

CROWN LAW

STATEMENT OF INTENT

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STATEMENT OF INTENT

ATTORNEY-GENERAL'S FOREWORD

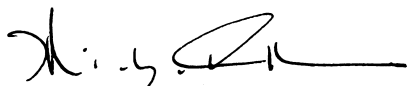
As the Crown's legal advisor Crown Law has a critical role to play in the Government's key themes of Economic Transformation, Families – Young and Old and National Identity. By providing high quality legal services Crown Law contributes to these themes across government.

This Statement of Intent sets out the outcomes where Crown Law will make a difference to the Justice sector and to all of government. It indicates how Crown Law's work will contribute

to the desired outcomes, and the strategic goals that will enhance the services Crown Law offers.

As the Responsible Minister, I am satisfied the Statement of Intent is consistent with the policies and performance expectations of the Government.

For the year ahead, I will continue to look to Crown Law for high quality legal services and support to me in my role as the Attorney-General.



Hon Dr Michael Cullen
Attorney-General

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SOLICITOR-GENERAL'S INTRODUCTION

It was an enormous pleasure to become New Zealand's fourteenth Solicitor-General and Chief Executive of Crown Law on 1 September 2006. During the short period I have held these roles I have been very impressed by the calibre of those employed by Crown Law, and by the quality of the services provided by Crown Law.

Crown Law is a government department, which operates as a legal practice within government. It provides legal advice to the Government and representation in the courts. Crown Law also gives advice to the Attorney-General and to the Solicitor-General in the exercise of their various statutory and other functions in the public interest.

Crown Law employs 83 counsel and 75 corporate and support staff. Each year we receive more than 500 new instructions for advice and over 600 new instructions in respect of litigation. The Crown Solicitors handle more than 1,800 trials for indictable crime and 4,000 other criminal matters including bail applications and appeals relating to summary prosecutions. Crown Law manages more than 450 criminal appeals each year.¹

To enhance its services, Crown Law has adopted two strategic goals for the next three years. Those goals are:

- ensuring the highest possible quality legal services are provided to government; and
- ensuring Crown Law is the most engaging and responsive workplace for legal and support staff.

This Statement of Intent outlines a number of initiatives planned to promote these goals.

In 2007/08 counsel and other staff in Crown Law will continue to manage a challenging and interesting portfolio of legal work. Almost every day Crown Law receives instructions to provide advice and/or to represent the Government in circumstances which present unique and professionally rewarding challenges to those employed in Crown Law.

Crown Law also works with other Justice sector agencies to support the Government's priorities and sector outcomes. Crown Law will continue its involvement in projects such as the Justice sector Information Strategy, the ongoing development of the sector outcomes framework and the "pipeline" project.

I look forward to an interesting and very productive year for Crown Law.



David Collins QC
Solicitor-General and Chief Executive

¹ Figures based on the 2005/2006 Annual Report.

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PURPOSE AND SCOPE

As required by the Public Finance Act 1989 Crown Law publishes a Statement of Intent each year to inform Members of Parliament and the public about Crown Law's role in creating better outcomes for all New Zealanders. It outlines what Crown Law aims to achieve over the next three years, how it will be achieved and progress towards this achievement.

This Statement of Intent has two parts:

- Part A provides an overview of Crown Law's role, strategic direction and priorities
- Part B comprises a forecast of intended 2007/08 outputs, along with the estimated cost and other financial information. This part meets the statutory requirements of the Public Finance Act.

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PART A: STRATEGIC DIRECTION

CROWN LAW – STATEMENT OF DIRECTION

Supporting New Zealand’s system of democratic government, under law and in the public interest.

CROWN LAW’S VALUES

Consistent with Crown Law’s overall obligation to support New Zealand’s system of democratic government, under law and in the public interest Crown Law:

- will support the Law Officers, the Attorney-General and Solicitor-General, in their work in a way that enables them to meet their obligations to make decisions independently and objectively in the public interest;
- will demonstrate a proper understanding of the roles of each of the branches of government;
- will take a “whole of government” perspective in carrying out our primary functions;
- will be responsive to client needs and concerns and will provide legal advice and representation which:
 - shows an understanding of the particular contexts in which legal problems arise
 - is relevant and focused
 - is well researched and well reasoned
 - is balanced but decisive
 - is expressed and organised in a simple, direct and concise way;
- will conduct itself consistently with the expectation of the Crown as a model litigant; and
- aims to create a work environment which stimulates and challenges all who work in Crown Law to meet the highest standards of public service, while recognising the need for a balanced and well-rounded personal life.

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THE WORK OF CROWN LAW

Crown Law provides legal services to the Crown thus contributing to the effective and lawful functioning of New Zealand's Government. The work of Crown Law comprises legal advice to, and legal representation of, public sector clients. Crown Law also supports the Law Officers, the Attorney-General and the Solicitor-General.

Legal services are provided to the Government and government departments by in-house legal advisors, private sector legal advisors and Crown Law. In-house legal advisors typically instruct Crown Law. The engagement of external legal advisors, for example, Queen's Counsel, is undertaken where particular specialist knowledge is required, where work pressures within Crown Law create capacity problems, or to preserve independence.

Crown Law operates much like a private sector legal practice and charges for services to public sector clients. Crown Law seeks to service client departments and agencies efficiently and effectively. Key to this is the quality of the working relationship established with the client's internal legal advisors, and the strength of the organisational links with the client's operational and policy functions.

LEGAL ADVICE AND REPRESENTATION

The Crown is subject to the rule of law and has an obligation to ascertain what the law is, comply with it and enforce it. This means that when advising individual departments Crown Law has an overarching duty to the public interest.

Thus Crown Law's clients have two needs: advice that is of high quality addressing the immediate legal problem and advice which takes into account the Crown's overriding obligations and interests.

The Cabinet Directions for the Conduct of Crown Legal Business 1993 direct departments in the use of Crown Law's legal services. The Cabinet Directions provide for two categories of legal work:

- Category 1, which must be referred to the Solicitor-General, includes cases concerning actual or imminent litigation where the Government or a government agency is a party, situations involving the lawfulness of the exercise of government powers, constitutional questions (including Treaty of Waitangi issues), and issues relating to the enforcement of the criminal law and the protection of the revenue.
- Category 2 is essentially all other work, eg employment matters, and is contestable. Departments may choose other legal advisors to assist them to resolve Category 2 matters.

Crown Law has no specific responsibility for policy formation or for the development of legislation. However, when requested, Crown Law provides legal input on policy issues.

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By providing legal services Crown Law intends that the Crown's legal interests are protected and its responsibilities are lawfully carried out. This work assists to manage legal risk arising from the operations of government agencies and policy development.

To further promote these outcomes across government, Crown Law provides leadership for legal services within government. Crown Law convenes the Chief Legal Advisers' Forum and supports PS Law, an opinion database and workspace for government lawyers, by sitting on the steering committee and contributing opinions. Crown Law plans to expand these activities by adding to its regular newsletters on legal developments and hosting seminars. This contributes to increased quality and consistency of legal services across government.

SUPPORTING THE LAW OFFICERS

Crown Law also supports the Law Officers of the Crown, the Attorney-General and the Solicitor-General, by providing legal advice and assisting them in the performance of their statutory and constitutional functions. Specific activities include advice and representation to support the following functions:

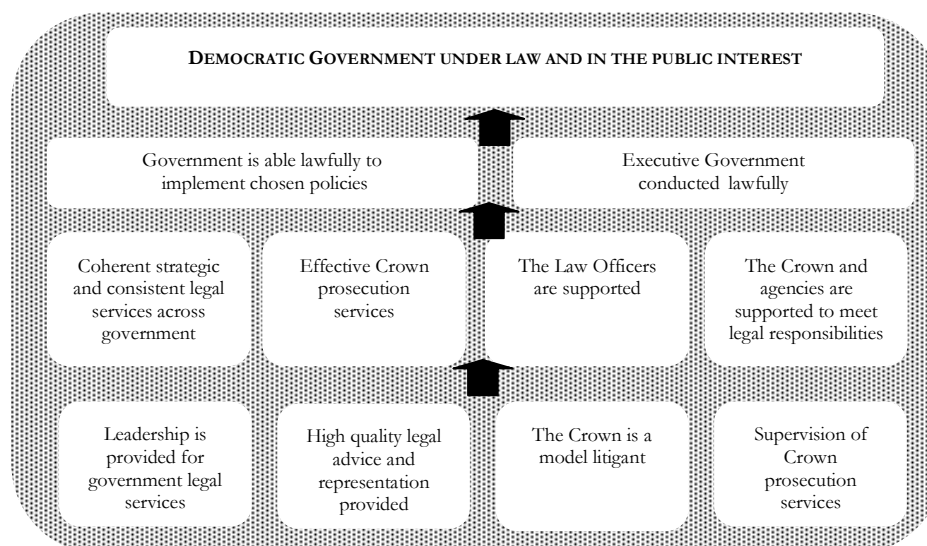
- supervision of charities;
- representation of the public interest;
- vexatious litigant proceedings;

- extraditions; and
- the exercise of a variety of other powers, duties and authorities arising from statutory powers and constitutional conventions.

Crown Law makes key contributions to the criminal justice system and the Law Officers' responsibilities through the supervision and conduct of the Crown prosecution function. The Solicitor-General has responsibility for prosecuting indictable crime throughout New Zealand. Crown Solicitors are appointed throughout the country under warrant of the Governor-General. They undertake indictable prosecution work for the Crown and appeals to the High Court from the summary jurisdiction. Crown Law provides a co-ordination role within the network to guide and share prosecution practice and knowledge. Crown Law also oversees the prosecution work of the Serious Fraud Office, and conducts criminal appeals to the Court of Appeal and the Supreme Court.

Crown Law's activities will have an impact on the lawful conduct of Executive Government and the ability of government to lawfully implement its chosen policies. Ultimately, Crown Law contributes to New Zealand's system of democratic government under law and in the public interest. The figure below demonstrates how Crown Law's activities are directed toward that outcome.

Figure 1



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CROWN LAW STRATEGIC GOALS

2007-2010

In order to make progress towards its outcomes Crown Law has identified two goals for the next three years. These goals are intended to ensure that Crown Law's activities are effective. Crown Law has recently adopted a new team structure, together with management and governance changes, which are intended to contribute to these goals. Over the next three years Crown Law intends to build on this work. Priorities for 2007/08 are highlighted under each goal.

GOAL 1: ENSURING THE HIGHEST POSSIBLE QUALITY OF LEGAL SERVICES TO GOVERNMENT

This goal recognises that high quality legal services to government are crucial to the Government's long-term priorities as well as to Crown Law's objectives. Crown Law has well-established processes to ensure high standards of advice – these include peer review of advice, litigation management planning processes and the introduction of litigation support software in 2006 to improve the quality of litigation support offered to clients. Crown Law recognises that continuous improvement is necessary to ensure that as well as being trustworthy and professional the services offered are solution-focused, innovative and efficient.

ENHANCING SERVICES

In 2007/08 Crown Law is strengthening the management structure of the office by enhancing the role of Team Leaders.

Team Leaders will have a more managerial role enabling them to manage the team's workload and oversee team development, assisting teams to perform to their maximum potential.

In the coming year a review of the Solicitor-General's Prosecution Guidelines will be completed. These were last updated in 1992. Revision is necessary to reflect the increased complexity in the law relating to prosecutions, in particular decisions of a procedural nature arising under a steadily increasing number of statutory powers and functions requiring pre-trial judicial decisions.

Crown Law plans work to enhance reviews of Crown Solicitors' warrants to contribute to Crown Law's supervision of the Crown prosecution services and provide information about the quality of prosecution services.

In 2007/08 Crown Law plans work to articulate the Crown's obligation to be a model litigant and what is required by this standard.

RESPONDING TO CLIENTS' NEEDS

Fundamental to developing the capability of Crown Law is an understanding of clients' requirements. This enables better alignment of internal resources, processes and structures to meet both individual client and the wider Crown needs for legal services. Enhancing knowledge of the needs of clients will also contribute to an innovative approach to problem solving.

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Crown Law's focus in 2007/08 is:

- developing a client relationship management protocol which clearly sets out what clients can expect in their relationship with Crown Law, and reviewing processes to ensure these commitments are met;
- a programme of exchanges of staff between Crown Law and its clients designed to improve Crown Law's understanding of its clients and also clients' understanding of Crown Law's role and wider responsibilities; and
- implementing regular surveys of clients' needs and Crown Law's responsiveness to these needs.

To improve its participation in policy consultation Crown Law has established the new position of Crown Counsel (Policy).

PROMOTING LEADERSHIP

Promoting Crown Law's legal leadership role will contribute to improved standards of legal advice across government. Currently Crown Law contributes to PS Law, an opinion database and workspace for government lawyers, and leads the Chief Legal Advisers' Forum. In addition, Crown Law provides a regular newsletter on employment law. Two further initiatives are planned for 2007/08:

- the development of a newsletter to summarise key national legal issues, supplemented by a more detailed report summarising key court decisions, legislative developments and other major legal issues; and
- additional seminars for lawyers in government.

GOAL 2: ENSURING CROWN LAW IS THE MOST ENGAGING AND RESPONSIVE WORKPLACE FOR LEGAL AND SUPPORT STAFF

To offer its clients quality legal advice Crown Law must continue to attract staff of the highest quality. Crown Law aims to ensure that all staff know they are truly valued and have opportunities to continue their career development. This goal is also consistent with the State Sector Development Goals: employer of choice and excellent state servants.

Crown Law's focus in the next two years is on:

- continuing to build leadership and management capability through providing opportunities for Team Leader and senior manager development;
- being clear about performance expectations through the development of competency frameworks and options to reward outstanding performance;
- reviewing Crown Law's approach to the provision of professional development to ensure that the need for a challenging career in the public service is addressed but also that Crown Law is able to respond to the varying needs of clients as an authoritative, trusted, responsive and cost-effective provider of legal services; and
- developing a work environment that is open and receptive to different and more flexible ways of working and which supports a balance between work and home.

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CROWN LAW'S CONTRIBUTION TO GOVERNMENT GOALS AND JUSTICE SECTOR OUTCOMES

GOVERNMENT THEMES

The Government has identified three key themes as its priorities for the next decade:

- Economic Transformation;
- Families – Young and Old; and
- National Identity.

Through the Justice sector Crown Law contributes strongly to the Families – Young and Old theme, as highlighted below. In a broader sense access to legal services and maintenance of the rule of law underpins all aspects of government and contributes to all three themes by supporting government agencies in meeting their legal responsibilities.

Crown Law will also be working to develop a plan to meet the Government's objective for all central government agencies to be on the path to carbon neutrality by 2012. Crown Law is already a member of the Govt3 programme, an initiative which encourages government agencies to practise sustainability, and is working towards sustainable initiatives in recycling and waste minimisation and purchasing.

DEVELOPMENT GOALS FOR THE STATE SERVICES

The Government's overall goal for the State Services is:

A system of world class professional State Services serving the government of the day and meeting the needs of New Zealanders.

The State Sector Development Goals outline the future direction for New Zealand's State Services. Crown Law's contribution to the goals is described below.

GOAL 1: EMPLOYER OF CHOICE

Ensure the State Services is an employer of choice attractive to high achievers with a commitment to service.

Crown Law has begun a number of initiatives to ensure it continues to be an attractive employment option for existing staff and prospective employees. These initiatives include delivering leadership and managerial training and development, reviewing the approach to professional development and ensuring that the way Crown Law rewards staff reflects both their contribution and the employment market. Crown Law will also review its approach to ensuring staff maintain an appropriate balance between work and home life.

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GOAL 2: EXCELLENT STATE SERVANTS

Develop a strong culture of constant learning in the pursuit of excellence.

Professional development and translating this into valued results for clients is an ongoing priority. Crown Law is committed to improving access to professional development. The current focus is on developing an appropriate learning framework through which Crown Law can deliver a range of learning opportunities for staff including exchanges and secondments.

GOAL 3: NETWORKED STATE SERVICES

Use technology to transform the provision of services for New Zealanders.

Crown Law supports PS Law, a secure Internet workspace on the Public Sector Intranet that is designed to assist lawyers in the public sector. Through PS Law, public sector lawyers can share their legal advice and intellectual property. Crown Law sits on the steering group for the workspace and also posts legal opinions that have relevance and interest to a wide public sector audience.

GOAL 4: CO-ORDINATED STATE AGENCIES

Ensure the total contribution of government agencies is greater than the sum of its parts.

Crown Law leads the Chief Legal Advisers' Forum, contributing to the quality of legal advice available to government.

Initiatives are planned for the year ahead, as outlined at page 11, to build on these leadership functions.

Crown Law also collaborates with agencies involved in policy development by providing legal advice when requested. In addition, the Solicitor-General is a member of the recently established Legislation Design Committee.

Crown Law participates fully in Justice sector processes that will progressively improve planning and management and the quality of services offered to the public by Justice sector agencies.

GOAL 5: ACCESSIBLE STATE SERVICES

Enhance access, responsiveness and effectiveness, and improve New Zealanders' experience of State Services.

Crown Law provides legal services across government and contributes indirectly to this goal. Crown Law's approach to the conduct of litigation and management of functions such as the Attorney-General's role as protector of charities also contributes directly to this goal.

GOAL 6: TRUSTED STATE SERVICES

Strengthen trust in the State Services, and reinforce the spirit of service.

Crown Law provides advice to government agencies, which assists them to meet their legal responsibilities and effectively carry out their functions.

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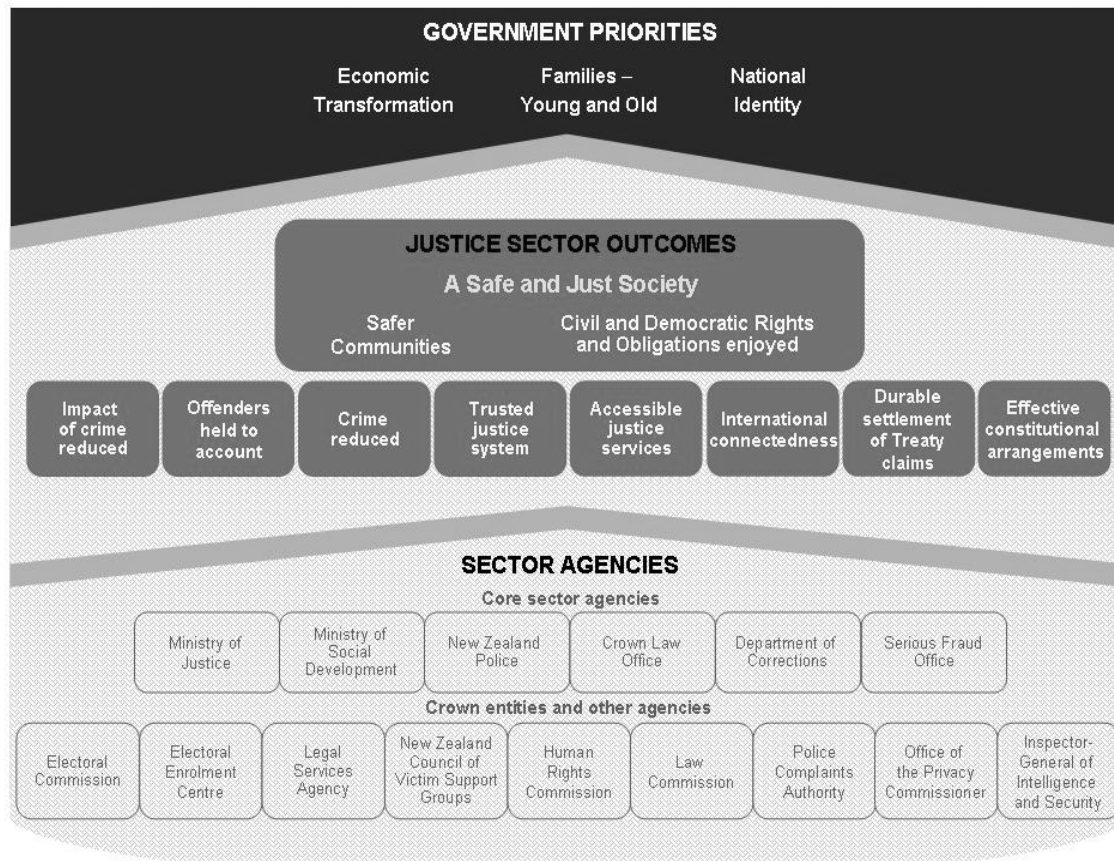
OVERVIEW OF THE JUSTICE SECTOR

THE JUSTICE SECTOR – MAKING A DIFFERENCE FOR NEW ZEALANDERS

The Justice sector comprises a complex array of institutions and participants contributing towards government priorities and shared outcomes that are fundamental to the success of New Zealand society.

The following diagram provides an overview of how the agencies in the sector contribute through the sector outcomes to the Government's priorities.

Justice Sector Contribution to Government Priorities



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SECTOR CONTRIBUTION TO GOVERNMENT PRIORITIES

The Government has set three high-level, long-term priorities for the next decade on which the success of the social, economic, political and cultural activities of the nation will be built:

- Economic Transformation;
- Families – Young and Old; and
- National Identity.

Over the past year, the Justice sector has redeveloped its outcomes framework as part of the sector planning approach that is linked to the achievement of these priorities. Work will continue over the next few years to fully develop the framework and clearly define the contributions of each agency. This includes the development of appropriate performance indicators that will help track performance and demonstrate the progress the sector is making towards the outcomes and government priorities.

ECONOMIC TRANSFORMATION

The Justice sector supports *Economic Transformation* by providing effective administration and infrastructure for civil courts and tribunals so that national and international business transactions can be conducted with security and confidence. The development of legislation and policy advice by the Justice sector helps to support an effective trading regime for businesses. Reduced crime also has benefits for businesses by supporting a safe domestic environment in which to operate.

FAMILIES – YOUNG AND OLD

The priority of *Families – Young and Old* seeks to make New Zealand a place in which all New Zealanders:

- can contribute to and benefit from the success of New Zealand;
- have the support and choices they need to be secure and able to reach their potential throughout their lives;

- have access to a safe and secure environment in which they are accorded respect and dignity throughout their lives; and
- are supported to live healthy and fulfilling lives.

The Justice sector supports *Families – Young and Old* by protecting the safety and security of individuals and communities, and ensuring that people can enjoy their civil and political rights. Reducing crime is a key contributor to safe communities – and it is also important to hold offenders to account, and mitigate the impact of crime.

NATIONAL IDENTITY

The Justice sector contributes to core elements of New Zealand's *National Identity* by providing services that support the maintenance of effective constitutional arrangements. The settlement of Treaty of Waitangi claims, the integrity of electoral processes, how the interests and rights of the individual are addressed and how offenders are treated are all key elements of how New Zealand is characterised as a nation. The sector's contribution to public confidence in the justice system enhances New Zealand's reputation as a good place to live and raise children. The Justice sector has also had an increased role in ensuring that New Zealand is connected internationally. This includes making sure that New Zealand's laws meet international obligations and support New Zealand as an international citizen.

SECTOR OUTCOMES

The sector's overall outcome is a "Safe and Just Society" for New Zealand. For this outcome to be achieved, communities need to be safe and individuals need to feel secure and that they live in a society where civil and democratic rights and obligations can be enjoyed.

Each Justice sector agency has a role to play in delivering on these outcomes, and in many instances sector agencies need to work together to deliver core services effectively and maximise contributions to outcomes.

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The outcomes framework reflects how Justice sector agencies contribute to a safe and just society through eight outcome areas. Further detail about the outcome areas and examples of

the contributions of different agencies may be found in the Ministry of Justice Statement of Intent.

CROWN LAW'S CONTRIBUTION TO JUSTICE SECTOR OUTCOMES

The table below illustrates the Justice sector outcomes towards which Crown Law's outcomes, activities and outputs contribute, which are further detailed in the Statements of Objectives and Forecast Service Performance.

Justice Sector Outcome	Contributing Crown Law Outcomes	Crown Law Activities	Crown Law Outputs
Offenders Held to Account Crime Reduced	Effective Crown Prosecution Service	<ul style="list-style-type: none"> • Provision of Solicitor-General's Prosecution Guidelines • Managing Crown Solicitor warrants • Prosecution of criminal trials on indictment • Conduct of appeals arising out of summary prosecutions • Conduct of appeals arising out of criminal trials on indictment and from Crown appeals 	Supervision and conduct of Crown prosecutions Conduct of criminal appeals
Trusted Justice System	Crown is a model litigant Coherent and consistent legal services across government Law Officers are supported Effective Crown Prosecution Service High quality legal advice and representation services are provided	<ul style="list-style-type: none"> • Adherence to court rules and ethical obligations • Provision of legal advice • Conducting litigation including criminal prosecution • Leadership of government legal services through Chief Legal Advisers' Forum 	Legal advice and representation Conduct of criminal appeals Supervision and conduct of Crown prosecutions Principal Law Officer functions
International Connectedness	The Crown and its agencies are supported in meeting their legal responsibilities	<ul style="list-style-type: none"> • Participation in Pacific and other international legal fora • Provision of advice on international legal issues affecting New Zealand 	Principal Law Officer functions Legal advice and representation
Durable Treaty Settlements	Democratic government under law and in the public interest The Crown and its agencies are supported in meeting their legal responsibilities	<ul style="list-style-type: none"> • Legal advice on settlements, including during negotiations • Representation in the Waitangi Tribunal and courts • Advice on policy proposals with implications for Treaty settlements 	Legal advice and representation
Effective Constitutional Arrangements	Democratic government under law and in the public interest Executive Government is conducted lawfully The Crown and its agencies are supported in meeting their legal responsibilities Law Officers are supported	<ul style="list-style-type: none"> • Advice to the Attorney-General and Solicitor-General on constitutional issues and Law Officer functions • Advice to government agencies on operational legal issues • Advice to government agencies on the legal and constitutional implications of policy proposals • Representation of government agencies in litigation • Conduct of criminal prosecutions 	Principal Law Officer functions Legal advice and representation Conduct of criminal appeals Supervision and conduct of Crown prosecutions

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THE ENVIRONMENT

Crown Law works in a dynamic environment. It is difficult to predict the nature and flow of the work. The volume and complexity of the work continues to grow. Changing demands on the provision of advice and complex litigation provide challenges for planning and management of resources.

CHANGING DEMANDS IN THE CRIMINAL JURISDICTION

The Supreme Court has added a significant new workload. The number of applications for leave to appeal to the Supreme Court is significantly higher than the number of cases which previously went to the Privy Council. This trend is particularly evident in criminal matters.

Since its inception in 2004 the Supreme Court has received 119 applications for leave to appeal in criminal cases. This compares with the historical 0-4 applications per annum to appeal to the Privy Council. To date, 15 matters have been granted leave, 90 were refused leave and 14 are currently under consideration. The Crown has filed one application for leave to appeal to the Supreme Court. Of the matters that have proceeded to a substantive hearing, one was partly successful, three were allowed, seven have been dismissed and judgment is pending in four. In the 154-year history of the Privy Council, leave to appeal was granted on nine criminal matters and appeals were allowed in just two of these nine cases.

The number of criminal appeals dealt with by way of oral hearing in the Court of Appeal continues to increase.

There has been and will continue to be an effect on Crown Law's resources through the appointment of additional permanent Court of Appeal Judges. This has enabled, for example, additional sitting weeks as a permanent or divisional Court in Auckland and Wellington to reduce delays and backlogs in criminal appeals. These developments have ongoing resource and cost implications for Crown Law.

In the criminal jurisdiction the demand for prosecution and appeal services depends on many factors, most of which are outside Crown Law's direct control, for example:

- number of police;
- changes in sentencing practice;
- the rate of crime;
- the nature of crime; and
- the number of indictments laid.

The time taken to bring a case to trial depends upon a variety of factors such as:

- the complexity of the case;
- the number of preparatory steps, including the briefing of witnesses;
- the need for experts;
- the defence strategy; and
- pre-trial judicial rulings.

The pre-trial and trial process can in turn be affected by the availability of court time for the hearing of the trial itself. It is difficult to accurately forecast the volume of cases in this area, and how long individual trials might take. This uncertainty affects budgeting for expenditure and the funding required from the Crown

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COMPLEX LITIGATION AND ADVICE

The following influences and legal issues are identified as some of the more significant and likely to have a continuing effect on Crown Law's work:

- *Competition and Occupational Regulation:* The private sector reports an increase in work relating to government proposals for occupational regulation. Crown Law anticipates that this trend may flow into work for clients.
- *Foreshore and Seabed:* As discussed in last year's Statement of Intent, negotiations and litigation continue under the Foreshore and Seabed Act 2004. Existing matters will likely function as test cases for future negotiations/litigation.
- *High Country Pastoral Leases:* Last year Crown Law reviewed the valuation method used to assess the rental for high country pastoral leases. A number of high country pastoral leases are in the process of rent reviews and the appropriate valuation method will be a major issue during this process. The high country tenure review process, which provides for the freeholding of some parts of high country pastoral land, is also giving rise to legal issues particularly relating to access to recreational and scenic areas.
- *Historical Claims in the Health and Social Welfare Areas:* In recent years a number of former psychiatric patients and (now adult) children formerly in state care have brought claims alleging physical, sexual and psychological abuse in psychiatric hospitals and children's homes (including foster homes). These cases will have a significant effect on Crown Law's work for some years.
- *Human Rights Legislation:* Crown Law responds to complaints of unlawful discrimination by government. As a result of an amendment to the Human Rights Act in 2001 government policies, including legislation, are exposed to the dispute resolution processes under the Act. There have now been a number of claims filed against the Government in the Human Rights Review Tribunal but none of these has yet reached the point of a decision. The Tribunal heard a strike-out application on a complaint of disability discrimination arising from funding differences between the ACC and Vote Health Disability Support Services in December 2006. The Tribunal has reserved its decision. The other claims are proceeding to substantive hearing. The outcome of these early cases will shape the jurisprudence in this area particularly as it relates to targeted government schemes.
- *Human Rights Litigation:* The trend towards more complex litigation under the New Zealand Bill of Rights Act 1990 has continued in both the criminal and civil arenas. In *Hansen* the Supreme Court examined the presumption of supply in the Misuse of Drugs Act 1995 for consistency with the New Zealand Bill of Rights Act 1990. The decision is important for its approach to the interpretation of the New Zealand Bill of Rights Act 1990, in particular the relationship between sections 4, 5 and 6. It may also have implications for drafting of statutory offence provisions. Two other important Bill of Rights cases have been heard in the Supreme Court which has reserved its decisions. These involve questions on the bounds of peaceful protest in the context of a charge of disorderly conduct, and the treatment of prisoners, including the principles relating to calculating Bill of Rights compensation.

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- *International Law:* The impact of international law on domestic policy, law making and interpretation persists as a result of New Zealand's greater involvement in the global economy and in international treaty and trade arrangements. There is a corresponding need to advise government on international commitments relevant to the state's interaction with its own citizens.
- *Interpretation and Application of the Parole Act 2002 and Operation of the New Zealand Parole Board:* The increase in applications to judicially review decisions of the New Zealand Parole Board has continued.
- *Tax:* Crown Law acts for the Commissioner of Inland Revenue in all major tax litigation. Considerable resource has been and continues to be required to defend in court the Commissioner's assessments in relation to a number of complex, high-value and multi-party tax avoidance schemes. There has also been a noticeable upward trend involving taxpayers seeking to make collateral attacks on assessments through judicial review proceedings.
- *Treaty of Waitangi Claims and Negotiations:* The Waitangi Tribunal is continuing to hear large regional claims about land and resources. The Office of Treaty Settlements (OTS) manages the settlement of the claims. There is an increasing tendency for the claimants to challenge the OTS approach to settlement in urgent claims before the Waitangi Tribunal as complex overlapping interests amongst claimants are asserted.
- *Treaty of Waitangi Litigation:* The plaintiffs in High Court proceedings seek recognition that land sold or lost in the 19th century is held by the Crown in trust for claimants. These are the types of claims that have generally been considered by the Waitangi Tribunal and have led to agreed settlements. If successful, the litigation has the potential to shift some historical disputes from the Tribunal to the ordinary courts.

PLANNING CHALLENGES

Uncertainty presents a significant planning challenge for Crown Law. Litigation against the Government can arise from any quarter. Crown Law must attempt to anticipate and manage legal risks and respond as circumstances change.

Through the legal services provided to client departments Crown Law's work covers and is affected by most aspects of government and Crown Law must maintain a broad perspective to provide effective legal services.

Crown Law addresses its work through a combination of internal counsel and briefing out to external legal advisors when appropriate. Because of the urgent and complex nature of the legal work, Crown Law is often under pressure to meet the demands placed upon it to assist clients. Establishing the right number and mix of staff to meet these demands remains a constant challenge. Achieving the strategic goals for the next three years will ensure that Crown Law is optimally placed to respond to the changing needs of clients and the operating environment.

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CROWN LAW CAPABILITY TO RESPOND TO ENVIRONMENTAL INFLUENCES

Capability is the ability of Crown Law to achieve its outcomes and those of its clients through an appropriate combination of people, systems and structures.

INVESTMENT IN PEOPLE

Crown Law employs 158 staff of whom 83 are lawyers specialised in the areas of public, administrative and criminal law and 75 provide specialist support services.

All of Crown Law's outcomes are reliant on the calibre and integrity of its staff. Crown Law's focus is on developing and maintaining a talented workforce and providing an environment that supports the ongoing application of key skills and knowledge. One of Crown Law's strategic goals for the next three years, outlined at page 11, is focused on those objectives.

In addition to those objectives Crown Law has in place policies and practices to promote the well-being and effective contribution of all staff, as well as processes to increase staff participation in decisions affecting them. There are also programmes for professional development including external and internal seminars for counsel and support staff.

Crown Law's human resource management policies, procedures and systems, which recognise good employer responsibilities, are under constant review.

EFFECTIVE STRUCTURES AND SYSTEMS

Crown Law's systems and structures are intended to enhance service to clients, promote external accountability and support proper management and governance.

STRUCTURES

Crown Law's organisational structure, which is summarised in the section on Organisation Information, continues to focus on the effective delivery of legal services to clients by division into Constitutional, Public Law and Criminal Process Groups.

STATEMENT OF INTENT

Recent structural changes to legal teams and enhancements to the Team Leader role are designed to facilitate better management practices and devolve more managerial responsibility to Team Leaders. The group and team structure is a convenient mechanism to manage Crown Law and its resources. A client approaching Crown Law for advice must be sure that the right mix of counsel will provide expertise. Co-ordination throughout Crown Law provides the flexibility to respond to clients' needs.

A Management Board comprising the Solicitor-General, Deputy Solicitors-General and Practice Manager supports the team structure. This group focuses on strategy, development, monitoring of supporting policies and practices and assurance of organisational outputs and outcomes.

The Management Board consults and works with the Team Leader Forum on matters relating to the management of Crown Law. The Team Leader Forum also meets regularly to discuss matters arising from the Team Leaders' role with a view to fostering continued learning and development and collaboration.

SYSTEMS

The legal advice and representation functions of Crown Law make heavy use of information technology and systems for the production and management of documents, the conduct of legal research, communication with clients and the management of matters on behalf of those clients. There will be a renewed focus on enabling staff to more efficiently use existing technologies for managing and processing information.

Crown Law continues to review and enhance its information systems. The most significant recent change is the implementation of electronic litigation support technology, to support the efficient and effective management of litigation by assisting with processing of documents and the determination of strategies for cases.

PAY AND EMPLOYMENT EQUITY

Crown Law will commence work on the Pay and Employment Equity Review in the second half of the 2007/08 financial year. A bid for funding support has been made to the Department of Labour Contestable Pay and Employment Equity Fund.

STATEMENT OF INTENT

RISK

The greatest risk to Crown Law is impediments to its ability to deliver to clients and achieve its objectives and outputs. Crown Law addresses risk on two levels – internal risk and external risk.

The Management Board maintains oversight of Crown Law's risk management strategies. A risk management schedule, identifying the major risks, likelihood of occurrence and impact and mitigation strategies, is maintained and regularly reviewed.

A Business Continuity Plan has been developed to provide guidance in the event of a business interruption, such as a business crisis, national health emergency, a single building emergency or an area-wide disaster that could affect Crown Law and the services it provides to clients.

INTERNAL RISK

These are risks that arise from a shortcoming or failure in capability (ie people, resources, systems and structures). This could lead to an inability to respond to requests for legal advice and representation in a timely way, and in accordance with appropriate quality standards.

Having the right people doing the right things is fundamental to the quality of the legal advice and representation and services offered by Crown Law. The matching of skills and experience to the task at hand is highly dependent upon Crown Law's recruitment and retention processes, professional development framework and the management of requests for service.

Initiatives to attract, develop and retain staff are underway. These initiatives are outlined at page 11 under Crown Law's goal to be the most engaging and responsive workplace for legal and support staff.

Knowledge is commonly regarded as a key organisational asset. Risk can occur through the loss of knowledge that is critical to the performance of an organisation and is often experienced through loss of staff, technological malfunction, ineffective systems and processes and a culture where sharing is not the norm. Crown Law is developing a comprehensive knowledge strategy to maximise capture, storage, dissemination and leverage of information and knowledge across the organisation. This strategy will focus on the leveraging of knowledge through people, systems and technology. Work will continue in 2007/08 to streamline the integration of records and to improve physical records management.

Crown Solicitors use their nationwide network to share resources, provide a consistent Crown approach to issues in criminal law and procedure, and to ensure consistency in managing regional variations in demand for prosecution services.

In 2007/08 high priority has been given to undertaking a comprehensive review of Crown Law's existing and future technology requirements.

STATEMENT OF INTENT

EXTERNAL RISK

These are risks that might arise:

- if the Government is not able to achieve a public sector-wide understanding, or co-ordinate and manage the legal outcome of policy and operational activities; or
- where legislative changes directly impact on the costs associated with Crown Law's output expenses, eg preparation and trial time in Crown prosecutions, and have the potential to expand legal activity in response to certain issues, eg human rights, Treaty issues.

Crown Law monitors external risks in conjunction with departmental legal advisors and management,

and provides advice to the Attorney-General on developments. Crown Law's proposals under Goal 1 to enhance its services will improve the level of interaction with departmental legal advisors.

The establishment of the position of Crown Counsel (Policy) ensures relationships are maintained with agencies responsible for policy development that has potential legislative implications.

Crown Law is partly funded by departments paying for services. As this work is demand-driven this funding arrangement presents a risk. It is the Solicitor-General's intention to review Crown Law's funding arrangements as soon as feasible in order to reduce the risk of under-funding and overspending appropriation.

STATEMENT OF INTENT

MEASURING PERFORMANCE

Crown Law is required to report on the main measures and standards it intends to use to assess and report on matters relating to future performance, including impacts, outcomes and objectives achieved or contributed to and the cost-effectiveness of the interventions it delivers. Identifying and adopting performance measures can be challenging and Crown Law is beginning that process. Many of the indicators identified may not be fully or solely attributed to Crown Law's efforts, but are the result of the combined efforts of agencies within the Justice sector and wider government.

For example, Crown Law is but one contributor to the ultimate objective of "democratic government under law and in the public interest". Measuring an impact on that outcome is difficult. At the lower levels of the outcomes framework it is possible to measure performance more readily. Crown Law already has some measures in place upon which to build. This work will continue over the next few years.

Much of the impact of Crown Law's work will be seen in the response and behaviour of its client, the Crown, both as a collective and as individual departments. A regular client survey is potentially a useful tool to measure impact. The survey may be a useful indicator of the quality of advice and representation services, whether it meets the Crown's needs and whether it has an impact on the behaviour of departments (ie did they accept and act on Crown Law's advice).

Peer review and compliance with professional standards set by Crown Law are also useful indicators for the outcome of high quality legal advice. These are also reported as quality indicators for legal advice outputs.

Crown Law already has measures for the objective that the Crown is a model litigant and for the objective of fair trial. These include measures of compliance with court procedures and requests for adjournments. Similar measures may need to be extended to the general advice and representation outputs and outcomes.

To measure the conduct of the prosecution function Crown Law will look to the regular reviews of the Crown Solicitor warrants as well as the litigation outcomes and model litigant outcomes. As noted at page 10 it is planned to increase and enhance the reviews of the Crown Solicitor warrants.

Measures for Crown Law's leadership of government legal services for the coming year will include implementation of seminars and newsletters as proposed and may include the number of seminars offered, the level of attendance and any feedback received.

COST-EFFECTIVENESS

Crown Law is developing its approach to measuring the cost-effectiveness of its interventions as required by the Public Finance Act 1989. For the period covered Crown Law proposes to measure cost performance over time thus building a picture of cost-effectiveness. This will involve an assessment of the cost per hour of client services. This assessment will need to be accompanied by some analysis of cost drivers and, after further work, the development of performance measures indicating impact on Crown Law's outcomes.

STATEMENT OF INTENT

PART B: PROSPECTIVE FINANCIAL STATEMENTS & STATEMENT OF RESPONSIBILITY

The prospective financial statements for Crown Law for the year ending 30 June 2008 contained in this report have been prepared in accordance with section 39 of the Public Finance Act 1989.

The Chief Executive of Crown Law acknowledges, in signing this statement, that he is responsible for the prospective financial statements contained in this report.

The financial performance forecast to be achieved by Crown Law for the year ending 30 June 2008, that is specified in the statement of objectives, is as agreed with the Attorney-General who is the Minister responsible for the financial performance of Crown Law.

The performance for each class of outputs forecast to be achieved by the department for the year ending 30 June 2008, that is specified in the statement of objectives, is as agreed with the Attorney-General who is responsible for the Vote administered by the department.

We certify that the information in this report is consistent with the appropriations contained in the Estimates for the year ending 30 June 2008 which are being laid before the House of Representatives under section 39 of the Public Finance Act 1989.

The 2006/07 budgeted and estimated actual financial statements have been prepared under New Zealand Generally Accepted Accounting Practice and the 2007/08 prospective financial statements have been prepared under New Zealand equivalents to International

Financial Reporting Standards as appropriate for public benefit entities.



Dr David Collins QC
Solicitor-General and Chief Executive



Diana Pryde
Practice Manager



Chris Walker
Chief Financial Officer

May 2007

STATEMENT OF INTENT

FINANCIAL OVERVIEW AND HIGHLIGHTS

Forecast expenditure for Vote Attorney-General in 2007/08 totals \$57.238 million. It is intended to spend this amount as follows:

- \$2.995 million (5% of the total) on the conduct of appeals arising from criminal trials on indictment and from Crown appeals against sentence.
- \$21.100 million (37% of the total) on providing legal advice and representation services to central government departments.
- \$31.865 million (56% of the total) on providing a national Crown Prosecution Service that undertakes criminal trials on indictment and related appeals.
- \$1.278 million (2% of the total) on providing legal and administrative services to the Attorney-General and Solicitor-General to assist them in the exercise of their statutory functions and responsibilities.

Crown Law expects to receive \$21.100 million from government departments and other organisations for providing legal advice and representation. The provision of that legal advice and representation is the way in which Crown Law contributes to the key government goals guiding public sector policy and performance.

The prospective financial highlights are:

	2006/07		2007/08
	Budgeted \$000	Estimated Actual \$000	Forecast \$000
Revenue: Crown	37,037	37,037	36,138
Revenue: Other	20,700	20,700	21,100
Output expenses	57,737	57,737	57,238
Net surplus	-	-	-
Taxpayers' funds	1,297	1,297	1,297
Net cash flows from operating and investing activities	178	178	109

STATEMENT OF INTENT

PROSPECTIVE INCOME STATEMENT
FOR THE YEAR ENDING 30 JUNE 2008

	2006/07		2007/08
	Budgeted \$000	Estimated Actual \$000	Forecast \$000
REVENUE			
Crown	37,037	37,037	36,138
Other	20,700	20,700	21,100
Total Revenue	57,737	57,737	57,238
Expenses			
Output Expenses:			
Personnel	16,020	16,020	16,811
Operating	40,688	40,688	39,327
Depreciation	932	932	1,003
Capital charge	97	97	97
Total Expenses	57,737	57,737	57,238
Profit on sale of assets	-	-	-
Net Surplus	-	-	-

This statement should be read in conjunction with the accompanying
Notes to the Prospective Financial Statements on pages 30-36.

STATEMENT OF INTENT

PROSPECTIVE BALANCE SHEET
AS AT 30 JUNE 2008

	Actual Financial Position as at 30 June 2006 \$000	Estimated Financial Position as at 30 June 2007 \$000	Forecast Financial Position as at 30 June 2008 \$000
ASSETS			
<i>Current Assets</i>			
Cash and bank balances	2,599	2,504	2,613
Debtors and receivables	3,350	3,350	3,375
Total Current Assets	5,949	5,854	5,988
<i>Non-Current Assets :</i>			
Fixed assets (Note 3)	3,476	3,298	3,135
Total Non-Current Assets	3,476	3,298	3,135
TOTAL ASSETS	9,425	9,152	9,123
LIABILITIES			
<i>Current Liabilities</i>			
Creditors and payables	6,781	6,781	6,779
Provision for payment of surplus	273	-	-
Provision for employee entitlements	786	786	780
Total Current Liabilities	7,840	7,567	7,559
<i>Non-Current Liabilities</i>			
Provision for employee entitlements	288	288	267
Total Non-Current Liabilities	288	288	267
TOTAL LIABILITIES	8,128	7,855	7,826
<i>Taxpayers' Funds:</i>			
General funds	1,001	1,001	1,001
Revaluation reserve	296	296	296
Total Taxpayers' Funds (Note 4)	1,297	1,297	1,297
TOTAL LIABILITIES AND TAXPAYERS' FUNDS	9,425	9,152	9,123

This statement should be read in conjunction with the accompanying
Notes to the Prospective Financial Statements on pages 30-36.

STATEMENT OF INTENT

PROSPECTIVE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 30 JUNE 2008

	2006/07		2007/08
	Budgeted \$000	Estimated Actual \$000	Forecast \$000
CASH FLOWS FOR OPERATING ACTIVITIES			
Cash provided from: Supply of outputs to			
Crown	37,037	37,037	36,138
Other	20,700	20,700	21,100
Cash was applied to: Produce outputs			
Output expenses	(56,708)	(56,708)	(56,192)
Capital charge	(97)	(97)	(97)
Net Cash Flows from Operating Activities (Note 5)	932	932	949
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
Sale of fixed assets	-	-	-
Cash disbursed for:			
Purchase of fixed assets	(754)	(754)	(840)
NET CASH FLOWS FROM INVESTING ACTIVITIES	(754)	(754)	(840)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash disbursed for:			
Payment of surplus to the Crown	(273)	(273)	-
Payment of capital contribution to the Crown	-	-	-
Net Cash Flows from Financing Activities	(273)	(273)	-
Net Increase/(Decrease) in Cash Held	(95)	(95)	109
Add: Opening cash and bank balances	2,599	2,599	2,504
Closing Cash and Bank Balances	2,504	2,504	2,613

This statement should be read in conjunction with the accompanying
Notes to the Prospective Financial Statements on pages 30-36.

STATEMENT OF INTENT

NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS FOR THE YEAR ENDING 30 JUNE 2008

STATEMENT OF SIGNIFICANT ASSUMPTIONS

Full adoption of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) by government departments occurs in the 2007/08 financial year.

The actual financial results achieved for the periods covered by these prospective financial statements are likely to vary from the information presented, as the services provided by Crown Law are demand driven. These variations may be material.

It is not intended to update these prospective financial statements for any changes in demand.

These prospective statements have been compiled on the basis of government policies and Crown Law's output plan with the Attorney-General. The statements are also in accordance with generally accepted accounting principles and the Public Finance Act 1989.

STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) and other applicable Financial Reporting Standards (FRS), as appropriate for public benefit entities. These are Crown Law's first consolidated prospective financial statements complying with NZ IFRS and NZ IFRS 1 has been applied. In particular, prospective financial statements comply with FRS-42.

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Crown Law is a government department as defined by the Public Finance Act 1989. These prospective financial statements of Crown Law prepared pursuant to the Public Finance Act 1989.

MEASUREMENT SYSTEM

The prospective financial statements have been prepared on a historical cost basis, modified by the revaluation of the Library asset.

ACCOUNTING POLICIES

REVENUE

Crown Law derives revenue through the provision of outputs to the Crown and for services to third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

STATEMENT OF INTENTNOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS – (CONTINUED)
FOR THE YEAR ENDING 30 JUNE 2008

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

COST ALLOCATION

Crown Law has determined the cost of outputs using the cost allocation system outlined below.

COST ALLOCATION POLICY

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

DIRECT AND INDIRECT COST ASSIGNMENT TO OUTPUTS

Direct costs are charged directly to outputs. Personnel costs are charged to outputs on the basis of actual time incurred.

Indirect costs are the costs of corporate management and support services, including depreciation and capital charges, and are assigned to outputs based on the proportion of direct staff costs for each output.

WORK-IN-PROGRESS

Work-in-progress is determined as unbilled time plus disbursements that can be recovered from clients. It has been valued at the lower of cost or expected realisable value.

DEBTORS AND RECEIVABLES

Receivables are recorded as estimated realisable value, after providing for doubtful and uncollectable debts.

OPERATING LEASES

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are charged as expenses in the periods in which they are incurred.

STATEMENT OF INTENT

NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS — (CONTINUED)
FOR THE YEAR ENDING 30 JUNE 2008

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS

All fixed assets costing more than \$1,000 are capitalised and recorded at historical cost.

DEPRECIATION

Depreciation of fixed assets is provided on a straight-line basis at rates that will write off the cost of the assets, less their estimated residual values, over their estimated useful lives. The useful lives of the major classes of assets have been estimated as follows:

• Computer equipment	3 years	(33.3%)
• Computer software	3 years	(33.3%)
• Office equipment	5 years	(20%)
• Furniture and fittings	5 years	(20%)
• Leasehold improvements	Up to 9 years	(11.1%)
• Library	10 years	(10%)

The cost of leasehold improvements is capitalised and amortised over the un-expired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter.

EMPLOYEE ENTITLEMENTS

The liability for entitlements by staff to annual leave, long service leave and retirement leave have been provided for as follows:

- Existing entitlements to annual leave and long service leave have been calculated on an actual entitlement basis at current rates of pay.
- Future entitlements to long service leave and retirement leave have been calculated on an actuarial basis based on the present value of expected future entitlements.

FOREIGN CURRENCY

Foreign currency transactions are converted at the New Zealand dollar exchange rate at the date of the transaction. No forward exchange contracts are entered into.

FINANCIAL INSTRUMENTS

Crown Law is party to financial transactions as part of its normal operations. These financial instruments, which include bank accounts, short term deposits, debtors and creditors, are recognised in the Prospective Balance Sheet and all revenue and expenses in relation to financial instruments are recognised in the Prospective Income Statement. Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

STATEMENT OF INTENT**NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS — (CONTINUED)
FOR THE YEAR ENDING 30 JUNE 2008***GOODS AND SERVICES TAX (GST)*

The Prospective Balance Sheet is exclusive of GST, except Trade Debtors and Receivables and Creditors and Payables that are GST inclusive. All other statements are GST exclusive. The amount of GST owing to the Inland Revenue Department at balance date, being the difference between Output GST and Input GST, is included in Creditors and Payables.

TAXATION

Government departments are exempt from the payment of income tax in terms of the Income Tax Act 1994. Accordingly, no charge for income tax has been provided for.

COMMITMENTS

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

CONTINGENT LIABILITIES

Contingent liabilities are disclosed at the point at which the contingency is evident.

TAXPAYERS' FUNDS

This is the Crown's net investment in Crown Law.

CHANGES IN ACCOUNTING POLICIES

These prospective financial statements have been prepared in accordance with New Zealand equivalents to international financial reporting standards (NZ IFRS). There are no significant changes in accounting policy on transition to NZ IFRS.

STATEMENT OF INTENT

NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS – (CONTINUED)
FOR THE YEAR ENDING 30 JUNE 2008

3. FORECAST DETAILS OF FIXED ASSETS BY CATEGORY

	30 June 2007	30 June 2008 Forecast Position		
	Estimated Net Book Value Position \$000	Cost/Net Current Value \$000	Accumulated Depreciation \$000	Net Book Value \$000
Computer equipment	269	1,179	935	244
Computer software	214	1,446	823	623
Office equipment	96	517	434	83
Furniture and fittings	436	1,100	844	256
Leasehold improvements	1,867	2,709	1,144	1,565
Library	416	886	522	364
TOTAL	3,298	7,837	4,702	3,135

CAPITAL EXPENDITURE (incurred in accordance with s24 Public Finance Act 1989)

	Forecast	Estimated		Actual 2005/06 \$000	Actual 2004/05 \$000	Actual 2003/04 \$000	Actual 2002/03 \$000
	2007/08 \$000	Actual 2006/07 \$000	Budget 2006/07 \$000				
Computer equipment	300	242	242	83	129	182	249
Computer software	250	252	253	72	129	50	99
Furniture and fittings	90	63	20	15	217	753	-
Leasehold improvements	135	152	59	49	-	2,495	-
Library	35	25	25	14	29	21	18
Office equipment	30	20	20	6	41	165	40

The 2007/08 forecast expenditure is for the routine replacement and upgrade of the Crown Law Financial Management Information System which is very reliant on obsolete and unsupported software and the ongoing replacement of desktop computers, to help with the efficient delivery of services. Future expenditure will be primarily for the routine replacement of desktop computers.

STATEMENT OF INTENT

NOTES TO THE PROSPECTIVE FINANCIAL STATEMENTS — (CONTINUED)
 FOR THE YEAR ENDING 30 JUNE 2008

4. FORECAST MOVEMENTS IN TAXPAYERS' FUNDS

	Estimated Position as at 30 June 2007 \$000	Forecast Position as at 30 June 2008 \$000
Taxpayers' funds at start of period	1,297	1,297
<i>Movements during the year (other than flows to and from the Crown):</i>		
Net surplus	-	-
Total recognised revenues and expenses for the period	-	-
<i>Adjustment for flows to and from the Crown:</i>		
Provision for repayment of capital contribution	-	-
Provision for payment of surplus to the Crown	-	-
Total adjustments for flows to and from the Crown	-	-
Taxpayers' Funds at the End of the Period	1,297	1,297

STATEMENT OF INTENT

5. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO NET SURPLUS/(DEFICIT) IN THE PROSPECTIVE FINANCIAL STATEMENTS

	2006/07		2007/08
	Budgeted \$000	Estimated Actual \$000	Forecast \$000
Net Surplus from Prospective Income Statement	-	-	-
<i>Non-cash items:</i>			
Depreciation	932	932	1,003
Other non-cash items	-	-	-
<i>Movement in working capital items:</i>			
(Increase)/decrease in debtors and receivables	-	-	(25)
Increase/(decrease) in creditors and payables	-	-	(2)
Increase/(decrease) in employee entitlements	-	-	(27)
Net Cash Flows from Operating Activities	932	932	949

STATEMENT OF INTENT

**STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008**

Crown Law has committed to provide output classes in 2007/08 that meet the requirements of its Vote Minister and various purchasers in terms of their nature, timeliness, quality and quantity specifications, and cost.

SUMMARY OF DEPARTMENTAL OUTPUT EXPENSES

Departmental output expenses to be delivered by Crown Law and their associated revenue, expenses and surplus or deficit are summarised below:

Departmental Output Expenses	Description	Revenue: Crown \$000	Revenue: Other \$000	Total Expenses \$000	Surplus/ (deficit) \$000
Vote:					
Attorney-General					
Conduct of Criminal Appeals	Conduct of appeals arising from criminal trials on indictment and from Crown appeals against sentence	2,995	-	2,995	-
Legal Advice and Representation	Provision of legal advice and representation services to central government departments and agencies	-	21,100	21,100	-
Supervision and Conduct of Crown Prosecutions	Provision of a national Crown Prosecution Service which undertakes criminal trials on indictment and appeals arising out of summary prosecutions	31,865	-	31,865	-
The Exercise of Principal Law Officer Functions	Provision of legal and administrative services for the Attorney-General and Solicitor-General in the exercise of Principal Law Officer functions	1,278	-	1,278	-

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008
OUTPUT – CONDUCT OF CRIMINAL APPEALS

DESCRIPTION:	<p>This output class involves the conduct of all appeals that arise out of criminal trials on indictment and from Crown appeals.</p> <p>The majority of appeals, including pre-trial applications and appeals against sentence and conviction, are brought by offenders. The decision on whether to take a Crown appeal is a statutory function of the Solicitor-General.</p> <p>The statutory function of the Solicitor-General includes making decisions on whether the Crown should take pre-trial and case stated appeals in the indictable jurisdiction, and appeals against sentence to the Court of Appeal and Supreme Court.</p>
OUTCOMES:	<p>By conducting criminal appeals Crown Law contributes to the Justice sector outcome of safer communities that requires that offenders be held to account. By its conduct in criminal appeals Crown Law also contributes to the outcome of a trusted Justice system in which civil and democratic rights and obligations are enjoyed.</p>

SERVICE PERFORMANCE:

	<i>Measures</i>	<i>Standards</i>
QUANTITY		
Number of appeals disposed of by the Court of Appeal/Supreme Court/Privy Council arising out of criminal trials on indictment, brought by:		
- the Crown	30 – 35	
- offenders	550 – 600	
Decisions made on requests for the Solicitor-General to take Crown appeals in relation to:		
- sentence	40 – 50	
- case stated or other appeals	25 – 30	
QUALITY AND TIMELINESS		
Success rate for sentence appeals brought by the Solicitor-General		Not less than 60%
Compliance with court procedures and requirements of the judiciary as specified in the Court of Appeal/Supreme Court Practice Notes		No complaints are received in relation to non-compliance

STATEMENT OF INTENT

**STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008**

*Measures**Standards*

QUALITY AND TIMELINESS (CONTINUED)

The hearing of sentence appeals is undertaken in accordance with the schedule of sitting days which are agreed by the court one month in advance

The Crown seeks no requests for adjournment

Decisions to appeal by the Crown are taken in accordance with the statutory deadlines. Written submissions are filed within the timeframe stipulated in the practice notes prepared for the guidance of counsel in the Court of Appeal and Supreme Court

Submissions are filed by the Crown by the required date, or within three days of receipt of the appellant's submissions, or if that timeframe is not available then prior to the appeal hearing

COST

The output is produced within budget

\$2.995 million

Summary of Revenue and Cost:

Year	Appropriation \$000	Cost \$000	Total Revenue \$000	Revenue Crown \$000	Revenue Other \$000
2007/08	2,995	2,995	2,995	2,995	-
2006/07	3,363	3,363	3,363	3,363	-

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

OUTPUT – LEGAL ADVICE AND REPRESENTATION

DESCRIPTION: This output class comprises the provision of legal advice and representation services to central government departments and agencies with special emphasis on matters of public and administrative law, including Treaty of Waitangi and revenue issues.

The legal advice and representation services provided will take into account the responsibility of the Government to conduct its affairs in accordance with the law and the underlying obligation (to discharge their responsibilities) of the Attorney-General and Solicitor-General by acting in the public interest.

OUTCOMES: Crown Law contributes to the outcomes of its clients and the wider public sector by protecting the Crown's legal interests and supporting the responsibilities of the Crown, so that the Government is able to lawfully implement its chosen policies and Executive Government is conducted lawfully. This, in turn, contributes to the outcome of democratic government under law and in the public interest.

By meeting the Crown's obligation to be a model litigant Crown Law contributes to the Justice sector outcome of a trusted justice system by upholding public interest factors in the application of the law, including timely process and fair results.

SERVICE PERFORMANCE:

<i>Measures</i>	<i>Standards</i>
QUANTITY	
Number of new instructions for legal advice	500 – 600
Average number of requests for legal advice in progress during the year	750 – 850
Number of new instructions in respect of litigation matters	600 – 700
Average number of litigation matters in progress during the year	2,000 – 2,200

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

*Measures**Standards*

QUALITY AND TIMELINESS

Legal advice, including opinions, and representation services will be provided in accordance with Crown Law's Professional Standards: Crown Law Advice and Conduct of Litigation, respectively

Conformity with the guidelines set down in the standards as determined by the quality assurance review processes that have been developed to support the application of the standards

COST

The output class is produced within budget

\$21.100 million

Summary of Revenue and Cost:

Year	Appropriation \$000	Cost \$000	Total Revenue \$000	Revenue Crown \$000	Revenue Other \$000
2007/08	21,100	21,100	21,100	-	21,100
2006/07	20,700	20,700	20,700	-	20,700

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

OUTPUT – SUPERVISION AND CONDUCT OF CROWN PROSECUTIONS

DESCRIPTION: This output class involves the provision of a national Crown Prosecution Service which undertakes criminal trials on indictment and related appeals, the supervision of the network of Crown Solicitors who deliver the prosecution service in centres where District Court and High Court jury trials are conducted throughout New Zealand, and the provision of advice on criminal law matters to other government agencies and Crown Solicitors.

The advice on criminal law matters includes undertaking work in the following areas: proceeds of crime, mutual assistance, blood sampling for DNA, request for Crown appeals arising out of summary prosecutions, consent to prosecute, applications for stays and immunity from prosecution.

This output class comprises three outputs:

- Crown Prosecution Services;
- Supervision of Crown Solicitor Network; and
- Criminal Law Advice and Services.

OUTCOMES: Crown Law is responsible for prosecuting indictable crime throughout New Zealand, and contributes to effective Crown prosecution services and the justice sector outcome of safer communities that requires that offenders be held to account. By its conduct of Crown prosecutions Crown Law also contributes to the outcome of a trusted justice system in which civil and democratic rights and obligations are enjoyed.

OUTPUT: CROWN PROSECUTION SERVICES

DESCRIPTION: The national Crown Prosecution Service undertakes all the criminal trials on indictment, including appeals against conviction and sentence arising from summary prosecutions, for all regions in New Zealand. The services are delivered by a network of 15 warranted Crown Solicitors, who operate as law practitioners in private practice, in centres where District Court and High Court criminal jury trials take place.

OUTCOMES: Crown Law contributes to the Justice sector outcomes of a credible and effective justice system.

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

SERVICE PERFORMANCE:

<i>Measures</i>	<i>Standards</i>
QUANTITY	
Number of trials for indictable crime:	
- District Court	1,350 – 1,450
- High Court	160 – 180
Number of trials for indictable crime, where the complexity of the case requires a significant amount of preparation and court appearance time:	
- District Court	180 – 200
- High Court	120 – 140
Number of other criminal matters conducted by the Crown Solicitors:	
- Bail applications and appeals	1,500 – 1,600
- Guilty pleas lower band and middle band sentencing	2,600 – 2,800
- Appeals relating to summary prosecutions	750 – 850
QUALITY AND TIMELINESS	
Prosecution services provided in accordance with prosecution guidelines and case management practices developed by the Solicitor-General and judiciary, respectively	Review of each Crown Solicitor practice on a cyclical basis to determine conformity to guidelines and practices as described in: Supervision of Crown Solicitor Network

STATEMENT OF INTENTSTATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008OUTPUT – SUPERVISION AND CONDUCT OF CROWN PROSECUTIONS
(CONTINUED)**OUTPUT: SUPERVISION OF CROWN SOLICITOR NETWORK**

DESCRIPTION: Supervision of the Crown Solicitor network includes administering the Crown Solicitors Regulations 1994 and in particular the classification of counsel, approval of special fees, and approval of additional counsel for lengthy or complex trials; the appointment and review of panel members for each region to assist Crown Solicitors; and undertaking a performance review of each Crown Solicitor practice on a cyclical basis.

OUTCOMES: Crown Law contributes to an effective Crown Prosecution Service, which in turn contributes to the Justice sector outcome of safer communities.

SERVICE PERFORMANCE:

<i>Measures</i>	<i>Standards</i>
QUANTITY	
Number of Crown Solicitors' practices to be reviewed	1 – 2 reviews will be completed during the year
Number of new applications from Crown Solicitors for special fees, classification of counsel and approval of additional counsel	275 – 325
QUALITY AND TIMELINESS	
Applications by Crown Solicitors for special fees, classification of counsel and approval of additional counsel will be considered in accordance with the Crown Solicitors Regulations 1994 and Crown Law's protocols which support the application of the Regulations. The protocols describe the process to be followed, the quality standards relating to the process and the content and justification required for the applications	Conformity of applications with the Crown Solicitors Regulations 1994, and Crown Law's protocols, which support the application of the Regulations, will be assessed at the time the applications are considered. Feedback will be formally communicated to Crown Solicitors as appropriate

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

*Measures**Standards*

QUALITY AND TIMELINESS (CONTINUED)

The provision of prosecution services by Crown Solicitors will be reviewed according to a range of quality standards which include:

- compliance with professional standards of conduct;
- application of the Solicitor-General's prosecution guidelines;
- compliance with court procedures and the requirements of the judiciary and clients in the management of cases;
- compliance with the Crown Solicitors Regulations 1994 and, in particular, the charging for services rendered; and
- compliance with the protocols and financial guidelines developed by Crown Law to support the application of the Regulations.

A review of the performance of Crown Solicitors, in providing prosecution services, will be undertaken on a cyclical basis by a review panel that comprises senior representatives from Crown Law and an independent advisor. The panel will address two main areas:

- case processing efficiency using a questionnaire and interview approach with the judiciary, clients and profession; and
- practice management case allocation, "good employer" responsibilities, financial reporting on cases and compliance with the Regulations and the supporting protocols.

A report is to be prepared for the Solicitor-General by each review panel containing documentary evidence of the review process, including the use of checklists and questionnaires, with assessments and conclusions.

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

OUTPUT – SUPERVISION AND CONDUCT OF CROWN PROSECUTIONS
(CONTINUED)

OUTPUT: **CRIMINAL LAW ADVICE AND SERVICES**

DESCRIPTION: Criminal Law Advice and Services includes providing advice in relation to criminal law and undertaking work in the following areas: proceeds of crime, mutual assistance, blood sampling for DNA, requests for Crown appeals, consents to prosecute, applications for stays and immunity from prosecution, and ministerials in relation to criminal matters.

OUTCOMES: By providing these outputs Crown Law contributes to the Justice sector outcome of safer communities that requires that offenders be held to account. Advice that ensures Executive Government is conducted lawfully and in the public interest also contributes to the Justice sector outcome of a trusted justice system in which civil and democratic rights and obligations are enjoyed.

SERVICE PERFORMANCE:

	<i>Measures</i>	<i>Standards</i>
QUANTITY		
Number of new requests for legal advice or determination of applications received in relation to criminal law issues	300 – 400	
Average number of requests for legal advice or determination of applications in relation to criminal law in progress during the year	400 – 450	
Number of new ministerials and parliamentary questions received	30 – 40	
QUALITY AND TIMELINESS		
Legal advice, including opinions, and representation services will be provided in accordance with Crown Law's Professional Standards: Crown Law Advice and Conduct of Litigation, respectively		Conformity with the guidelines set down in the standards as determined by the quality assurance review processes that have been developed to support the application of the standards
Ministerial correspondence and parliamentary questions will be responded to within appropriate timeframes		Replies to ministerial correspondence will be completed within 20 working days of receipt in 90% of cases All responses to parliamentary questions will be provided within the required deadlines

STATEMENT OF INTENTSTATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008*Measures**Standards*

COST

The output class is produced within budget

\$31.865 million

Summary of Revenue and Cost:

Year	Appropriation \$000	Cost \$000	Total Revenue \$000	Revenue Crown \$000	Revenue Other \$000
2007/08	31,865	31,865	31,865	31,865	-
2006/07	31,510	31,510	31,510	31,510	-

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

OUTPUT – THE EXERCISE OF PRINCIPAL LAW OFFICER FUNCTIONS

DESCRIPTION: The output class covers the provision of legal and administrative services to the Attorney-General and Solicitor-General to assist them in the exercise of their Principal Law Officer functions, the provision of legal advice to government and Ministers of the Crown including advice on constitutional and governance-related issues, and advice to the judiciary regarding legal processes.

The particular services provided include monitoring the enforcement and application of the law, supervision of charities, representation of the public interest, relator proceedings, vexatious litigant proceedings, and the exercise of a variety of powers, duties and authorities arising from statutory requirements and constitutional conventions. This output class also involves the review of legislation for compliance with the New Zealand Bill of Rights Act 1990 and advice on the appointment processes for judges and Queen's Counsel and participation in PILOM.

OUTCOMES: By supporting the Law Officers, who have a constitutional role in the lawful conduct of Executive Government, Crown Law contributes to democratic government under the law and in the public interest, and to the Justice sector outcome of effective constitutional arrangements.

SERVICE PERFORMANCE:

<i>Measures</i>	<i>Standards</i>
QUANTITY	
Number of new applications or requests for advice received for action on behalf of the Attorney-General and Solicitor-General	120 – 140
Average number of applications or requests for legal advice in progress during the year	320 – 340
Number of new ministerials and parliamentary questions received	240 – 260
QUALITY AND TIMELINESS	
Legal advice, including opinions, and representation services will be provided in accordance with Crown Law's Professional Standards: Crown Law Advice and Conduct of Litigation, respectively	Conformity with the guidelines set down in the standards as determined by the quality assurance review processes that have been developed to support the application of the standards Quality, timeliness and effectiveness of services assessed in accordance with the standards agreed with the Attorney-General

STATEMENT OF INTENT

STATEMENT OF OBJECTIVES AND FORECAST SERVICE PERFORMANCE
FOR THE YEAR ENDING 30 JUNE 2008

*Measures**Standards*

QUALITY AND TIMELINESS (CONTINUED)

Brief the Attorney-General in a timely and relevant way on significant legal matters affecting the Crown

A weekly report will be provided to the Attorney-General advising on significant legal matters involving the Crown

Ministerial correspondence and parliamentary questions will be responded to within appropriate timeframes

Replies to ministerial correspondence will be completed within 20 working days of receipt in 90% of cases

All responses to parliamentary questions will be provided within required deadlines

COST

The output is produced within budget

\$1.278 million

Summary of Revenue and Cost:

Year	Appropriation \$000	Cost \$000	Total Revenue \$000	Revenue Crown \$000	Revenue Other \$000
2007/08	1,278	1,278	1,278	1,278	-
2006/07	2,164	2,164	2,164	2,164	-

STATEMENT OF INTENT

ORGANISATION INFORMATION

GOVERNANCE STRUCTURE

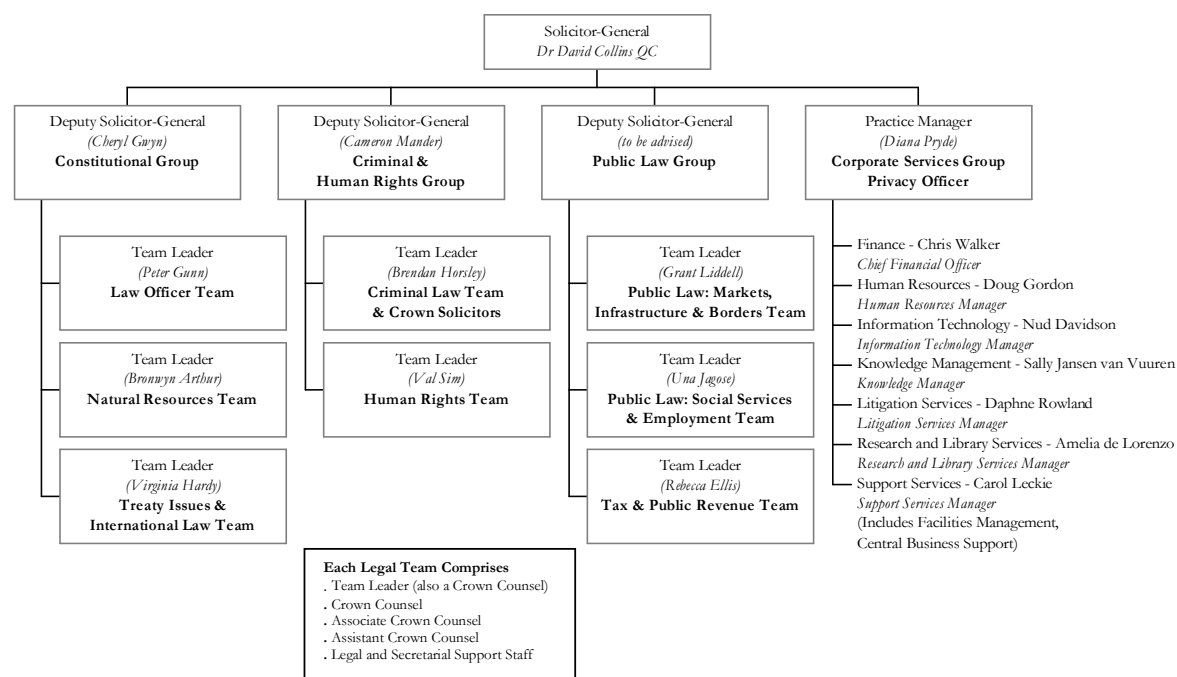
Crown Law is a government department whose primary function is to support the two Law Officers of the Crown, the Attorney-General and the Solicitor-General, in the performance of their statutory duties and functions.

The Attorney-General, who concurrently holds offices as a Minister of the Crown with political responsibilities and as the senior Law Officer of the Crown, has principal responsibility for the Government's administration of the law.

The Solicitor-General is the chief legal advisor to the Government, subject to any views expressed by the Attorney-General. In this capacity, the Solicitor-General is the Government's chief advocate in the courts. In addition, the Solicitor-General is responsible for the conduct of the prosecution of indictable crime, and also has a number of specific statutory duties and functions to perform. The Solicitor-General is also the Chief Executive of Crown Law.

ORGANISATION STRUCTURE

Crown Law is organised into three practice groups comprising eight client service legal teams and a corporate services group.



STATEMENT OF INTENT

LEGISLATIVE RESPONSIBILITIES

Crown Law administers the Crown Solicitors Regulations 1994 which sets out the basis upon which the scale of fees is calculated and the process by which fees are claimed and paid to Crown Solicitors for undertaking Crown prosecution work.

The Cabinet Directions for the Conduct of Crown Legal Business 1993 govern the conduct of legal business between the Law Officers of the Crown, Crown Law and government departments and agencies.

STATEMENT OF INTENT**CROWN SOLICITOR NETWORK**

A network of Crown Solicitors, who are legal practitioners in private practice, conduct the prosecution of indictable crime on behalf of the Crown in all High Court districts around New Zealand. Crown Solicitors are appointed on the recommendation of the Attorney-General and by warrant of the Governor-General. The Solicitor-General is responsible for supervising the Crown Solicitors in respect of the conduct of prosecutions and other legal work undertaken for the Government. The Crown Solicitors Regulations 1994 provide the basis for remuneration of Crown Solicitors.

There are 15 private law practitioners holding warrants as Crown Solicitors. Together with their partners and staff solicitors from the practice and the local prosecution panels, Crown Solicitors prosecute indictable offences in those centres

where District Court and High Court jury trials are conducted. The Crown Solicitor warrants cover the following regions:

Whangarei	Palmerston North
Auckland	Wanganui
Hamilton	Wellington
Tauranga	Tasman
Rotorua	Christchurch
New Plymouth	Timaru
Gisborne/Napier	Dunedin
	Invercargill

STATEMENT OF INTENT

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PO Box 2858
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Main fax number: 64-4-473-3482

Email addresses for enquiries: library@crownlaw.govt.nz (for general information about Crown Law)
hr@crownlaw.govt.nz (for information about employment opportunities)

Website: www.crownlaw.govt.nz

AUDITOR

Audit New Zealand (on behalf of the Controller and Auditor-General)
Wellington

BANKERS

Westpac Banking Corporation
Government Branch
Wellington

STATEMENT OF INTENT

FURTHER INFORMATION about CROWN LAW can be found by visiting our website at www.crownlaw.govt.nz or by CONTACTING our Human Resources Team by e-mail at hr@crownlaw.govt.nz

This document is available on the Crown Law website at the following address
http://www.crownlaw.govt.nz/artman/docs/cat_index_7.asp

