

The Treasury

Budget 2012 Information Release

Release Document

June 2012

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [4] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [5] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [6] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [7] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [10] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [11] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [12] 9(2)(ba)(i) - to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.

Where information has been withheld, a numbered reference to the applicable section of the Official Information Act has been made, as listed above. For example, an [4] appearing where information has been withheld in a release document refers to section 9(2)(b)(ii).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Budget 2012: Vote Emergency Management

On 23 April 2012, Cabinet:

- 1 **approved** the Budget initiative for the above Vote for inclusion in the 2012 Budget package, as listed in the summary below and detailed in the attached initiative document;

Summary of initiative included in the attached initiative document:

Operating Initiative (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
7509	Response and Recovery for Flooding in the Nelson-Tasman Region	1.000	-	-	-	-
Total Operating		1.000	-	-	-	-

- 2 **approved** the changes to appropriations to implement the initiative, as set out in the attached initiative document;
- 3 **approved** the additional recommendations to give effect to the initiative, as set out in the attached initiative document;
- 4 **agreed** that the changes to appropriations for 2011/12 above be included in the 2011/12 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Minister responsible for the appropriation to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2011/12 Supplementary Estimates, the 2012/13 Estimates and the fiscal forecasts;

- 6 **noted** that all communications relating to the 2012 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

References: CAB (12) 154; CAB (12) 155

Initiative No: 7509

Vote: Emergency Management

Title: Response and Recovery for Flooding in the Nelson-Tasman Region

Description: Response and Recovery from the flooding in the Nelson-Tasman region in the week beginning 12 December 2011.

Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	1.000	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	1.000	(1.000)	-	-	-
Total	2.000	(1.000)	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Non-Departmental Other Expenses:					
Emergency Expenses	2.000	(1.000)	-	-	-
Total Operating	2.000	(1.000)	-	-	-
Total Capital	-	-	-	-	-

Additional Recommendations

- 7 **noted** that in December 2011, Cabinet noted the severe flooding that occurred in Nelson-Tasman region during the week of 12 December 2011, and that the region suffered major damage from the flooding [CAB Min (11) 44/17];
- 8 **noted** that early estimates suggest that the response and recovery costs associated with the flooding in Nelson-Tasman region may be in the vicinity of \$2.500 million, and that these will be an expense to the Crown as soon as reliable estimates of costs are ascertained requiring appropriation;
- 9 **agreed** to increase the \$2.000 million standing amount of the Non-departmental Other Expense appropriation Emergency Expenses by a further \$2.000 million, to reimburse the local councils for the costs associated with the flooding in Nelson-Tasman region;
- 10 **noted** that \$1.000 million is being funded from the Budget 2012 operating allowance and \$1.000 million through a fiscally neutral front-loading from the 2012/13 baseline;
- 11 **agreed in principle** to the transfer of up to \$2.000 million from Non-departmental Other Expense appropriation Emergency Expenses in Vote Emergency Management in 2011/12 to Non-departmental Other Expense appropriation Emergency Expenses in Vote Internal Affairs in 2012/13, should a reliable estimate of the response costs for the flooding in Nelson-Tasman region not be available in the 2011/12 financial year;

Initiative No: 7509

- 12 **noted** that the front-loading of appropriations indicated above may result in there being insufficient funding in 2012/13 should costs need to be incurred in relation to other natural disaster events in that period;
- 13 **noted** that in September 2009, the Domestic Policy Committee authorised the Minister of Finance and the Minister of Civil Defence to increase the standing amount of Non-departmental Other Expense: Emergency Expenses by up to \$1.000 million, with Cabinet approval required for increases above \$1.000 million [DOM Min (09) 21/6];
- 14 **authorised** the Minister of Finance and the Minister of Civil Defence, should funding in excess of \$1.000 million be required to meet council claims for response costs or essential infrastructure recovery repair costs in 2012/13, jointly to approve an increase of up to \$2.000 million in Non-departmental Other Expense: Emergency Expenses in Vote Internal Affairs, with Cabinet's approval required for any increase in excess of \$2.000 million.