



Cabinet

CAB Min (08) 14/1(41)

Minute of Decision

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2008 Budget Package: Vote Prime Minister and Cabinet

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
4634	Upgrade of the Department of the Prime Minister and Cabinet's (DPMC) Information and Communication Technology (ICT) Infrastructure and Websites	-	0.336	0.336	0.336	0.336
4917	Refurbishment of Government House Wellington	-	0.200	0.200	0.200	0.200
Total Operating		-	0.536	0.536	0.536	0.536

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2007/08	2008/09	2009/10	2010/11	2011/12 & Outyears
4634	Upgrade of the Department of the Prime Minister and Cabinet's (DPMC) Information and Communication Technology (ICT) Infrastructure and Websites	-	1.020	-	-	-
4917	Refurbishment of Government House Wellington	-	6.500	15.000	17.000	8.137
Total Capital		-	7.520	15.000	17.000	8.137

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)
Controller and Auditor-General

Vote: Prime Minister and Cabinet

Title: Upgrade of the Department of the Prime Minister and Cabinet's (DPMC) Information and Communication Technology (ICT) Infrastructure and Websites

Description: Upgrade of DPMC ICT Infrastructure and Websites to make its business more efficient, effective & compliant.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

DPMC will utilise the capital funding for the purchase and replacement of key components of its ICT networks, including hardware and software, to improve the functionality, performance and security of these networks for the Cabinet Office and the External Assessments Bureau in particular.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Operating Balance Impact	-	0.336	0.336	0.336	0.336
Debt Impact	-	1.020	-	-	-
No Impact	-	-	-	-	-
Total	-	1.356	0.336	0.336	0.336

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12& Outyears
Departmental Output Expenses (General):					
Policy Advice and Secretariat and Coordination Services (funded by Revenue Crown)	-	0.336	0.336	0.336	0.336
Net Asset Schedule:					
Capital Investment	-	1.020	-	-	-
Total Operating	-	0.336	0.336	0.336	0.336
Total Capital	-	1.020	-	-	-

Initiative No: 4917

Vote: Prime Minister and Cabinet

Title: Refurbishment of Government House Wellington

Description: The House requires refurbishment to be fit for purpose. The proposed refurbishment includes reconfiguration to increase functionality and serviceability, and addresses the requirement to meet standards for the preservation of this building.

Theme: Other

Theme Objective: Other

Performance Information

Performance Text

This capital funding will be used to remove shortcomings in serviceability of the Government House, Wellington property, and ensure its compliance with regulatory requirements, including earthquake strengthening and security. It will also improve functionality and visitor access, and ensure the long-term viability of this property. The project plan will also include options to improve energy efficiency.

Appropriation Changes

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 Only
Operating Balance Impact	-	0.200	0.200	0.200	0.200
Debt Impact	-	6.500	15.000	17.000	8.137
No Impact	-	-	-	-	-
Total	-	6.700	15.200	17.200	8.337

	\$m - increase/(decrease)				
	2007/08	2008/09	2009/10	2010/11	2011/12 Only
Departmental Output Expenses (General):					
Support Services to the Governor-General and Maintenance of the Two Government Houses (funded by Revenue Crown)	-	0.200	0.200	0.200	0.200
Capital Expenditure:					
Government House - Capital Investment	-	6.500	15.000	17.000	8.137
Total Operating	-	0.200	0.200	0.200	0.200
Total Capital	-	6.500	15.000	17.000	8.137

Additional Recommendations

- 1 **agreed** to make the following change to the title of the following appropriation:
 - 1.1 Current Title: Departmental Output Expense: Support Services to the Governor-General and Maintenance of Government House New Zealand;
 - 1.2 New Title: Departmental Output Expense: Support Services to the Governor-General and Maintenance of the Two Government Houses;

- 2 **agreed** to make the following changes to the scope statements of the following appropriations in Vote Prime Minister and Cabinet, to reflect Budget decisions in relation to the restoration of Government House, Wellington:
 - 2.1 Crown Capital Expenditure-Government House- Capital Investment

Current Scope:

In addition to the routine or extraordinary maintenance of the two Government Houses and grounds, purchases of and investment in capital items to maintain or increase the overall value of the Crown's asset holding;

New Scope:

This appropriation is limited to renovation and conservation of the Government House, Wellington property to maintain or increase its on-going use, functionality, and value as a heritage asset; and purchases of and investment in capital items for the two Government Houses;

 - 2.2 Departmental Output Expense: Support Services to the Governor-General and Maintenance of the Two Government Houses

Current Scope:

Financial, administrative, communications, travel and advisory services for the Governor-General; services to maintain the Governor-General's two residences including gardening, maintenance and security. The increase reflects additional funding for preliminary investigations for the Government House Wellington restoration project;

New scope:

This appropriation is limited to financial, administrative, communications, travel and advisory services for the Governor-General; services to maintain the Governor-General's two residences including gardening, maintenance and security; renovation and conservation of Government House, Wellington.