 1 July 2025	33,942	33,854	681,465	178,272	96,821	1,024,354
Provisions transferred to another government agency	(33,942)	(33,854)	(681,465)	(178,272)	(96,821)	(1,024,354)
Balance as at 30 June 2026	-	-	-	-	-	-

The decrease in provisions is due to the balance being transferred to another government agency. The movement is recorded as a capital withdrawal and therefore not in the Schedule of Non-departmental expenses.

7. Events After the Balance Date

There have been no events after the balance date of 30 June 2026.



Appendices

Ngā āpitihanga

This section includes:

- Cabinet Office statistics
- Cabinet and Cabinet committee meeting statistics
- New Zealand Royal Honours

Cabinet Office statistics

for the year ended 30 June 2026

	2025/26 Actual	2024/25 Actual	2023/24 Actual
MEETINGS			
Executive Council	37	38	30
Cabinet	47	45	40
Cabinet committees	136	154	122
Summary cover sheets to Cabinet and Cabinet committee papers	1,448	1,498	1,229
Submissions lodged by ministers' offices by the Cabinet Office deadline	93%	94%	81%
Policy papers published by the close of business, two days before the meeting	100%	99.55%	90%
Cabinet and Cabinet committee minutes	1,714	1,819	1,542
Cabinet and Cabinet committee minutes requiring an amendment by the Cabinet Office ⁹	5	0	5
Cabinet minutes published by the close of business, three days after the Cabinet meeting	99.65%	98.68%	98%
Cabinet Office circulars	5	5	14
Briefing seminars to departments, ministers' offices and other interested parties on the Cabinet decision-making process	18	20	26
Enquiries and requests from ministers' offices and departments about Cabinet papers and related information	85	81	129

⁹ Excludes amendments to Cabinet and Cabinet committee minutes made as a result of a Cabinet decision.

Cabinet and Cabinet committee meeting statistics

for the year ended 30 June 2026

	Number of Meetings	Number of Agenda Items	Average Number of Items per Meeting
Executive Council	37 ¹⁰	382	10
Cabinet	47	279	6
CABINET COMMITTEE MEETINGS			
Cabinet Appointments and Honours Committee	18	334	18
Cabinet Business Committee	12	54	4
Cabinet Economic Policy Committee	29	222	8
Cabinet Expenditure and Regulatory Review Committee	13	90	7
Cabinet Foreign Policy and National Security Committee	9	41	4
Cabinet Legislation Committee	29	277	10
Cabinet Social Outcomes Committee	25	144	6
Cabinet Strategy Committee	1	1	1
TOTAL CABINET COMMITTEE MEETINGS	136	1,163	8

10 An additional Executive Council meeting was held to swear in new ministers in April 2026.

New Zealand Royal Honours

for the year ended 30 June 2026

THE NEW ZEALAND ORDER OF MERIT

Dame Companion	5
Knight Companion	8
Companion	22
Officer	74
Member	134

THE KING'S SERVICE ORDER

Companion	5
The King's Service Medal	104

NEW ZEALAND BRAVERY AWARDS

The New Zealand Bravery Decoration	2
The New Zealand Bravery Medal	8

THE NEW ZEALAND ANTARCTIC MEDAL

The New Zealand Antarctic Medal	1
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THE NEW ZEALAND DISTINGUISHED SERVICE DECORATION

The New Zealand Distinguished Service Decoration	2
TOTAL	365

OTHER HONOURS AND APPOINTMENTS

Grant of the title "The Honourable" for life	9
TOTAL	374

Areas of contribution for the New Year and the King's Birthday 2025 Honours Lists recipients

Area of contribution	Female	Another Gender	Male	Total
Arts and Media	17	-	17	34
Business and the Economy	6	-	26	32
Community, Voluntary and Local Services	67	-	77	144
Education	21	-	16	37
Health	21	-	11	32
Science and Technology	3	-	11	14
Services to the State	3	-	10	13
Sport and Recreation	24	-	25	49
TOTAL	162	-	193	355

Ethnicity of the New Year and the King's Birthday 2025 Honours Lists recipients

Ethnicity	Female	Another Gender	Male	Total	% of Lists
New Zealand European / European	107	-	153	260	73
Māori	28	-	25	53	15
Pacific Peoples	12	-	6	18	5
Asian	10	-	7	17	5
Middle Eastern / Latin America / African	1	-	-	1	0.5
Unspecified	4	-	2	6	1.5
TOTAL	162	-	193	355	

