

# The Treasury

## Budget 2013 Information Release

### Release Document

July 2013

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- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
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- [12] Not in scope
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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



22 APR 2013

## 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 2013 Package: Vote Canterbury Earthquake Recovery

Portfolio: Canterbury Earthquake Recovery

On 15 April 2013, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2013 Budget package, as listed in the summary below and detailed in the attached initiative documents;

#### Summary of initiatives included in the attached initiative documents:

##### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
7596	Development of Christchurch Avon River Precinct	-	44.940	25.695	8.565	-
7660	Development of the Accessible City Chapter of the Christchurch Central Recovery Plan	-	12.000	-	-	-
7786	Land Zoning Port Hills	100.007	(15.969)	-	-	-
7548	Management of Recovery Programmes	-	12.283	11.382	8.962	-
7547	Management of the Central City Development Unit	-	3.000	-	-	-
<b>Total Operating</b>		<b>100.007</b>	<b>56.254</b>	<b>37.077</b>	<b>17.527</b>	<b>-</b>


- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** the changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;

- 5 **agreed** that the changes to appropriations for 2012/13 above be included in the 2012/13 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 6 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2012/13 Supplementary Estimates, the 2013/14 Estimates and the fiscal forecasts;
- 7 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 8 **noted** that all communications relating to the 2013 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;
- 9 **agreed** that the following initiatives be set aside as contingency items, that corresponding funding for them be set aside in the between-Budget spending contingency, and that they be submitted to the appropriate Cabinet committee for consideration at a later stage:

**Operating Contingency**

[6]

- 
- 10 **agreed** that the contingencies for the Convention Centre, Square, Metro Sports Facilities, Transport Plan and Bus Interchange, along with agreed funding for other anchor projects, will be individually managed, but collectively known as the Christchurch Central Development Fund, with the individual project amounts withheld in public communication.

 Secretary of the Cabinet

Reference: CAB (13) 203

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Initiative No: 7596

**Vote:** Canterbury Earthquake Recovery**Title:** Development of the Christchurch Avon River Precinct**Description:** Development and construction of the Avon River Precinct in Christchurch City**Appropriation changes**

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
Operating Balance Impact	-	44.940	25.695	8.565	-
Debt Impact	-	-	-	-	-
No Impact	-	6.800	-	-	-
<b>Total</b>	-	<b>51.740</b>	<b>25.695</b>	<b>8.565</b>	-

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Non-Departmental Other Expense:</b>					
Anchor Project Development Costs for Te Papa o Otakaro / Avon River Precinct (Multi year appropriation)	-	51.740	25.695	8.565	-
<b>Total Operating</b>	-	<b>51.740</b>	<b>25.695</b>	<b>8.565</b>	-
<b>Total Capital</b>	-	-	-	-	-

**Additional recommendations**11 **noted** the following forecast increase in Crown revenue:

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Non-Tax Revenue:</b>					
Contribution from the Christchurch City Council for Anchor Projects	-	[10]	-	-	-

12 **noted** that amounts shown in the appropriations changes table for the Multi Year Appropriation: "Anchor Project Development Costs for Te Papa o Otakaro / Avon River Precinct" are the indicative annual spending profile;

Initiative No: 7660

**Vote:** Canterbury Earthquake Recovery

**Title:** Development of the Accessible City Chapter of the Christchurch Central Recovery Plan

**Description:** Development and construction of the accessible city chapter of the Christchurch Central Recovery Plan for Christchurch City

### New appropriation approval

Type	Period	Name	Multi-Class Output Appropriation Output Class	Scope
Non-Departmental Other Expenses (Multi year appropriation)	Other Start: 1/07/2013 Finish: 30/06/2017 Amount (\$m): 12.000	Anchor Project Development Costs for the Transport Plan	N/A	This appropriation is limited to the development and implementation of the Transport Plan as part of the central city anchor projects.

### Appropriation changes

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
Operating Balance Impact	-	12.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>12.000</b>	-	-	-

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Non-Departmental Other Expense:</b>					
Anchor Project Development Costs for the Transport Plan (Multi year appropriation)	-	12.000	-	-	-
<b>Total Operating</b>	-	<b>12.000</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional recommendation

- 13 **noted** that amounts shown in the appropriations changes table for the Multi Year Appropriation: "Anchor Project Development Costs for the Transport Plan" are the indicative annual spending profile;

Initiative No: 7786

Vote: Canterbury Earthquake Recovery

Title: Land Zoning Port Hills

Description: Land zoning in the Port Hills for Vacant, Commercial and Rock Roll

**Appropriation changes**

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
Operating Balance Impact	100.007	(15.969)	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>100.007</b>	<b>(15.969)</b>	-	-	-

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Departmental Output Expense:</b>					
Red Zone Property Acquisition Costs (funded by revenue Crown)	0.264	-	-	-	-
<b>Non-Departmental Output Expenses:</b>					
Canterbury Earthquake Property Demolitions and Related Costs and Compensation	4.074	-	-	-	-
<b>Non-Departmental Other Expenses:</b>					
Acquisition of Canterbury Red Zone properties	86.081	-	-	-	-
Contributions towards legal fees	0.186	-	-	-	-
Red Zone Property Management Costs	9.402	-	-	-	-
<b>Total Operating</b>	<b>100.007</b>	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

**Additional recommendation**

14 noted the following forecast increase in Crown revenue due to insurance recoveries:

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Non-Tax Revenue:</b>					
Insurance recoveries associated with the purchase of Canterbury Red Zone properties	-	15.969	-	-	-

- 15 **noted** that the review process for rezoning of properties in the Port Hills residential red zone remains incomplete but is expected to conclude prior to the end of 2012/13;



Initiative No: 7548

**Vote:** Canterbury Earthquake Recovery

**Title:** Management of Recovery Programmes

**Description:** Supporting the Christchurch Central Development Unit for corporate, governance, communications, accommodation and other centralised costs

### Appropriation changes

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
Operating Balance Impact	-	12.283	11.382	8.962	-
Debt Impact	-	-	-	-	-
No Impact	-	1.000	-	-	-
<b>Total</b>	-	<b>13.283</b>	<b>11.382</b>	<b>8.962</b>	-

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Departmental Output Expenses:</b>					
Managing the Recovery (funded by revenue Other)	-	1.000	-	-	-
Managing the Recovery (funded by revenue Crown)	-	12.283	11.382	8.962	-
<b>Total Operating</b>	-	<b>13.283</b>	<b>11.382</b>	<b>8.962</b>	-
<b>Total Capital</b>	-	-	-	-	-

### Additional recommendation

- 16 **noted** that the 2013/14 amount includes 50 per cent of the projected costs for the Christchurch Central Development Unit, as there is uncertainty over the future vehicle for the delivery of anchor projects for the Christchurch Central Recovery Plan.

Initiative No: 7547

**Vote:** Canterbury Earthquake Recovery

**Title:** Management of the Christchurch Central Development Unit

**Description:** Management and delivery of the blueprint for Christchurch City

### Appropriation changes

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
Operating Balance Impact	-	3.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>3.000</b>	-	-	-

	\$m - increase/(decrease)				
	2012/13	2013/14	2014/15	2015/16	2016/17 & Outyears
<b>Departmental Output Expenses:</b>					
Managing the Recovery (funded by revenue Crown)	-	3.000	-	-	-
<b>Total Operating</b>	-	<b>3.000</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-