

# *Information Supporting the Supplementary Estimates*

## *Vote ACC*

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MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for ACC (M1)

ADMINISTERING DEPARTMENT: Department of Labour

MINISTER RESPONSIBLE FOR DEPARTMENT OF LABOUR: Minister of Labour

## Part 1 - Summary of the Vote

### Part 1.3 - Trends in the Vote

#### Summary of Financial Activity

	2008/09				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	773,386	239	181,964	182,203	955,589
Benefits and Other Unrequited Expenses	165,672	N/A	114,931	114,931	280,603
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
<b>Total Appropriations</b>	<b>939,058</b>	<b>239</b>	<b>296,895</b>	<b>297,134</b>	<b>1,236,192</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	<b>-</b>	<b>N/A</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Part 2 - Details and Expected Performance for Output Expenses

### Part 2.1 - Departmental Output Expenses

#### Policy and Monitoring (M1)

##### *Scope of Appropriation*

To provide policy advice, analysis, evaluation, research, monitoring, purchase advice, legislation and regulatory support, and ministerial servicing on the ACC scheme and the performance of the Accident Compensation Corporation (ACC).

##### *Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,395	219	2,614
Revenue from Crown	2,364	201	2,565
Revenue from Other	31	18	49

##### *Reasons for Change in Appropriation*

The increase is due to a fiscally neutral realignment of costs to the Department's cost allocation model (\$32,000), a fiscally neutral transfer from Vote Labour Policy Advice - Labour for the cost of the stock-take of each of the ACC Accounts (\$175,000), forecast changes relating to KiwiSaver employer expenses and subsidies (\$1,000) and the State Sector Retirement Scheme (\$17,000), partially offset by a decrease in funding for expenditure transfers to 2009/10 which mainly relate to the ICT Infrastructure Programme (\$6,000).

## Regulatory Services (M1)

### *Scope of Appropriation*

To manage the residual long-term responsibility related to the Crown's ongoing risks resulting from the introduction of the competitive accident insurance market during 1999/2000.

### *Expenses and Revenue*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	100	20	120
Revenue from Crown	100	19	119
Revenue from Other	-	1	1

### *Reasons for Change in Appropriation*

The increase is due to a fiscally neutral realignment of costs to the Department's cost allocation model (\$19,000) and a forecast change for the State Sector Retirement Scheme (\$1,000).

## Part 2.2 - Non-Departmental Output Expenses

### Case Management and Supporting Services (M1)

### *Scope of Appropriation*

To cover the cost of injury prevention, claim processing, assessment, payment services and case management on the Non-Earners' Account.

### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	57,135	(1,921)	55,214

### *Reasons for Change in Appropriation*

The decrease in funding is due to updated funding requirements for the Non-Earners' Account (\$1.921 million).

## Claim Entitlements and Services (M1)

### *Scope of Appropriation*

To cover the cost of purchasing medical services, social rehabilitation and elective health care services on the Non-Earners' Account and contracted services.

### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	497,672	176,504	674,176

### *Reasons for Change in Appropriation*

An increase in funding is due to an amendment to the Injury Prevention Rehabilitation and Compensation (Review Costs and Appeals) Regulations 2002 (\$36,000) and updated funding requirements for the ACC Non-Earners' Account (\$176.468 million).

## Public Health Acute Services (M1)

### *Scope of Appropriation*

To fund public health acute services for claims on the Non-Earners' Account.

### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	216,084	7,381	223,465

### *Reasons for Change in Appropriation*

The increase in funding is due to updated funding requirements for the ACC Non-Earners' Account (\$7.381 million).

## Part 3 - Details for Benefits and Other Unrequited Expenses

### Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

#### Other Compensation (M1)

##### *Scope of Appropriation*

To cover the cost of income maintenance, independence allowance, and other compensation payments for claims on the Non-Earners' Account and contracted services, as well as transfers to the Medical Misadventure Account for payments made on non-earner related claims.

##### *Expenses*

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	165,672	114,931	280,603

##### *Reasons for Change in Appropriation*

The increase in funding is due to updated funding requirements for the ACC Non-Earners' Account (\$114.931 million).