

VOTE

*Parliamentary
Service*

Parliamentary Service

Overview

Appropriations sought for Vote Parliamentary Service in 2001/2002 total \$88.9 million. This is intended to be applied as follows:

- 38.352 million (43% of the Vote) on purchasing support and administrative services from the Parliamentary Service.
- \$24.791 million (28% of the Vote) on covering other expenditure incurred on the direct authority of members themselves.
- \$14.225 million (16% of the Vote) on payment of members' salaries and allowances.
- \$11.528 million (13% of the Vote) on capital investment in the parliamentary complex.

Details on how the appropriations are to be applied appear in Parts B1, C, D and E.

Terms and Definitions Used

MMP	Mixed Member Proportional electoral system
PLA	Permanent Legislative Authority
PSC	Parliamentary Service Commission

Parliamentary Service

VOTE MINISTER: The Speaker

ADMINISTERING DEPARTMENT: Parliamentary Service

The Speaker is the Responsible Minister for Parliamentary Service

Part A - Statement of Objectives and Trends

A1 - Objectives for Vote Parliamentary Service

The appropriations made for Vote Parliamentary Service enable it, in accordance with its Purchase Agreement with the Speaker, to contribute to:

- the provision of a range of services and facilities which is responsive to members' needs, as legislators and elected representatives, and makes the most effective use of the resources allocated by the Government;
- awareness on the part of members and Parliamentary offices of the financial implications and consequences of their activities; and, in respect of personnel services, the effective use, by the Parliamentary offices served, of the human resources allocated;
- the provision and presentation of a facility which meets the constitutional and institutional requirements of a Parliament: that is, providing both accessibility and security, a forum for debate and public participation, as well as effective office facilities.

In pursuit of these objectives, the following types of activities are purchased:

- Support services to individual members' offices, both at Parliament and elsewhere in New Zealand, and travel services to members.
- Library services and the provision of computing facilities at Parliament to members and staff.
- Catering services for members and staff of the parliamentary complex.
- Maintenance of buildings and associated support services to ensure that the constitutional and institutional requirements of Parliament are provided.
- Policy advice to the Speaker and to the Parliamentary Services Commission (PSC).
- Personnel and accounting services to members and other parliamentary agencies.

In addition, the administration of several categories of non-departmental expenditure items is supported from the Vote. These include the payment of members' salaries and allowances, their travel costs, their communication costs, and other activities funded from their Party and members Support allocations, including the costs of maintaining their out-of-Parliament offices.

Part A2 - Trends in Vote Parliamentary Service

Output Classes

Trends 1996/97 to 2001/2002

Changes in output class expenses during the period have two main causes: shifts in funding from this area of the Vote to the Other Expenses category; and changes resulting from operational decisions. Key elements are:

1996/97	<p>Output class expenditure changes showed the effects of part-year funding of the Mixed Member Proportional electoral system (MMP) Parliament and the full-year costs of running the reoccupied parliamentary complex. Significant elements were:</p> <ul style="list-style-type: none"> • \$2.3 million increase in output class D1 to cover additional staffing • transfers of funding supporting the research units' move from output class D2 to Crown Other Expenses were offset • by an increase in the Library's reference staff costs • in output class D3, increased trading activities at Bellamys was met by a corresponding increase in third-party revenue • \$300,000 in output class D4 covered increased energy and cleaning costs for the expanded complex • output classes D5 and D6 altered to better reflect the increased impact on these outputs of the larger client base of the MMP Parliament. The increases were fiscally neutral. <p>Other Expenses to be Incurred by the Crown show the restructuring of the Vote subsequent to the introduction of MMP, as well as the additional costs of Party and members support. These are derived from formulae that reflect the proportional representation in the House:</p> <ul style="list-style-type: none"> • the new part-year allocations for Party and Members Support were partly funded from sources within the Vote, notably the leaders' office allocations in output class D1 and the research units' funding in output class D2. • all appropriations within Other Expenses to be Incurred by the Crown were increased by new part-year funding to cover a 120-member Parliament. • the travel appropriation after the proportional increase was still overspent by \$1.1 million. \$700,000 of this amount related to prior years' GST assessment. • the Permanent Legislative Authority (PLA) for members' Salaries and Allowances increased by \$2.0 million as a result of the increased number of members and the changes to the allowance structures made by the Higher Salaries Commission. • \$100,000 relates to the process of government formation in 1996/97 only.
1997/98	<p>Output class expenditure decreased by \$1.708 million, reflecting the net effects of the first full-year costs of operating an MMP Parliament:</p> <ul style="list-style-type: none"> • Output class D1 decreased by \$490,000 overall. The full-year costs of extra support staff for members in output class D1 are offset by the full-year effect of excluding leaders' office costs. • Output class D2 decreased by \$668,000 for similar reasons. The effect of removing the research units' costs is partly offset by the full-year costs of additional library resources. • Output class D3 decreased in appropriation by \$641,000 with a corresponding

	<p>reduction in Revenue Other. This was due to the change in the contractual arrangements with the caterer.</p> <ul style="list-style-type: none"> • Output class D4 increased by \$120,000 to fund the increased operating costs arising from the full year of occupation of the refurbished Parliament Buildings and Library. <p>Other Expenses to be Incurred by the Crown show the first full-year costs of the MMP funding structure:</p> <ul style="list-style-type: none"> • The PLA for members' Salaries and Allowances increased by \$1.214 million as a result of the full-year impact of the increased number of members, an increase in non-executive members and the changes determined by the Higher Salaries Commission. • All Party and Member Support appropriations doubled as this was the first full year under the MMP system. The previous year, the budgets were a 50% allocation only. Movements in the composition of the Government and individual parties are reflected in these figures. • Members' Travel reduced by \$418,000 as controls over travel started to take effect. • Members' Communications decreased by \$196,000. The Leaders' and Whips' postage and photocopying components of that appropriation are now part of Party and members' Support. The decrease was offset by an increase in the communication entitlement for Constituent members when constituent members gained a fourth telephone line allocation.
1998/99	<p>Output class expenditure decreased by \$1,231,000. The main elements contributing to this are:</p> <ul style="list-style-type: none"> • output class D1 increased in expenditure by \$1.147 million. This was primarily caused by the grossing up of the recovery on depreciation charges on assets used by members (\$495,000). This caused a re-allocation of capital charge over most outputs, increasing output class D1 by \$500,000. A one-off transfer from output class D4 was made to cover an expected shortfall • output class D2 increased as a result of responsibility for Core Network services being transferred from the Department of Internal Affairs to Parliamentary Service • output class D3 reduced in expenditure by \$1.619 million, being the first full year of operating under the new contractual arrangements with the caterer • output class D4 reduced by \$778,000. The Parliamentary Service was required to contribute \$405,000 towards budget savings during the year. Most of this funding came from output class D4. The one-time transfer to output class D1 and the re-allocation of capital charge account for the remainder of the movements • output class D6 increased as a result of increased services to other parliamentary agencies. This increase is matched by "Other Revenue" funding. <p>Other Expenses to be Incurred by the Crown were reduced as follows:</p> <ul style="list-style-type: none"> • the Travel expenditure was reduced by \$389,000 to meet targeted budget savings and as a result of further expenditure controls over this item. • the movements in Party and Member Support expenditures were due to changes in the composition of some parties.
1999/2000	<p>Output class appropriations increased by \$603,000. Within that:</p> <ul style="list-style-type: none"> • output class D1 increased by \$37,000 as the one-time increase to cover one-off post election costs • output class D4 receives back a transfer of \$186,000 from Output D1.

	<p>Other expenses incurred by the crown increased by \$278,000. This was due to the establishment of new parties pre election, and the result of the general election, and increased wage and cost of travel.</p> <ul style="list-style-type: none"> • Payments made under the PLA for members Salaries and Allowances increases by \$805,000 due to the new Higher Salaries Commission determination and the continuation of base salary payments for 3 months for departing members at the election.
2000/2001	<p>Output class appropriations decrease by \$372,000. This is due to the one off funding for the election costs in 1999/2000 affecting output D1, the financing of temporary Ministerial accommodation and the transfer of messenger positions from output D4 to other parliamentary agencies.</p> <p>Other expenses incurred by the crown includes transfers between appropriations to reflect the make up of the new Parliament on a full year basis and the transfer, on a fiscally neutral basis, from Ministerial Services to the Leaders funding for those parties in Government. Previously parties in Government did not receive Leadership funding from Vote Parliamentary Service. The Travel item increased by \$1,520,000 due to activity and significant price movements.</p> <p>The salaries and allowances allocation increased by \$573,000 due to the latest Higher Salaries Commission determination.</p>
2001/2002	<p>Output class appropriations increased by \$248,000. This is due to new funding for the support of Out-of-Parliament Health and Safety issues. A reduction in Capital change reduced the output classes by \$85,000.</p> <p>Other expenses incurred by the crown remained stable.</p> <p>The salaries and allowances allocation increased by \$386,000 due to the latest Higher Salaries Commission determination..</p>

Capital Flows

Capital contributions: trends 1996/97 to 2001/2002

There have been no capital contributions required during this period. Capital of \$500,000 was repaid in 1997/98.

Purchase or development of capital assets

Expenditure in this category has been for the development of Crown buildings. The three-year project for the strengthening and refurbishment of Parliament Buildings was completed in 1995/96. The final contract payment of \$6.934 million was settled in 1997/98.

Planning for the new ministerial building on the west side of Parliament House began in 1995/96. The design phase took place in 1996/97, and in 1997/98 the project was cancelled by the Government.

A refurbishment of the Executive Wing (the Beehive) commenced in 1998/99. This started with essential work only to ensure that the building can continue to operate in a satisfactory manner and to improve accessibility to public areas. \$1,541 million was spent in 1998/99 with \$1,772 million in 1999/2000. 2000/01 sees the commencement of the refurbishment of floors 4–10, a project that will extend over 3 years.

Crown revenue and receipts: trends 1996/97 to 2001/2002

Rental income from leases of Broadcasting House ceased in 1997/98. The 1997/98 figure reflects the value of additions to the library holdings as a result of a revaluation of those holdings.

Trends in Vote Parliamentary Service - Summary of Appropriations and Crown Revenue

	1996/97	1997/98	1998/99	1999/2000	2000/01		2001/02 Appropriations to be Used				
						Estimated	By the Department Administering the Vote		For Non-Departmental Transactions		
Types of Appropriation	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000	Actual \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	Total \$000
Operating Flows											
Classes of Outputs to be Supplied	40,812	39,104	37,947	38,476	38,104	38,104	38,352	-	-	-	38,352
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-	-	N/A	N/A	-	-	-
Other Expenses	29,041	32,737	33,404	34,422	38,547	38,547	-	-	24,791	14,225	39,016
Capital Flows											
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-
Purchase or Development of Capital Assets	5,600	9,934	1,541	1,772	10,959	10,959	N/A	N/A	11,528	-	11,528
Repayment of Debt	-	-	-	-	-	-	N/A	N/A	-	-	-
Total Appropriations	75,453	81,775	72,892	74,670	87,610	87,610	38,352	-	36,319	14,225	88,896
Total Crown Revenue and Receipts	583	9,742	-	-	-	-	N/A	N/A	N/A	N/A	-

Part B - Statement of Appropriations

Part B1 - Details of 2001/02 Appropriations

	2000/01				2001/02		
	Vote		Estimated Actual		Vote		
Appropriations	Annual \$000	Other \$000	Annual \$000	Other \$000	Annual \$000	Other \$000	Description of 2001/02 Appropriations
Departmental Output Classes (Mode B Gross)							
D1 Services to Members	15,095	-	15,095	-	15,328	-	Provision of secretarial support and travel services to members.
D2 Parliamentary Information Services	4,777	-	4,777	-	4,782	-	Provision of information services through the Parliamentary Library, computing and telecommunications services.
D3 Catering Services	889	-	889	-	882	-	Provision of meals, refreshments and other catering services to members, guests and staff through Bellamys.
D4 Building and Operations Management	16,407	-	16,407	-	16,404	-	Provision of building maintenance and operational services for the parliamentary complex, including security, cleaning, reception and visitor services.
D5 Policy Advice	245	-	245	-	249	-	Provision of information, analysis and advice to the Speaker and to the Parliamentary Service Commission.
D6 Personnel and Accounting Services to Members and Other Agencies	691	-	691	-	707	-	Provision of accounts, processing payroll services for members and bureau accounting and personnel services to other parliamentary agencies.
Total Appropriations for Departmental Output Classes (Mode B Gross)	38,104	-	38,104	-	38,352	-	
Other Expenses to be Incurred by the Crown							
Members' Communications	3,669	-	3,669	-	3,669	-	Funding for members' communications (voice and data) entitlements, and members' use of stationery in Parliament.

Members', Spouses' and Dependants', Former Members' and Spouses' Travel	7,737	-	7,737	-	7,737	-	Domestic air and land travel and international air travel for members, spouses and dependants, former members and spouses.
Party and Member Support - ACT	1,002	-	1,002	-	1,002	-	Funding for the ACT parliamentary party to support its Leader's office, research operations, Whip's office and members' parliamentary operations.
Party and Member Support - Alliance	811	-	811	-	848	-	Funding for the Alliance parliamentary party to support its Leader's office, research operations, Whip's office and members' parliamentary operations.
Party and Member Support - Green	800	-	800	-	800	-	Funding for the Green parliamentary party to support its Co-Leader's office, research operations, Parliamentary musterer's office and members' parliamentary operations.
Party and Member Support - Labour	5,252	-	5,252	-	5,224	-	Funding for the Labour parliamentary party to support its Leader's office, research operations, Whips' office and members' parliamentary operations.
Party and Member Support - National	4,801	-	4,801	-	4,801	-	Funding for the National parliamentary party to support its Leader's office, research operations, Whips' office and members' parliamentary operations.
Party and Member Support - New Zealand First	578	-	578	-	578	-	Funding for the New Zealand First parliamentary party to support its Leader's office, research operations, Whips' office and members' parliamentary operations.
Party and Member Support - United	132	-	132	-	132	-	Funding for the United parliamentary party to support its Leader's office, research operations and member's parliamentary operations.
Members of the House of Representatives' Salaries and Allowances	-	13,765	-	13,765	-	14,225	Salaries and allowances determined by the Higher Salaries Commission, payable to members of Parliament who are neither Ministers of the Crown nor Parliamentary Under-Secretaries. Expenses incurred pursuant to section 16 of the Civil List Act 1979.
Total Appropriations for Other Expenses to be Incurred by the Crown	24,782	13,765	24,782	13,765	24,791	14,225	
Purchase or Development of Capital Assets by the Crown							
Refurbishment of Executive Wing, Parliament	10,959	-	10,959	-	11,528	-	Refurbishment of the Beehive.
Total Appropriations for Purchase or Development of Capital Assets by the Crown	10,959	-	10,959	-	11,528	-	
Total Appropriations	73,845	13,765	73,845	13,765	74,671	14,225	

Part C - Explanation of Appropriations for Output Classes

Part C1 - Departmental Output Classes

For more detailed analysis of Departmental Output Classes, including financial and non-financial performance measures, please refer to the Parliamentary Service Departmental Forecast Report (DFR)(A.2 FR(01)).

Output Class D1 - Services to Members

This output class involves the provision of secretarial services and personal assistance to members, at Parliament and elsewhere in New Zealand. It also involves the provision of travel services to current members, their spouses and dependants, as well as to former members and their spouses.

Output Class D2 - Parliamentary Information Services

Description

This output class involves: the provision of library and electronic information services through the Parliamentary Library; the provision of computing facilities at Parliament; and computing and telecommunications advisory services associated with these.

Output Class D3 - Catering Services

Description

This output class involves the provision of meals, refreshments and other catering services to members, guests and staff through Bellamys.

Output Class D4 - Building and Operations Management

Description

This output class involves the provision of building maintenance and operational services for all buildings in the parliamentary complex, including the provision of security, cleaning, reception and visitor services. It also involves the management of a property portfolio that will provide for the accommodation needs for members of Parliament and their staff.

Output Class D5 - Policy Advice

Description

- This output class involves the purchase of policy advice by the Speaker as the responsible Vote Minister and as Chairman of the PSC, including information and analysis on:
 - issues relating to the interests and responsibilities of the PSC, including servicing its subcommittees
 - services to members
 - the administration of the Parliamentary Service
 - development of the buildings that comprise the parliamentary complex.

Output Class D6 - Personnel and Accounting Services to Members and Other Agencies

Description

This output class involves the provision of services to members in processing and paying their accounts; and bureau accounting and personnel services to other parliamentary offices.

Part D - Explanation of Appropriations for Other Operating Flows

Part D3 - Other Expenses

Appropriations reported on here cover two categories of expenditure.

The first is made under PLA from the Civil List Act 1979, which covers the salaries and allowance payments for members of Parliament set by the Higher Salaries Commission. The Parliamentary Service acts as agent of the Crown to effect payment of members' salaries and allowances under this authority.

The second, non-departmental appropriations within Vote Parliamentary Service support other expenditures incurred on the direct authority of members themselves under rules promulgated by the PSC. These annual appropriations are the allocations for the demand-driven areas of Communications and Travel and for funding each area of Party and Members Support.

Funding is for each parliamentary party Leader's office's operational costs, calculated on non Executive members, and parliamentary party group support, calculated on the basis of each party's proportionate representation in the House of Representatives. Members' support costs are allocated at two set rates for constituency and list members respectively. Communications covers the supply of stationery within Parliament and the costs of members' entitlements to telecommunications services (voice and data) at Parliament and elsewhere in New Zealand. Travel covers both domestic and international air travel, domestic rail travel, taxis, rental cars, limited use of VIP transport and self-drive cars. The costs of travel, according to their entitlements, of members' spouses and their dependants are included in the sum appropriated. Qualifying former members' and their spouses' access to travel is also met from this appropriation.

Part E - Explanation of Appropriations for Capital Flows

Part E1 - Capital Contributions

There is no appropriation for Part E1.

Net Worth of Entities Owned

Statement of Estimated and Forecast Net Worth

	Balance Date	Estimated Net Worth 2001 \$ million	Forecast Net Worth 2002 \$ million
Parliamentary Service	30 June	7.474	7.474