



Cabinet

CAB Min (08) 14/1(39)

Minute of Decision

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2008 Budget Package: Vote Parliamentary Service

On 14 April 2008, Cabinet:

1. **approved** the Budget initiatives for the above Vote for inclusion in the 2008 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
5157	Building Information and ICT Services Capability	0.080	0.853	0.825	0.825	0.825
5158	Attracting, Retaining, Developing and Rewarding Capability	-	3.100	3.175	3.175	3.175
5159	Increase in Costs of Rentals, Contractors and Service Providers	1.163	1.163	1.163	1.163	1.163
5168	Risk and Assurance Committee Support	0.057	0.057	0.057	0.057	0.057
5169	Activity and Price Increases for Travel and Communications Appropriations	0.918	0.918	0.918	0.918	0.918
5244	Capability Development and Performance Enhancement	0.343	0.343	0.343	0.343	0.343
Total Operating		2.561	6.434	6.481	6.481	6.481

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
5157	Building Information and ICT Services Capability	-	0.600	-	-	-
5166	Capital Funding - Crown Asset Management	1.000	-	-	-	-
Total Capital		1.000	0.600	-	-	-

2. **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
3. **approved** the changes to appropriations and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;

4. **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
5. **agreed** that the proposed changes to appropriations and/or projected balances of net assets for 2007/08 above be included in the 2007/08 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
6. **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2007/08 Supplementary Estimates, the 2008/09 Estimates and the fiscal forecasts;
7. **noted** that all communications relating to the 2008 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

Reference: 2008 Budget package tabled
by the Minister of Finance

Distribution:

Prime Minister
Chief Executive, DPMC
Director PAG, DPMC
Minister of Finance
Secretary to the Treasury
Hon Jim Anderton
Associate Minister of Finance (Hon Trevor Mallard)
Speaker of the House
General Manager, Parliamentary Service
Controller and Auditor-General

Initiative No: 5157

Vote: Parliamentary Service**Title:** Building Information and ICT Services Capability**Description:** Improving the Parliamentary Service Information Communication Technology (ICT) Security.**Theme:** Other**Theme Objective:** Other**Performance Information****Performance Text**

The recently released Government Communications Security Bureau standard, NZSITS 402: June 2007, recommends that each agency has a resource dedicated to network security. In the case of the Parliamentary Service, this resource would be responsible for both the Parliamentary Service ICT network and the precinct network. It is intended that this role will develop a broad precinct responsibility for ICT network security.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	0.080	0.853	0.825	0.825	0.825
Debt Impact	-	0.600	-	-	-
No Impact	-	-	-	-	-
Total	0.080	1.453	0.825	0.825	0.825

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Operations, Information and Advisory Services					
Parliamentary Information Services (funded by Revenue Crown)	0.080	0.853	0.825	0.825	0.825
Net Asset Schedule: Capital Investment	-	0.600	-	-	-
Total Operating	0.080	0.853	0.825	0.825	0.825
Total Capital	-	0.600	-	-	-

Initiative No: 5158

Vote: Parliamentary Service

Title: Attracting, Retaining, Developing and Rewarding Capability

Description: Staff recruitment and retention, cover and full funding for member support staff, performance based pay for core staff, increases to salary ranges due to introduction of a more robust job evaluation methodology and introduction of office managers for Out-of-Parliament offices with multiple staff.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

Additional funding is required to ensure the Service can deliver on the outputs in its Statement of Intent.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	3.100	3.175	3.175	3.175
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.100	3.175	3.175	3.175

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Operations, Information and Advisory Services					
Building and Operations Management (funded by Revenue Crown)	-	0.624	0.617	0.617	0.617
Parliamentary Information Services (funded by Revenue Crown)	-	0.348	0.338	0.338	0.338
Personnel and Accounting Services to Members and Other Agencies (funded by Revenue Crown)	-	0.272	0.355	0.355	0.355
Policy Advice (funded by Revenue Crown)	-	0.053	0.062	0.062	0.062
Services to Members (funded by Revenue Crown)	-	1.803	1.803	1.803	1.803
Total Operating	-	3.100	3.175	3.175	3.175
Total Capital	-	-	-	-	-

Initiative No: 5159

Vote: Parliamentary Service

Title: Increase in Costs of Rentals, Contractors and Service Providers

Description: For security reasons additional premises have been leased in Bowen House. The value of buildings facilities maintenance, cleaning, power, gas and sound systems service contracts have increased. External contractors have also increased in cost (audit, Information Communication Technology, catering).

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

To maintain performance standards in the operations and buildings areas, increased input costs from contractors and service providers need to be funded.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	1.163	1.163	1.163	1.163	1.163
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	1.163	1.163	1.163	1.163	1.163

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Operations, Information and Advisory Services					
Building and Operations Management (funded by Revenue Crown)	1.023	1.023	1.023	1.023	1.023
Parliamentary Information Services funded by Revenue Crown)	0.121	0.121	0.121	0.121	0.121
Personnel and Accounting Services to Members and Other Agencies (funded by Revenue Crown)	0.017	0.017	0.017	0.017	0.017
Policy Advice (funded by Revenue Crown)	0.002	0.002	0.002	0.002	0.002
Total Operating	1.163	1.163	1.163	1.163	1.163
Total Capital	-	-	-	-	-

Initiative No: 5166

Vote: Parliamentary Service

Title: Capital Funding - Crown Asset Management

Description: The continued maintenance of Parliament House, the Parliamentary Library, the Executive Wing and the Parliament Grounds in terms of an asset management plan and the Heritage Management Guidelines for Government Departments.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

An Asset Management plan has been funded for the last four years at \$1.778 million per annum. This will ensure that the Parliamentary precinct is adequately maintained.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	1.000	-	-	-	-
No Impact	-	-	-	-	-
Total	1.000	-	-	-	-

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Capital Expenditure: Parliamentary Complex - Minor Capital Works	1.000	-	-	-	-
Total Operating	-	-	-	-	-
Total Capital	1.000	-	-	-	-

Vote: Parliamentary Service

Title: Risk and Assurance Committee Support

Description: To establish and implement an on-going assurance function within the Parliamentary Service. The implementation will include the establishment of two assurance committees (one focusing on Party and Member Support appropriations, and the other focusing on departmental expenditure).

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

Each assurance committee will meet at least 4 times per year to review the assurance functions annual work plan for alignment with strategic risks, review the completed reports of reviews undertaken, monitor progress against the annual work plan and provide advice to the General Manager and Speaker of the House (as responsible Minister), where applicable.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	0.057	0.057	0.057	0.057	0.057
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.057	0.057	0.057	0.057	0.057

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Services to Members (funded by Revenue Crown)	0.057	0.057	0.057	0.057	0.057
Total Operating	0.057	0.057	0.057	0.057	0.057
Total Capital	-	-	-	-	-

Initiative No: 5169

Vote: Parliamentary Service

Title: Activity and Price Increases for Travel and Communications Appropriations

Description: Recent changes resulting from the Speakers Directions will increase the cost of "MPs' Communications" due to the provision of new services. Funding will also cover increased costs of travel.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

Both appropriations incorporate the expenditure driven by established entitlements. These entitlements are fully documented in the Speakers Determination and Direction.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Operating Balance Impact	0.918	0.918	0.918	0.918	0.918
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.918	0.918	0.918	0.918	0.918

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
Other Expenses to be Incurred by the Crown:					
Members' Communications	0.112	0.112	0.112	0.112	0.112
Travel of Members and Others	0.806	0.806	0.806	0.806	0.806
Total Operating	0.918	0.918	0.918	0.918	0.918
Total Capital	-	-	-	-	-

Vote: Parliamentary Service

Title: Capability Development and Performance Enhancement

Description: Funding is needed to enable the Service to develop its leadership capability and to enhance the services provided to Members by Out-of-Parliament support staff.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

Develop leadership and management capability;
Provide enhanced professional supervision for Out-of-Parliament support staff;
Enhance the orientation of new Out-of-Parliament support staff;
Extend the Service's Employee Assistance Programme (EAP) to Out-of-Parliament support staff.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	0.343	0.343	0.343	0.343	0.343
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	0.343	0.343	0.343	0.343	0.343

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General): Operations, Information and Advisory Services					
Building and Operations Management (funded by Revenue Crown)	0.050	0.050	0.050	0.050	0.050
Parliamentary Information Services (funded by Revenue Crown)	0.024	0.024	0.024	0.024	0.024
Personnel and Accounting Services to Members and Other Agencies (funded by Revenue Crown)	0.245	0.245	0.245	0.245	0.245
Policy Advice (funded by Revenue Crown)	0.024	0.024	0.024	0.024	0.024
Total Operating	0.343	0.343	0.343	0.343	0.343
Total Capital	-	-	-	-	-

Additional Recommendations

- 1 **agreed** that a new multi-year appropriation (MYA) for Capital Expenditure *Parliamentary Complex – Minor Capital Works* be established in Vote Parliamentary Service for a four-year period commencing in 2008/09 to replace the annual appropriations;
- 2 **agreed** that the scope of the MYA be as follows: “This appropriation is limited to minor capital works within the Parliamentary Complex to carry out essential maintenance and minor capital improvements;”
- 3 **agreed** to the following changes to appropriations to implement paragraph 1 above:

Vote Parliamentary Service Speaker of the House	\$m – increase/(decrease)				
	2007/08	2008/09 to 2011/12			
Capital Expenditure: Parliamentary Complex – Minor Capital Works	-	7.112			
	2007/08	2008/09	2009/10	2010/11	2011/12
Capital Expenditure: Parliamentary Complex – Minor Capital Works	-	(1.778)	(1.778)	(1.778)	(1.778)

- 4 **noted** that the indicative spending profile for the multi-year appropriation in paragraph 1 above is as follows:

	\$m – increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12
Indicative annual spending profile	-	2.200	1.525	1.525	1.862