

Information Supporting the Supplementary Estimates

Vote Arts, Culture and Heritage

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Arts, Culture and Heritage (M4),
Minister of Broadcasting (M8)

ADMINISTERING DEPARTMENT: Ministry for Culture and Heritage

MINISTER RESPONSIBLE FOR MINISTRY FOR CULTURE AND HERITAGE: Minister for Arts,
Culture and Heritage

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2010/11				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	256,347	11,129	(10,028)	1,101	257,448
Benefits and Other Unrequited Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	29,356	-	9,793	9,793	39,149
Capital Expenditure	9,415	315	450	765	10,180
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	295,118	11,444	215	11,659	306,777
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	7	7	7
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	7	7	7

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Cultural Diplomacy International Programme (M4)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Cultural Diplomacy International Programme (M4) This appropriation is limited to management and delivery of an international cultural diplomacy programme through a series of projects and activities primarily focused on Asia and in locations where New Zealand is pursuing free trade agreements. Commences: 1 July 2010 Expires: 30 June 2015	Original Appropriation	9,740
	Adjustments to 2009/10	-
	Adjustments for 2010/11	-
	Adjusted Appropriation	9,740
	Actual to 2009/10 Year End	-
	Estimated Actual for 2010/11	3,567
	Estimated Actual for 2011/12	1,689
Estimated Appropriation Remaining	4,484	

Revenue

	Budget \$000
Revenue from the Crown to end of 2011/12	5,256
Revenue from Others to end of 2011/12	-
Total Revenue	5,256

Reasons for Change in Appropriation

The International Cultural Diplomacy appropriation was renamed Cultural Diplomacy International Programme, and changed from an annual to a multi-year appropriation starting 1 July 2010. This technical change was fiscally neutral.

Output Performance Measures and Standards

Performance Measures	2010/11		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Projects completed	N/A	N/A	90% on time and 100% within budget

Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision	Strategic - focused on priority countries or regions, using a multi-year, sustained approach Targeted at key sectors of the population or key events in the region Planned well in advance, possibly with two to three years lead-time Suited to advancing New Zealand's diplomatic and trade interests

Delivery of Going Digital Programme (M8)*Scope of Appropriation*

This appropriation is limited to services to support the transition to digital switchover by December 2013.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	10,330	10,330
Revenue from Crown	-	10,330	10,330
Revenue from Other	-	-	-

Reasons for Change in Appropriation

A new appropriation was established during 2010/11 to fund the Going Digital project. The appropriation was provided to fund an information campaign, community outreach activity, programme office management, DTT extension and a regional content broadcaster (if required).

Output Performance Measures and Standards

Performance Measures	2010/11		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Prompted awareness of digital switchover	N/A	Increases each quarter	Increases each quarter
Percentage of households that have converted to digital television	N/A	Increases each quarter	Increases each quarter
Number of community contacts made	N/A	2,160	2,160
DTT extension will be complete	N/A	100%	100%

Heritage Services (M4)

Scope of Appropriation

Management of new memorial projects, national monuments, war and historic graves; administration of legislation and grants; and research, writing and publication of New Zealand history and reference works including the on-line encyclopedia of New Zealand.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,575	40	7,615
Revenue from Crown	7,459	(77)	7,382
Revenue from Other	116	117	233

Reasons for Change in Appropriation

This appropriation increased as a result of overheads being adjusted to reflect the expected incurrence of the costs of producing these outputs, and to a lesser extent expense transfers, adjustment of revenue dependent activities, and Vote re-prioritisation.

International Cultural Diplomacy (M4)

Scope of Appropriation

Management and delivery of an international cultural diplomacy programme through a series of projects and activities primarily focused on Asia, and in particular North Asia.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,090	(2,090)	-
Revenue from Crown	2,089	(2,089)	-
Revenue from Other	1	(1)	-

Reasons for Change in Appropriation

The International Cultural Diplomacy appropriation was renamed Cultural Diplomacy International Programme, and changed from an annual to a multi-year appropriation starting 1 July 2010. This technical change was fiscally neutral.

Output Performance Measures and Standards

Performance Measures	2010/11		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Projects completed	90% on time and 100% within budget	N/A	N/A

Policy Advice and Monitoring of Funded Agencies (M4)*Scope of Appropriation*

This appropriation is limited to providing policy advice on arts, culture, heritage and broadcasting issues; monitoring the Crown's interests in sector agencies; and providing negotiated services to the Minister for Arts, Culture and Heritage and the Minister of Broadcasting.

Expenses and Revenue

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	6,129	(718)	5,411
Revenue from Crown	6,030	(728)	5,302
Revenue from Other	99	10	109

Reasons for Change in Appropriation

This appropriation decreased as a result of Vote re-prioritisation which included the fiscally neutral transfer of Going Digital funding from the Policy Advice and Monitoring of Funded Agencies appropriation to the new Departmental Output Expense - Delivery of Digital Switchover Programme. Contributing to a lesser extent were overheads being adjusted to reflect the expected incurrence of the costs of producing these outputs, expense transfers, and the adjustment of revenue dependent activities.

Part 2.2 - Non-Departmental Output Expenses

Protection of Taonga Tūturu (M4)

Scope of Appropriation

Provision of services by authorised museums under the Protected Objects Act 1975 and conservation of newly found taonga tūturu.

Expenses

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	79	100	179

Reasons for Change in Appropriation

Funding of \$100,000 was re-prioritised within the Vote to fund increased cost for conservation services. As these services are legislatively required and demand driven, volumes are difficult to anticipate in advance and the ability to reduce or defer expenditure is limited.

Public Broadcasting Services (M8)

Scope of Appropriation

This appropriation is limited to providing funding for New Zealand television and radio programmes, music, archiving, broadcasting and transmission coverage; maintenance of codes and determination of complaints on broadcasting standards; and funding a national Pacific radio network and international radio and television services to the Pacific.

Expenses

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	161,820	(10,128)	151,692

Reasons for Change in Appropriation

The appropriation decreased by \$10.128 million in 2010/11 because of two expense transfers.

Firstly, In 2007 \$25 million was allocated to Freeview for Digital television platform funding. Costs were expected to amount to \$5 million per year over five years; however, in the first two years the full \$5 million allocated was not required. Funding was transferred as far as possible into outyears. In 2010/11 the remaining \$4.628 million of additional funding was transferred into 2011/12 to allow support for the Freeview platform to continue during the period of digital switchover.

Secondly, In April 2010 the government agreed to TVNZ's proposal to commercialise one of two advertising-free digital channels that were being directly funded through the Ministry for Culture and Heritage. Funding had been appropriated for the two channels TVNZ 6 and 7 until 30 June 2012. With the commercialisation of 6, the remaining balance of the funding has been applied to TVNZ 7 only, and the payment schedule for the period 1 March 2011 - 30 June 2012 was revised accordingly resulting in \$5.500 million being transferred from 2010/11 into 2011/12.

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
<p>Outcome: Increasing preservation of New Zealand's culture, heritage and traditions.</p> <p>Impact: National symbols, cultural objects and intellectual heritage are protected and retained; increased awareness and use of heritage memorial sites.</p>	Contribution to a Fund for Canterbury Heritage Buildings

Commonwealth War Graves (M4)

Scope of Appropriation

This appropriation is limited to contributing to the Commonwealth War Graves Commission New Zealand's agreed contribution to the costs of its work in caring for the graves of the war dead.

Expenses

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,243	(569)	2,674

Reasons for Change in Appropriation

Due to a favourable foreign exchange movement, the full appropriation was not required during 2010/11. The Commonwealth War Graves appropriation funding was re-prioritised to partially fund the establishment of a World War One commemorations office to co-ordinate New Zealand's WW1 commemorations over the next 5 years (funded via the Departmental Output Expense - Heritage Services). This required the surplus funding to be not only transferred between appropriations but also transferred from 2010/11 into 2011/12.

Contribution to a Fund for Canterbury Heritage Buildings (M4)

Scope of Appropriation

This appropriation is limited to the payment of matched donations to a fund for the repair, restoration and strengthening of heritage buildings damaged during the Canterbury earthquake.

Expenses

	2010/11		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	0	10,000	10,000

Reasons for Change in Appropriation

Following the Canterbury earthquake in September 2010 the government agreed to match funding from donations for the repair, restoration and strengthening of earthquake damaged heritage buildings up to a maximum of \$10 million. As a result this new one-off appropriation was established during 2010/11.

New Zealand Screen Production Incentive Fund (M4)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
New Zealand Screen Production Incentive Fund (M4)	Original Appropriation	68,500
This appropriation is limited to grant payments for eligible producers of New Zealand feature film, television or other format screen productions that meet the qualifying tests as set by the New Zealand Film Commission, and co-investment by the New Zealand Film Commission in such productions.	Adjustments to 2009/10	-
	Adjustments for 2010/11	-
	Adjusted Appropriation	68,500
	Actual to 2009/10 Year End	14,530
Commences: 1 July 2008	Estimated Actual for 2010/11	18,893
Expires: 30 June 2013	Estimated Actual for 2011/12	17,538
	Estimated Appropriation Remaining	17,539

Reasons for Change in Appropriation

This multi-year appropriation was adjusted during 2010/11 to reflect the latest forecasts from the New Zealand Film Commission.

Reporting Mechanisms

Appropriation	Reporting Mechanism
Commonwealth War Graves	Annual report of the Ministry for Culture and Heritage Commonwealth War Graves Commission annual report and corporate plan
Contribution to a Fund for Canterbury Heritage Buildings	Annual report of the Ministry for Culture and Heritage
New Zealand Screen Production Incentive Fund	Annual report of the Ministry for Culture and Heritage Annual report of the New Zealand Film Commission

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

Ministry for Culture and Heritage - Capital Expenditure PLA (M4)

Scope of Appropriation

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

Capital Expenditure

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	390	-	390
Intangibles	25	15	40
Other	-	300	300
Total Appropriation	415	315	730

Reasons for Change in Appropriation

A fiscally neutral operating to capital funding swap of \$315,000 was approved during 2010/11 to purchase vehicles and some minor office equipment for the new Digital Switchover project.

Part 6.2 - Non-Departmental Capital Expenditure

Intended Impacts, Outcomes and Objectives

Intended Impacts, Outcomes or Objectives of Appropriations	Appropriations
Outcome: Increasing preservation of New Zealand's culture, heritage and traditions.	New Zealand Memorial Park

New Zealand Memorial Park (M4)

Scope of Appropriation

Capital expenditure for the establishment of a New Zealand Memorial Park in Wellington.

Capital Expenditure

	2010/11		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	450	450

Reasons for Change in Appropriation

\$450,000 of the total \$10 million Memorial Park appropriation was brought forward from 2013/14 into 2010/11 to allow interim landscape work to be completed.

Expected Results

	2010/11		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Complete interim landscaping	N/A	100%	100%

Reporting Mechanisms

Appropriation	Reporting Mechanism
New Zealand Memorial Park	Annual report of the Ministry for Culture and Heritage

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