

Information Supporting the Supplementary Estimates

Vote ACC

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for ACC (M1)

ADMINISTERING DEPARTMENT: Department of Labour

MINISTER RESPONSIBLE FOR DEPARTMENT OF LABOUR: Minister of Labour

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2008/09				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	773,386	239	181,964	182,203	955,589
Benefits and Other Unrequited Expenses	165,672	N/A	114,931	114,931	280,603
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	939,058	239	296,895	297,134	1,236,192
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	-	-	-

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Policy and Monitoring (M1)

Scope of Appropriation

To provide policy advice, analysis, evaluation, research, monitoring, purchase advice, legislation and regulatory support, and ministerial servicing on the ACC scheme and the performance of the Accident Compensation Corporation (ACC).

Expenses and Revenue

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,395	219	2,614
Revenue from Crown	2,364	201	2,565
Revenue from Other	31	18	49

Reasons for Change in Appropriation

The increase is due to a fiscally neutral realignment of costs to the Department's cost allocation model (\$32,000), a fiscally neutral transfer from Vote Labour Policy Advice - Labour for the cost of the stock-take of each of the ACC Accounts (\$175,000), forecast changes relating to KiwiSaver employer expenses and subsidies (\$1,000) and the State Sector Retirement Scheme (\$17,000), partially offset by a decrease in funding for expenditure transfers to 2009/10 which mainly relate to the ICT Infrastructure Programme (\$6,000).

Regulatory Services (M1)

Scope of Appropriation

To manage the residual long-term responsibility related to the Crown's ongoing risks resulting from the introduction of the competitive accident insurance market during 1999/2000.

Expenses and Revenue

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	100	20	120
Revenue from Crown	100	19	119
Revenue from Other	-	1	1

Reasons for Change in Appropriation

The increase is due to a fiscally neutral realignment of costs to the Department's cost allocation model (\$19,000) and a forecast change for the State Sector Retirement Scheme (\$1,000).

Part 2.2 - Non-Departmental Output Expenses

Case Management and Supporting Services (M1)

Scope of Appropriation

To cover the cost of injury prevention, claim processing, assessment, payment services and case management on the Non-Earners' Account.

Expenses

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	57,135	(1,921)	55,214

Reasons for Change in Appropriation

The decrease in funding is due to updated funding requirements for the Non-Earners' Account (\$1.921 million).

Claim Entitlements and Services (M1)

Scope of Appropriation

To cover the cost of purchasing medical services, social rehabilitation and elective health care services on the Non-Earners' Account and contracted services.

Expenses

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	497,672	176,504	674,176

Reasons for Change in Appropriation

An increase in funding is due to an amendment to the Injury Prevention Rehabilitation and Compensation (Review Costs and Appeals) Regulations 2002 (\$36,000) and updated funding requirements for the ACC Non-Earners' Account (\$176.468 million).

Public Health Acute Services (M1)

Scope of Appropriation

To fund public health acute services for claims on the Non-Earners' Account.

Expenses

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	216,084	7,381	223,465

Reasons for Change in Appropriation

The increase in funding is due to updated funding requirements for the ACC Non-Earners' Account (\$7.381 million).

Part 3 - Details for Benefits and Other Unrequited Expenses

Part 3.2 - Non-Departmental Benefits and Other Unrequited Expenses

Other Compensation (M1)

Scope of Appropriation

To cover the cost of income maintenance, independence allowance, and other compensation payments for claims on the Non-Earners' Account and contracted services, as well as transfers to the Medical Misadventure Account for payments made on non-earner related claims.

Expenses

	2008/09		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	165,672	114,931	280,603

Reasons for Change in Appropriation

The increase in funding is due to updated funding requirements for the ACC Non-Earners' Account (\$114.931 million).