

Information Supporting the Supplementary Estimates

Vote Local Government

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Local Government (M49)

ADMINISTERING DEPARTMENT: Department of Internal Affairs

MINISTER RESPONSIBLE FOR DEPARTMENT OF INTERNAL AFFAIRS: Minister of Internal Affairs

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2009/10				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	20,368	(8,260)	-	(8,260)	12,108
Benefits and Other Unrequited Expenses	65,000	N/A	(10,000)	(10,000)	55,000
Borrowing Expenses	-	-	-	-	-
Other Expenses	4,711	-	403	403	5,114
Capital Expenditure	34	-	30,473	30,473	30,507
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	90,113	(8,260)	20,876	12,616	102,729
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Implementation of Auckland Governance Reforms (M49)

Scope of Appropriation

This appropriation is limited to the implementation of the government's decisions on the recommendations of the Royal Commission on Auckland Governance.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,144	(8,578)	566
Revenue from Crown	9,144	(9,144)	-
Revenue from Other	-	566	566

Reasons for Change in Appropriation

This appropriation will decrease by \$8.578 million to \$566,000 for 2009/10. The decrease relates to:

- a transfer to the non-departmental capital appropriation - Loan to the Auckland Transition Agency (decrease of \$10.187 million).

The decrease is partially offset by the following increases:

- an expense transfer from 2008/09 to 2009/10 for the establishment of the Auckland Transition Agency (increase of \$1.043 million)
- an increase in funding for the provision of financial and information technology services to the Auckland Transition Agency (\$566,000).

Services for Local Government MCOA (M49)

Scope of Appropriation

Information, Support and Regulatory Services - Local Government

Providing advisory and support services to the Local Government Commission in respect of its statutory functions, providing information to and about local government, administering the Local Government Act 2002 and other statutes, providing operational advice and support to the Minister of Local Government, administering the Local Electoral Act 2001, administering the Rates Rebate Scheme, providing regulatory and boating services for Lake Taupo, including providing the Harbourmaster and managing the Lake Taupo Landing Reserve, governance and management of the National Dog Control Information Database and education about dogs.

Policy Advice - Local Government

Provision of policy advice on, and information relating to, local government issues, including ministerial correspondence and questions.

Explanation for Use of Multi-Class Output Expense Appropriation

Both outputs contribute to the effective governance and support for New Zealand's Local Government sector.

Expenses and Revenue

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,224	318	11,542
Information, Support and Regulatory Services - Local Government	4,057	58	4,115
Policy Advice - Local Government	7,167	260	7,427
Revenue from Crown	10,209	428	10,637
Information, Support and Regulatory Services - Local Government	3,137	140	3,277
Policy Advice - Local Government	7,072	288	7,360
Revenue from Other	994	(110)	884
Information, Support and Regulatory Services - Local Government	900	(82)	818
Policy Advice - Local Government	94	(28)	66

Reasons for Change in Appropriation

This appropriation will increase by \$318,000 to \$11.542 million for 2009/10.

The increase in the Information, Support and Regulatory Services - Local Government output expense relates to:

- an increase in funding for capability building due to a transfer of funding from Vote Emergency Management (\$300,000)
- an expense transfer from 2008/09 to 2009/10 for Sustainable Accommodation (increase of \$55,000)
- a reallocation of shared services costs (increase of \$13,000)
- an increase in funding for KiwiSaver costs (\$4,000).

The increases are partially offset by the following decreases:

- a transfer of funding to Policy Advice - Local Government for the monitoring of the Auckland Transition Agency (decrease of \$228,000)
- a decrease in levies from Councils for the National Dog Database (\$50,000)
- a decrease in funding for State Sector Retirement Savings Scheme costs (\$36,000).

The increase in the Policy Advice - Local Government output expense relates to:

- a transfer of funding from Policy Advice - Local Government for the monitoring of the Auckland Transition Agency (increase of \$228,000)
- a reallocation of shared services costs (increase of \$53,000)
- an expense transfer from 2008/09 to 2009/10 for Sustainable Accommodation (increase of \$7,000)
- an increase in funding for KiwiSaver costs (\$4,000)
- the increases are partially offset by a decrease in funding for State Sector Retirement Savings Scheme costs (\$32,000).

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Rates Rebate Scheme (M49)

Scope of Appropriation

Assistance with rates for low-income residential ratepayers.
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Reasons for Change in Appropriation

This appropriation will decrease by \$10 million to \$55 million for 2009/10 due to a forecast change in demand.

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Chatham Islands Council (M49)

Scope of Appropriation

Contribution to the cost of the Chatham Island Council meeting its statutory responsibilities.
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Reasons for Change in Appropriation

This appropriation will increase by \$403,000 to \$3.467 million for 2009/10. The increase relates to an expense transfer from 2008/09 to 2009/10 for the Chatham Islands solid waste management programme.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Loan to the Auckland Transition Agency (M49)

Scope of Appropriation

This appropriation is limited to the payment of a loan to the Auckland Transition Agency to implement local government reorganisation in the Auckland region

Capital Expenditure

	2009/10		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	30,473	30,473

Reasons for Change in Appropriation

This appropriation was created in 2009/10 to provide a loan to the Auckland Transition Agency.

Expected Results

	2009/10		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Establishment of a single local authority for Auckland from 1 November 2010	New measure	New measure	New measure

Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	A loan to the Auckland Transition Agency to assist with funding the costs of establishing a single local authority for Auckland.