

Performance Information for Appropriations

Vote Prime Minister and Cabinet

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Prime Minister (M52)

ADMINISTERING DEPARTMENT: Department of the Prime Minister and Cabinet

MINISTER RESPONSIBLE FOR DEPARTMENT OF THE PRIME MINISTER AND CABINET: Prime Minister

Part 1 - Summary of the Vote

Part 1.1 - Overview of the Vote

The Prime Minister is responsible for appropriations in the Vote: Prime Minister and Cabinet for the 2009/10 financial year covering the following:

- a total of nearly \$8.500 million (25.6% of the Vote) on free and frank advice on policy issues; services to facilitate inter-departmental coordination of policy development and leadership of a more collective approach to performance across the state sector; and coordination of central government activities aimed at protecting New Zealand's domestic and external security. From the Cabinet Office, advice on constitutional policy and procedural issues for the Governor-General, and the Prime Minister and Cabinet; coordination of the Government's legislation programme; secretariat services to Cabinet, Cabinet committees and the Executive Council; and administration of the New Zealand Royal Honours system
- a total of nearly \$3.600 million (10.9% of the Vote) on support services to the Governor-General and maintenance of the Residences
- a total of nearly \$3.500 million (10.6% of the Vote) for the provision of information and reports on events and trends overseas affecting New Zealand's interests
- a total of \$15.150 million (45.9% of the Vote) on Government House capital investment, principally the conservation (including renovation and refurbishment) of Government House, Wellington
- a total of just over \$1.200 million (3.7% of the Vote) under permanent legislative authority (Civil List Act 1979) for payments for the salary, the personal allowance and travel expenses of the Governor-General
- a total of \$300,000 (0.9% of the Vote) on departmental capital expenditure
- a total of \$49,000 (0.1% of the Vote) under permanent legislative authority (NZSIS Amendment (No. 2) Act 1999) for payments to the Commissioner of Security Warrants
- a total of \$765,000 (2.3% of the Vote) for depreciation expenses on Crown assets (Government Houses and their contents).

Details of these appropriations are set out in Parts 2-6 below.

Part 1.2 - High-Level Objectives of the Vote

Government Priorities and Outcomes - Links to Appropriations

Government Priorities	Government Outcomes	Appropriations
	Decision making by the Prime Minister and Cabinet is well informed and supported	Policy Advice and Secretariat and Coordination Services External Assessments on Developments Overseas
	Executive government is well conducted and continues in accordance with the accepted conventions and practices	Policy Advice and Secretariat and Coordination Services
	The Governor-General is appropriately advised and supported in undertaking his constitutional, ceremonial and community leadership roles	Support Services to the Governor-General and maintenance of the Government Houses, New Zealand
	The management of domestic and external security is well planned, informed and coordinated	Policy Advice and Secretariat and Coordination Services External Assessments on Developments Overseas
	State sector performance is improved	Policy Advice and Secretariat and Coordination Services

Objectives of the Vote

The appropriations for Vote Prime Minister and Cabinet are directed towards the overarching objective to work to achieve good government.

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2004/05	2005/06	2006/07	2007/08	2008/09		2009/10			2010/11	2011/12	2012/13
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	15,145	14,172	14,936	15,619	15,437	15,187	15,538	-	15,538	15,541	15,543	15,546
Benefits and Other Unrequited Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	810	1,209	1,257	1,565	1,973	1,732	-	2,033	2,033	2,095	2,162	2,162
Capital Expenditure	2,263	795	146	1,744	8,703	7,903	300	15,150	15,450	15,450	5,887	450
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Total Appropriations	18,218	16,176	16,339	18,928	26,113	24,822	15,838	17,183	33,021	33,086	23,592	18,158
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	-	-	-	-	-

New Policy Initiatives

Policy Initiative	Appropriation	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Reduction in scope - Conservation of Government House Wellington	Government House-Capital Investment (M52) Non-Departmental Capital Expenditure	-	-	(2,000)	(2,700)	-
Total Initiatives		-	-	(2,000)	(2,700)	-

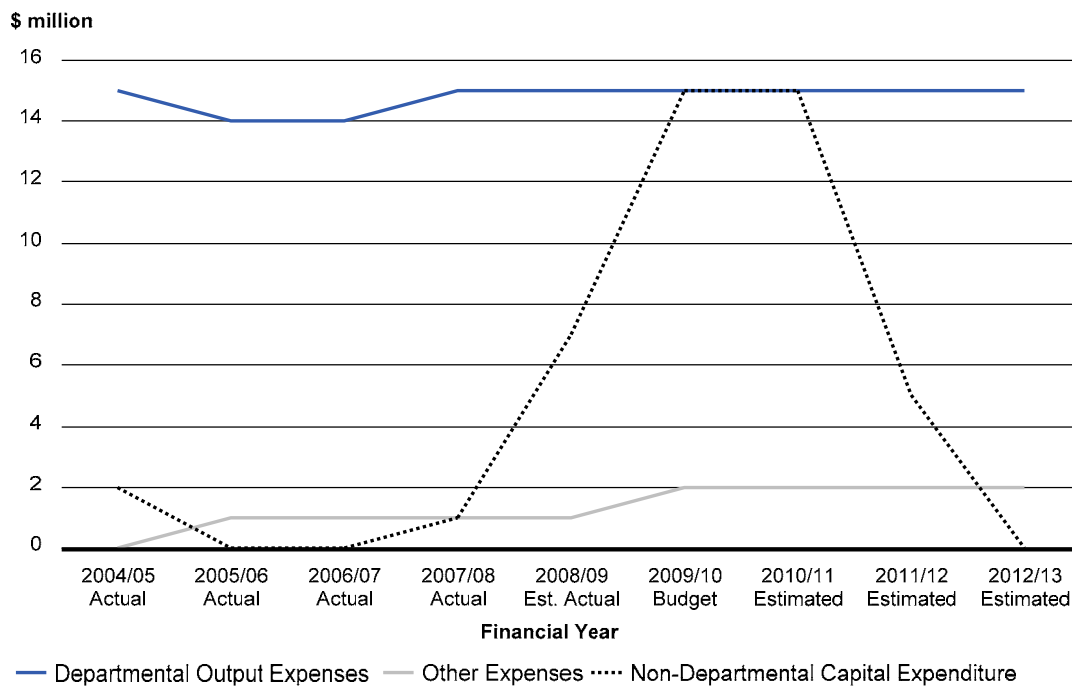
Analysis of Significant Trends

Total Vote: All Appropriations

The movements in departmental and non-departmental appropriations in Prime Minister and Cabinet, which are detailed in the Summary of Financial Activity table above, are largely driven by movements in Output Expenses and Crown Capital Expenditure.

Details of significant movements within each appropriation category are detailed below

Figure 1 - Vote trends in actual expenses and capital expenditure by appropriation type



Source: Department of the Prime Minister and Cabinet

Departmental Output Expenses

The baseline increase in 2004/05 is largely due to one-off funding for the Foreshore and Seabed Group. The increase in 2007/08 is largely due to one-off funding for the climate change solutions package.

Non-Departmental Capital Expenditure

This appropriation includes capital additions, alterations and conservation activities to the Residences in order to maintain or increase their on-going use, functionality, and value as heritage assets.

The increase in 2004/05 is due to additional funding for extensions and renovation carried out at Government House, Auckland.

The increase in 2007/08 is due to additional funding for detailed design for the proposed conservation of Government House, Wellington.

The increase in 2008/09 is due to additional funding for the conservation of Government House, Wellington. This funding is time limited to 2011/12.

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Outcome - Decision-making by the Prime Minister and Cabinet is well informed and supported	Policy Advice and Secretariat and Coordination Services Intelligence Assessments on Developments Overseas
Outcome - Executive Government is well conducted and continues in accordance with accepted conventions and practices	Policy Advice and Secretariat and Coordination Services
Outcome - The Governor-General is appropriately advised and supported in undertaking his constitutional, ceremonial and community leadership roles	Support Services and Maintenance of the Residences
Outcome - The management of domestic and external security is well planned, informed and coordinated	Policy Advice and Secretariat and Coordination Services Intelligence Assessments on Developments Overseas
Outcome - State sector performance is improved	Policy Advice and Secretariat and Coordination Services

Intelligence Assessments on Developments Overseas (M52)

Scope of Appropriation

Assessments on events and trends overseas affecting New Zealand's interests.
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Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,484	3,464	3,484
Revenue from Crown	3,482	3,482	3,482
Revenue from Other	2	2	2

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The assessments of developments overseas are high-quality, accurate and succinct	100% of assessments are factually correct 90% of assessments require no more than minor revision Feedback from key stakeholders is positive	100% At least 90% Discussion with key stakeholders indicate satisfaction with service	100% of assessments are factually correct 90% of assessments require no more than minor revision Feedback from key stakeholders is positive
The assessments are of policy relevance to New Zealand	Feedback from key stakeholders is positive	Survey being conducted to assess stakeholder satisfaction	Feedback from key stakeholders is positive

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Expansion of capability to improve whole-of-government performance	2007/08	302	302	302	302	302
Expansion of capability to provide greater geographical and in-depth coverage in assessments provided	2004/05	300	300	300	300	300
Total		602	602	602	602	602

Policy Advice and Secretariat and Coordination Services (M52)*Scope of Appropriation*

Strategic and issues-based policy advice of a frank and impartial nature to the Prime Minister and other Ministers; advice on constitutional policy and procedural issues for the Governor-General, and the Prime Minister and Cabinet; support for the coordination of the Government's legislation programme; secretariat services to the Executive Council, Cabinet and its committees; and administration of the New Zealand Honours system.

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,408	8,228	8,459
Revenue from Crown	8,404	8,404	8,454
Revenue from Other	4	4	5

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Advice provided meets the department's quality, quantity and timeliness standards	Key stakeholders are satisfied	Survey being conducted to ascertain stakeholder satisfaction	Key stakeholders are satisfied
Services provided meet quality, accuracy, impartiality and timeliness criteria.	Key stakeholders are satisfied	Survey being conducted to ascertain stakeholder satisfaction	Key stakeholders are satisfied

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Upgrade of information and communications technology infrastructure and websites	2008/09	336	336	336	336	336
Expansion of capability to improve whole-of-government performance	2007/08	874	874	874	874	874
Expansion of capability to improve whole-of-government performance	2006/07	450	450	450	450	450
Expansion of capability to provide quality advice	2003/04	535	535	535	535	535
Total		2,195	2,195	2,195	2,195	2,195

Support Services to the Governor-General and Maintenance of the residences (M52)

Scope of Appropriation

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

Expenses and Revenue

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,545	3,495	3,595
Revenue from Crown	3,512	3,512	3,561
Revenue from Other	58	53	59

Output Performance Measures and Standards

Performance Measures	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
Support to the Governor-General is efficient and effective	Feedback from the Governor-General is positive	No negative feedback received	Feedback from the Governor-General is positive
Events at Government Houses are well organised	Feedback from key stakeholders on the quality of events is positive	Feedback has been predominantly positive	Feedback from key stakeholders on the quality of events is positive
Maintenance of Governor-General's programme is appropriate and well balanced	Feedback from the Governor-General and other key stakeholders is positive	Feedback has been predominantly positive	Feedback from the Governor-General and other key stakeholders is positive

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Conservation of Government House, Wellington	2008/09	200	200	200	200	200
Expansion of capability to improve whole-of-government performance	2007/08	54	54	54	54	54
Expansion of maintenance programme for the Residences	2004/05	200	200	200	200	200
Total		454	454	454	454	454

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
The Commissioner of Security Warrants is well supported	Fees for the Commissioner of Security Warrants
The Governor-General is well supported	Governor-General: Remuneration and Travel

Depreciation Expenses on Crown Assets (M52)

Scope of Appropriation

Depreciation expenses on Government Houses in Wellington and Auckland and their contents.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	765	700	765

Fees for the Commissioner of Security Warrants PLA (M52)

Scope of Appropriation

The appropriation under permanent legislative authority (the NZSIS Amendment (No. 2) Act 1999) will provide for payments to the Commissioner as an independent judicial officer for the authorisation of domestic security warrants.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	47	42	49

Governor-General - Remuneration and Travel PLA (M52)

Scope of Appropriation

The appropriation under permanent legislative authority (the Civil List Act 1979) provides for payment of the salary, personal allowance and travel expenses of the Governor-General.

Expenses

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,161	990	1,219

Reasons for Change in Appropriation

The increase in 2009/10 is for anticipated increases in the Governor-General's remuneration, personal allowance and travel.

Reporting Mechanisms

Appropriation	Reporting Mechanism
Depreciation Expenses on Crown Assets	G.48 Annual report
Fees for the Commissioner Security Warrants	G.48 Annual report
Governor-General: Remuneration and Travel	G.48 Annual report

The above table indicates the mechanisms to be used for reporting actual performance for each non-departmental other expenses appropriation.

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.1 - Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Critical infrastructure continues to adequately support the delivery of our outputs	Department of Prime Minister and Cabinet - Capital Expenditure

Department of the Prime Minister and Cabinet - Capital Expenditure PLA (M52)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the Department of the Prime Minister and Cabinet, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	1,170	370	250
Intangibles	150	150	50
Other	-	-	-
Total Appropriation	1,320	520	300

Reasons for Change in Appropriation

The decrease is due to the purchase and replacement of information and communications technology infrastructure including hardware and software in 2008/09. However, delays to the implementation of this project have meant that expenditure is likely to be carried forward to 2009/10.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The Department is enabled to maintain and enhance its ability to provide advice and support to Executive Government	Feedback from key stakeholders is positive	Feedback is predominantly positive	Feedback from key stakeholders is positive

Part 6.2 - Non-Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Government House Wellington is made fit for the purpose for another 50 years	Government House-Capital Investment

Government House - Capital Investment (M52)

Scope of Appropriation

This appropriation is limited to the 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 Government House, Auckland.

Capital Expenditure

	2008/09		2009/10
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,383	7,383	15,150

Reasons for Change in Appropriation

The significant increase in 2009/10 is for the extensive conservation of Government House, Wellington which will be completed in 2011/12.

Expected Results

	2008/09		2009/10
	Budgeted Standard	Estimated Actual Standard	Budget Standard
The functionality, ongoing use of and heritage value of the Residences is maintained or increased	Feedback from key stakeholders is positive	Feedback is predominantly positive	Feedback from key stakeholders is positive

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2008/09 Budgeted \$000	2009/10 Budget \$000	2010/11 Estimated \$000	2011/12 Estimated \$000	2012/13 Estimated \$000
Reduction in scope - Conservation of Government House, Wellington	2010/11	-	-	(2,000)	(2,700)	-
Conservation of Government House, Wellington	2008/09	6,500	15,000	17,000	8,137	-
Total		6,500	15,000	15,000	5,437	-

Reporting Mechanisms

Appropriation	Reporting Mechanism
Government House-Capital Investment	G.48 Annual report

The above table indicates the mechanisms to be used for reporting actual results for each non-departmental capital expenditure appropriation.