



Cabinet

CAB Min (07) 12/1(1)

Minute of Decision

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Minister for ACC

Copies to:

Prime Minister
Deputy Prime Minister
Minister of Finance
Hon Jim Anderton
Associate Minister of Finance
(Hon Trevor Mallard)
Controller and Auditor-General

2007 Budget Package: Vote ACC

On 19 April 2007, Cabinet:

1. **approved** the Budget initiatives for the above Vote for inclusion in the 2007 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)				
		2006/07	2007/08	2008/09	2009/10	2010/11& Outyears
4150	Increase to rates for providers of home-based rehabilitation (HBR) services	-	6.600	6.600	6.700	4.500
4576	Information Communication Technology Infrastructure Investment	-	0.004	0.013	0.019	0.021
Total Operating		-	6.604	6.613	6.719	4.521

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Total Capital		-	-	-	-	-

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 (where applicable) 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 2006/07 above be included in the 2006/07 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 2006/07 Supplementary Estimates, the 2007/08 Estimates and the fiscal forecasts;
7. **noted** that all communications relating to the 2007 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

References: CAB (07) 135, CAB (07) 135A

Initiative No: 4150

Vote: ACC

Title: Increase to rates for providers of home-based rehabilitation (HBR) services

Description: Recruit and retain HBR support workers to provide home support services to claimants with an assessed need by increasing funding for HBR services by 5 percent.

Theme: Families - Young and Old

Theme Objective: Positive choices for older NZers

Performance Information

Performance Text

Additional funding will help to enable ACC to meet statutory requirements to provide HBR services to claimants with an assessed need. ACC will report to Ministers of Finance and ACC by July 2007 [Cab Min (06) 11/7(1)] with a detailed analysis of the effect that earlier HBR rate increases had on ACC's ability to secure HBR services.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	6.600	6.600	6.700	4.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.600	6.600	6.700	4.500

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Non-Departmental Output Expenses:					
Claim Entitlements and Services	-	6.600	6.600	6.700	4.500
Total Operating	-	6.600	6.600	6.700	4.500
Total Capital	-	-	-	-	-

Additional Recommendation

directed ACC officials to report to the Minister of Finance and the Minister for ACC with details of proposed home-based rehabilitation rate increases before those increases are applied.

Initiative No: 4576**Vote:** ACC**Title:** Information Communication Technology Infrastructure Investment**Description:** Development of an ICT infrastructure and systems, and provision of funding for internal expertise to deliver ICT services, that meet Department objectives and align with strategies. The current systems are old, basic and are struggling to meet the Department's needs.**Theme:** Economic Transformation**Theme Objective:** Foundation skills**Performance Information****Performance Text**

An upgraded ICT infrastructure is essential to achieve business change, facilitate information use across the Department, and establish a stable, consistent platform improving service levels. Increased security will enable external service delivery, reducing risks. Business continuity will ensure applications achieve high availability. A business case detailing project plans, timelines, deliverables and budget will be consulted with Treasury, SSC and submitted to Joint Ministers (Finance and ACC) in June 2007.

Appropriation Changes

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Operating Balance Impact	-	0.004	0.013	0.019	0.021
Debt Impact	-	-	-	-	-
No Impact	-	0.001	0.003	0.004	0.005
Total	-	0.005	0.016	0.023	0.026

	\$m - increase/(decrease)				
	2006/07	2007/08	2008/09	2009/10	2010/11 & Outyears
Departmental Output Expenses (General):					
Policy and Monitoring (funded by Revenue Crown)	-	0.005	0.015	0.022	0.025
Regulatory Services (funded by Revenue Crown)	-	-	0.001	0.001	0.001
Total Operating	-	0.005	0.016	0.023	0.026
Total Capital	-	-	-	-	-

Additional Recommendation

noted that operating funding for this initiative is also being sought under Votes Employment, Labour and Immigration.