

The Treasury

Budget 2015 Information Release

Release Document July 2015

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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] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.
- [4] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [5] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [6] 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.
- [6a] 9(2)(ba)(ii) - to protect information, where the making available of the information would be likely otherwise to damage the public interest
- [7] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [8] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8a] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting the collective and individual ministerial responsibility
- [9] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [10] 9(2)(h) - to maintain legal professional privilege
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [12] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [13] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [14] Not in scope

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, a [4] appearing where information has been withheld in a release document refers to section 9(2)(a).

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.

2015 Budget Package: Vote Health Technical Initiatives

On 13 April 2015, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2015 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) | | | | |
|------------------------|---|---------------------------|-----------------|-----------------|-----------------|--------------------|
| | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| 8867 | Canterbury District Health Board (DHB) - Chatham Islands Funding | (2.101) | 2.101 | - | - | - |
| 8869 | Transfer Provision for Deficit Support to Capital | (39.500) | (55.000) | (50.000) | (50.000) | (39.211) |
| 8879 | Waikato District Health Board (DHB) Revenue Banking Baseline Rollover | (15.000) | (15.000) | (15.000) | (15.000) | (15.000) |
| Total Operating | | (56.601) | (67.899) | (65.000) | (65.000) | (54.211) |

Capital Initiatives (Impact on Debt)

| Initiative ID | Initiative Name | \$m - increase/(decrease) | | | | |
|----------------------|---|---------------------------|---------------|---------------|---------------|--------------------|
| | | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| 8869 | Transfer Provision for Deficit Support to Capital | 39.500 | 55.000 | 50.000 | 50.000 | 39.211 |
| Total Capital | | 39.500 | 55.000 | 50.000 | 50.000 | 39.211 |

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;

- 3 **agreed** that the changes to appropriations for 2014/15 above be included in the 2014/15 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 4 **authorised** the Minister of Finance and the Responsible Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2014/15 Supplementary Estimates, the 2015/16 Estimates and the fiscal forecasts;
- 5 **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; and
- 6 **noted** that all communications relating to the 2015 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

Reference: CAB (15) 163

Vote: Health

Title: Canterbury District Health Board (DHB) – Chatham Islands Funding

Description: This completes the change in responsibility for the Chatham Islands from Hawkes Bay DHB to Canterbury DHB.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Operating Balance Impact | (2.101) | 2.101 | - | - | - |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | (2.101) | 2.101 | - | - | - |

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|---------|---------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Health and Disability Support Services - Canterbury DHB | (2.101) | 2.101 | - | - | - |
| Total Operating | (2.101) | 2.101 | - | - | - |
| Total Capital | - | - | - | - | - |

Additional Recommendation

- 7 **noted** the Canterbury DHB did not receive the total funding required for acquiring responsibility of the Chatham Islands at the time the DHB funding was allocated. This initiative transfers a small 2014/15 underspend to 2015/16 to partially fund the DHB for this cost;

Vote: Health

Title: Transfer Provision for Deficit Support to Capital

Description: Transfer provision for deficit support to the relevant capital appropriation.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|----------|----------|----------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Operating Balance Impact | (39.500) | (55.000) | (50.000) | (50.000) | (39.211) |
| Debt Impact | 39.500 | 55.000 | 50.000 | 50.000 | 39.211 |
| No Impact | - | - | - | - | - |
| Total | - | - | - | - | - |

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|-----------------|-----------------|-----------------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Health Services Funding | (39.500) | (55.000) | (50.000) | (50.000) | (39.211) |
| Non-Departmental Capital Expenditure: | | | | | |
| Deficit Support for DHBs | 39.500 | 55.000 | 50.000 | 50.000 | 39.211 |
| Total Operating | (39.500) | (55.000) | (50.000) | (50.000) | (39.211) |
| Total Capital | 39.500 | 55.000 | 50.000 | 50.000 | 39.211 |

Additional Recommendation

- 8 **agreed** that all expenditure from the Deficit Support for DHBs appropriation requires the joint approval of the Minister of Finance and the Minister of Health.

Vote: Health

Title: Waikato District Health Board (DHB) Revenue Banking Baseline

Description: Waikato DHB revenue banking baseline – this funding was time-limited and not ongoing.

Appropriation Changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|-----------------|-----------------|-----------------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Operating Balance Impact | (15.000) | (15.000) | (15.000) | (15.000) | (15.000) |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | (15.000) | (15.000) | (15.000) | (15.000) | (15.000) |

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|-----------------|-----------------|-----------------|--------------------|
| | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Health and Disability Support Services - Waikato DHB | (15.000) | (15.000) | (15.000) | (15.000) | (15.000) |
| Total Operating | (15.000) | (15.000) | (15.000) | (15.000) | (15.000) |
| Total Capital | - | - | - | - | - |