

Vote State Services

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of State Services (M66)

ADMINISTERING DEPARTMENT: State Services Commission

MINISTER RESPONSIBLE FOR STATE SERVICES COMMISSION: Minister of State Services

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
E-government Development and Operations (M66) The development, operations and evaluation of e-government services, infrastructure and initiatives in the State sector.	23,295	814	24,109
Government Shared Network (M66) The development, deployment and operation of Telecommunications infrastructure, architected to government standards, for the shared use of public sector agencies.	10,083	3,138	13,221
State Services Development, Governance and Performance (M66) Chief executive appointment and performance management services, advice on governance and performance of the State Services, leading and reinforcing integrity and conduct, support to the Minister of State Services, and operational services to client departments.	12,059	19	12,078
State Services People Capability (M66) The development, implementation and evaluation of initiatives to ensure the State Services is an employer of choice, and to develop the skills of State servants at all levels.	12,190	947	13,137
Total Departmental Output Expenses	57,627	4,918	62,545
Non-Departmental Output Expenses			
Development of On-line Authentication Services (M66) Services provided by the Office of the Privacy Commissioner in the development of on-line authentication services.	116	-	116
Total Non-Departmental Output Expenses	116	-	116
Benefits and Other Unrequited Expenses			
Mainstream Supported Employment Programme (M66) A supported employment programme for people with disabilities, which aims to assist its clients to gain permanent employment in the State sector.	4,566	(1,000)	3,566
Total Benefits and Other Unrequited Expenses	4,566	(1,000)	3,566
Other Expenses to be Incurred by the Crown			
KiwiSaver: State Sector Employer Contributions (M66) This appropriation is limited to funding compulsory employer contributions to KiwiSaver on behalf of State Sector employers.	-	1,000	1,000
Payment and Remuneration of Chief Executives (M66) The payment of salaries and costs relating to the employment of: chief executives of Public Service and related organisations; and chief executives in transition.	12,361	(3)	12,358
Settlement of Legal Liabilities (M66) The settlement of legal liabilities incurred by now-disestablished government departments and other Crown settlements.	196	-	196

	2007/08		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
State Sector Retirement Savings Scheme (M66)	102,093	(2,418)	99,675
Employer contributions to State Sector Retirement Savings Scheme, to provide superannuation for State sector employees who are not members of the Government Superannuation Fund.			
Total Other Expenses to be Incurred by the Crown	114,650	(1,421)	113,229
Capital Expenditure to be Incurred by the Department			
State Services Commission - Capital Expenditure PLA (M66)	-	12,358	12,358
This appropriation is limited to the purchase or development of assets by and for the use of the State Services Commission, as authorised by section 24(1) of the Public Finance Act 1989			
Total Capital Expenditure to be Incurred by the Department	-	12,358	12,358
Total Annual and Permanent Appropriations	176,959	14,855	191,814

Details of Projected Movements in Departmental Net Assets

State Services Commission

Details of Net Asset Schedule	2007/08 Estimates Projections \$000	2007/08 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2007/08
Opening Balance	27,786	19,707	Supplementary Estimates opening balance reflects the audited results as at 30 June 2007.
Capital Injections	5,000	12,579	Capital injections reflect \$5 million Cabinet-approved funding for the pilot programme for the Authentication - Identity Verification Service less \$2 million transferred to 2008/09 as a capital transfer plus \$1.875 million capital transfer for the Authentication programme from 2006/07. The remaining \$7.704 million has resulted from a technical change in the treatment of GSN programme funding.
Capital Withdrawals	-	-	
Surplus to be Retained (Deficit Incurred)	-	(9,049)	The deficit has resulted from a technical change in the treatment of the funding for the GSN programme and reflects the net deficit for the GSN operating activity for the 2007/08 year.
Other Movements	-	-	
Closing Balance	32,786	23,237	

Information Supporting the Supplementary Estimates

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ADMINISTERING DEPARTMENT: State Services Commission

MINISTER RESPONSIBLE FOR STATE SERVICES COMMISSION: Minister of State Services

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2007/08				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	57,743	4,918	-	4,918	62,661
Benefits and Other Unrequited Expenses	4,566	N/A	(1,000)	(1,000)	3,566
Borrowing Expenses	-	-	-	-	-
Other Expenses	114,650	-	(1,421)	(1,421)	113,229
Capital Expenditure	-	12,358	-	12,358	12,358
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	176,959	17,276	(2,421)	14,855	191,814
Crown Revenue and Receipts					
Tax Revenue	-	N/A	N/A	-	-
Non-Tax Revenue	11,581	N/A	N/A	(350)	11,231
Capital Receipts	-	N/A	N/A	-	-
Total Crown Revenue and Receipts	11,581	N/A	N/A	(350)	11,231

Analysis of Significant Trends

Expense transfers for E-government initiatives from 2006/07 to 2007/08 are the biggest contributor to the increase in appropriation over the period. In addition, an appropriation of \$1 million has been approved by Cabinet in the period to cover KiwiSaver employer contributions. This has been partially offset by reductions in utilisation of Benefits and Other Unrequited Expenses and Other Expenses. Departmental Capital expenditure is now included as an appropriation.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

E-government Development and Operations (M66)

Scope of Appropriation

The development, operations and evaluation of e-government services, infrastructure and initiatives in the State sector.

Expenses and Revenue

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	23,295	814	24,109
Revenue from the Crown	20,865	1,349	22,214
Revenue from Others	2,430	(535)	1,895

Reasons for Change in Appropriation

Appropriation changes have resulted from Authentication programme expense transfers of \$3.700 million from 2006/07 to 2007/08 and \$3 million from 2007/08 to 2008/09. Delays in agency implementation of the Government Logon Service resulted in delays in revenue received.

Government Shared Network (M66)

Scope of Appropriation

The development, deployment and operation of Telecommunications infrastructure, architected to government standards, for the shared use of public sector agencies.

Expenses and Revenue

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	10,083	3,138	13,221
Revenue from the Crown	-	-	-
Revenue from Others	10,083	(5,911)	4,172

Reasons for Change in Appropriation

An expense transfer of \$2.934 million from 2006/07 to 2007/08 increased funds available in the 2007/08 year. A technical change in the accounting treatment of the Government Shared Network funding occurred in October 2007 resulting in a reduction in revenue from others. Delay in completion of the project has resulted in delays in receipt of revenue from third parties and reduced direct expenditure.

State Services Development, Governance and Performance (M66)

Scope of Appropriation

Chief executive appointment and performance management services, advice on governance and performance of the State Services, leading and reinforcing integrity and conduct, support to the Minister of State Services, and operational services to client departments.

Expenses and Revenue

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,059	19	12,078
Revenue from the Crown	11,067	19	11,086
Revenue from Others	992	-	992

State Services People Capability (M66)

Scope of Appropriation

The development, implementation and evaluation of initiatives to ensure the State Services is an employer of choice, and to develop the skills of State servants at all levels.

Expenses and Revenue

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,190	947	13,137
Revenue from the Crown	7,450	17	7,467
Revenue from Others	4,740	930	5,670

Reasons for Change in Appropriation

Administration expenditure for KiwiSaver (CAB Min (08) 7/1) has increased the baseline by \$150,000 per annum. Increased appropriation has largely resulted from expense transfers totalling \$1.200 million from 2006/07 to 2007/08 and \$400,000 from 2007/08 to 2008/09, funded from third-party revenue.

Part 2.2 - Non-Departmental Output Expenses

Development of On-line Authentication Services (M66)

Scope of Appropriation

Services provided by the Office of the Privacy Commissioner in the development of on-line authentication services.

Expenses

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	116	-	116

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Mainstream Supported Employment Programme (M66)

Scope of Appropriation

A supported employment programme for people with disabilities, which aims to assist its clients to gain permanent employment in the State sector.

Expenses

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,566	(1,000)	3,566

Reasons for Change in Appropriation

Utilisation of the Mainstream Supported Employment Programme has been less than forecast with a resulting reduction in expenditure on benefits.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

KiwiSaver: State Sector Employer Contributions (M66)

Scope of Appropriation

This appropriation is limited to funding compulsory employer contributions to KiwiSaver on behalf of State Sector employers.

Expenses

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,000	1,000

Reasons for Change in Appropriation

Cabinet has approved the appropriation to fund compulsory employer contributions to KiwiSaver on behalf of State Sector employers (CAB Min (08) 7/1).

Expected Results

	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Approved employers are reimbursed for employer contributions to KiwiSaver correctly and on time.	Meet	Meet	Meet

Payment and Remuneration of Chief Executives (M66)

Scope of Appropriation

The payment of salaries and costs relating to the employment of: chief executives of Public Service and related organisations; and chief executives in transition.

Expenses

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,361	(3)	12,358

State Sector Retirement Savings Scheme (M66)

Scope of Appropriation

Employer contributions to State Sector Retirement Savings Scheme, to provide superannuation for State sector employees who are not members of the Government Superannuation Fund.

Expenses

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	102,093	(2,418)	99,675

Reasons for Change in Appropriation

Projected decrease in uptake of State Sector Retirement Savings Scheme has resulted in a projected reduction in reimbursement of employer contributions to government departments.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

State Services Commission - Capital Expenditure PLA (M66)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the State Services Commission, as authorised by section 24(1) of the Public Finance Act 1989

Capital Expenditure

	2007/08		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	-	5,325	5,325
Intangibles	-	7,033	7,033
Other	-	-	-
Total Appropriation	-	12,358	12,358

Reasons for Change in Appropriation

Technical change.

Expected Results

	2007/08		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Investment in assets to support the achievement of departmental outcomes.	Meet	Meet	Meet