

Hon Bill English
Minister of Finance
Parliament Buildings
WELLINGTON

Dear Bill

**2009 IMPROVING VALUE FOR MONEY IN THE STATE SECTOR AND
BUDGET 2009 INITIATIVES
VOTE MINISTERIAL SERVICES**

At its meeting of 17 December 2008 the Cabinet Business Committee directed Chief Executives to carry out a review of those Votes that their departments administer, and invited Ministers to direct their Chief Executives to review and report on any other matters that Ministers wanted reviewed and reported on as part of that review [CBC Min (08) 32/6 refers].

Attached are the results of that review for Vote Ministerial Services.

Yours sincerely

Hon John Key
Minister Responsible for Ministerial Services

Vote: Ministerial Services
Administering Department: Department of Internal Affairs
Crown Entities: None

Vote Summary

Vote Ministerial Services is one of six votes administered by the Department of Internal Affairs, with a total Vote of \$57.231 million representing 15.6% of total Vote expenditure managed through the Department and 0.092% of all government expenditure.

	Budget 2008/09 \$ million	% of Total DIA Votes
<i>Crown funded</i>	30.532	79.3%
<i>Third party funded¹</i>	7.972	20.7%
Total Departmental output expenses	38.504	17.1%
Non-departmental expenses	18.727	13.1%
Total Vote	57.231	15.6%

Initiatives of the previous government that are not funded

None

Budget 2009 and Savings Identified

Title	Description	\$ million					
		2008/09	2009/10	2010/11	2011/12	2012/13	Outyears
Support Services to Ministers	Sale of Ministerial Property.	-	0.086	0.086	0.086	0.086	0.086
Visits and Ceremonials	More efficient travel and accomodation	-	0.050	0.050	0.050	0.050	0.050
		-	0.136	0.136	0.136	0.136	0.136

¹ Third party revenue is mainly for VIP Transport, which is predominantly sourced from Vote Ministerial Services non-departmental expense *Ministers' Internal and External Travel*.

Budget Initiatives

- a) Election commitments no
- b) Emergency pressures yes, summary impacts are in the following table.

Title	Description	\$ millions					
		2008/09	2009/10	2010/11	2011/12	2012/13	Outyears
Uncontrollable cost pressures	The Department has identified uncontrollable cost pressures for the departmental output expenses Support Services to members of the Executive and Visits and Official Events Coordination and the non-departmental other expense Ministers' Internal and External Travel.	5.441	3.455	3.325	6.625	3.325	3.325
		5.441	3.455	3.325	6.625	3.325	3.325

Please see the attached detailed initiative.

Review of Programmes

- a) Inconsistent with the government's priorities: none
- b) Not efficient or effective: none

Actions that agencies should take to make improvements before the new review period

[information deleted in order to protect the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials]