

Information Supporting the Supplementary Estimates

Vote Local Government

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister of Local Government (M49)

ADMINISTERING DEPARTMENT: Department of Internal Affairs

MINISTER RESPONSIBLE FOR DEPARTMENT OF INTERNAL AFFAIRS: Minister of Internal Affairs

Part 1 - Summary of the Vote

Part 1.3 - Trends in the Vote

Summary of Financial Activity

	2011/12				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	9,922	(2,345)	-	(2,345)	7,577
Benefits and Other Unrequited Expenses	60,000	N/A	-	-	60,000
Borrowing Expenses	-	-	-	-	-
Other Expenses	7,030	-	454	454	7,484
Capital Expenditure	978	-	5,854	5,854	6,832
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Total Appropriations	77,930	(2,345)	6,308	3,963	81,893
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	664	N/A	-	-	664
Capital Receipts	59,700	N/A	-	-	59,700
Total Crown Revenue and Capital Receipts	60,364	N/A	-	-	60,364

Part 2 - Details and Expected Performance for Output Expenses

Part 2.1 - Departmental Output Expenses

Services for Local Government MCOA (M49)

Scope of Appropriation

Information, Support and Regulatory Services - Local Government

Providing advisory and support services to the Local Government Commission in respect of its statutory functions, providing information to and about local government, administering the Local Government Act 2002 and other statutes, providing operational advice and support to the Minister of Local Government, administering the Local Electoral Act 2001, administering the Rates Rebate Scheme, providing regulatory and boating services for Lake Taupo (including providing the Harbourmaster and managing the Lake Taupo Landing Reserve) and governance and management of the National Dog Control Information Database.

Policy Advice - Local Government

Provision of policy advice on, and information relating to, local government issues, including ministerial correspondence and questions.

Explanation for Use of Multi-Class Output Expense Appropriation

Both outputs contribute to the effective governance and support for New Zealand's Local Government sector.

Expenses and Revenue

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,922	(2,345)	7,577
Information, Support and Regulatory Services - Local Government	3,433	(247)	3,186
Policy Advice - Local Government	6,489	(2,098)	4,391
Revenue from Crown	9,095	(2,326)	6,769
Information, Support and Regulatory Services - Local Government	2,681	(237)	2,444
Policy Advice - Local Government	6,414	(2,089)	4,325
Revenue from Other	806	(19)	787
Information, Support and Regulatory Services - Local Government	731	(10)	721
Policy Advice - Local Government	75	(9)	66

Reasons for Change in Appropriation

This appropriation decreased by \$2.345 million to \$7.577 million for 2011/12.

The decrease in Information, Support and Regulatory Services - Local Government output expense relates to:

- a transfer of funding from 2011/12 to 2012/13 due to efficiency gains and savings initiatives associated with the National Dogs Database and the Rates Rebate Scheme (decrease of \$200,000)
- a decrease in funding for an ongoing programme of initiatives to enable the department to position for efficiency savings from 1 July 2012 (\$172,000)
- a lower level of demand for the KiwiSaver and State Sector Retirement Savings Schemes (decrease of \$10,000)
- partially offset by a reallocation of shared services costs (increase of \$135,000).

The decrease in the Policy Advice - Local Government output expense relates to:

- a reallocation of shared services costs (decrease of \$1.482 million)
- a decrease in funding for an ongoing programme of initiatives to enable the department to position for efficiency savings from 1 July 2012 (decrease of \$837,000)
- a lower level of demand for the KiwiSaver and State Sector Retirement Savings Schemes (decrease of \$9,000)
- partially offset by an expense transfer from 2010/11 to 2011/12 for the integration of new functions and consequent restructuring of the Department of Internal Affairs (increase of \$230,000).

Memorandum Account

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Use of facilities and access to Lake Taupo by boat users			
Opening Balance at 1 July	(90)	(35)	(125)
Revenue	345	(85)	260
Expenses	335	(54)	(281)
Transfers and Adjustments			-
Closing Balance at 30 June	(80)	(67)	(147)

Part 5 - Details and Expected Results for Other Expenses

Part 5.2 - Non-Departmental Other Expenses

Chatham Islands Council (M49)

Scope of Appropriation

Contribution to the cost of the Chatham Island Council meeting its statutory responsibilities.

Reasons for Change in Appropriation

This appropriation increased by \$354,000 to \$4.087 million for 2011/12. The increase relates to an expense transfer from 2010/11 to 2011/12 for the Chatham Islands solid waste management programme.

Te Oneroa a Tohe Beach Management (M49)

Scope of Appropriation

This appropriation is limited to contributing to the Te Oneroa a Tohe beach management plan and associated joint committee operating costs.

Expenses

	2011/12		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	100	100

Reasons for Change in Appropriation

This is a new appropriation in 2011/12. Funding of \$400,000 was provided for this appropriation, however due to delays in the legislation to put in place the Treaty Settlement, an expense transfer was approved from 2011/12 to 2012/13 (decrease of \$300,000).

Part 6 - Details and Expected Results for Capital Expenditure

Part 6.2 - Non-Departmental Capital Expenditure

Capital Investments - Lake Taupo (M49)

Scope of Appropriation

Upgrading of boating facilities at Lake Taupo. Provision of safety lighting and adequate warning of navigational hazards.

Reasons for Change in Appropriation

This appropriation increased by \$34,000 to \$1.012 million in 2011/12 due to an expense transfer from 2010/11 to 2011/12 for the completion of the project plan for extensions to the boat ramp and jetty at Omori, Taupo.

Loan to the Auckland Transition Agency (M49)

Scope of Appropriation

This appropriation is limited to the payment of a loan to the Auckland Transition Agency to implement local government reorganisation in the Auckland region.

Capital Expenditure

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,270	1,270

Reasons for Change in Appropriation

This appropriation increased by \$1.270 million in 2011/12 due to capitalisation of the interest on the loan to Auckland Transition Agency for Auckland Governance Reforms.

Local Government Debt Vehicle (M49)

Scope of Appropriation

This appropriation is limited to the provision of capital funding to establish a single debt vehicle for local government borrowing.

Capital Expenditure

	2011/12		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	4,550	4,550

Reasons for Change in Appropriation

This appropriation increased by \$4.550 million in 2011/12 due to an expense transfer from 2010/11 to 2011/12 for the Local Government Funding Agency.