

The Treasury

Budget 2017 Information Release

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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.



Cabinet

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.

2017 Budget Technical Financial Recommendations: Vote Social Development

On 10 April 2017, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2017 Budget package, as listed in the summary below and detailed in the attached initiative documents, except for Initiative 10042;

Summary of initiatives

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
10042	Amending the Families Commission Scope Statement	-	-	-	-	-
9891	Be.Accessible Fiscally Neutral Transfer	-	-	-	-	-
9899	Change Revenue Source for 'Corporate Support Services' and 'Community Support Services' Multi Category Appropriations	-	-	-	-	-
9890	Enabling Good Lives Christchurch and Waikato	(1.277)	-	-	-	-
9976	Re-Categorisation of Sexual Violence Support Services Funding	-	0.442	0.442	0.442	0.442
9969	Re-Phasing of Budget 2016 Funding for a new National Sexual Violence Helpline	-	0.913	0.087	(1.000)	-
9917	Social Security Act 1964 Rewrite Delayed	-	-	-	-	-
9909	Transfer Accommodation Assistance Funding from Vote Social Housing to Vote Social Development	-	6.441	17.265	26.283	24.488
9892	Vote Vulnerable Children, Oranga Tamariki Appropriation Structure and changes to Vote Social Development	-	(6.081)	(2.515)	(2.512)	(0.512)
10020	Analytics to the Front Line	(0.326)	0.326	-	-	-
Total Operating		(1.603)	2.041	15.279	23.213	24.418

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
9889	Whole-Of-Government Approach to Christchurch Integrated Government Accommodation Capital Costs	(4.005)	-	-	-	-
Total Capital		(4.005)	-	-	-	-

- 2 **approved** changes to appropriations and/or the capital injections to the administering department to implement the initiatives, as set out in the attached initiative documents;
- 3 **agreed** that the proposed changes to appropriations and/or capital injections for 2016/17 above be included in the 2016/17 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 4 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2016/17 Supplementary Estimates, the 2017/18 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;
- 6 **noted** that all communications relating to the 2017 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.

Michael Webster
Secretary of the Cabinet

Hard-copy distribution:

Prime Minister
Minister of Finance
Minister for Social Development

Vote: Social Development

Title: Amending Families Commission Scope Statement

Description: The proposed amendment to the Families Commission scope statement is to better reflect the statutory functions of the Families Commission and the work it does for the funding.

Additional recommendation

1 **authorised** the Minister of Finance and the Minister for Social Development to make final decisions on Initiative 10042 as required.

Initiative No: 9891

Vote: Social Development**Title:** Be.Accessible Fiscally Neutral Transfer

Description: Fiscally neutral transfer to ensure that funding set aside in Budget 2011, for the Be.Accessible (Delivering Accessible Tourism) programme of work is placed into the departmental output expense appropriation, Promoting Positive Outcomes for Disabled People. With the establishment of the Ministry for Vulnerable Children, Oranga Tamariki from 1 April 2017, and the associated disestablishment of the Investing in Communities, departmental output expense appropriation, a transfer is now required for the Be.Accessible funding.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expense:					
Promoting Positive Outcomes for Disabled People (funded by revenue Crown)	-	1.000	1.000	1.000	1.000
Multi-Category Expenses and Capital Expenditure					
Community Support Services MCA					
Departmental Output Expenses:					
Developing and Managing Community Services (funded by revenue Crown)	-	(1.000)	(1.000)	(1.000)	(1.000)
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 9899

Vote: Social Development

Title: Change Revenue Source for 'Corporate Support Services' and 'Community Support Services' Multi Category Appropriations

Description: Change revenue source from revenue Other to revenue Department for both the 'Corporate Support Services' departmental output expense appropriation and the 'Developing and Managing Community Services' category of the 'Community Support Services MCA' as the revenue is from the new Ministry for Vulnerable Children, Oranga Tamariki.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expenses:					
Corporate Support Services (funded by revenue Dept)	30.500	105.500	105.500	105.500	105.500
Corporate Support Services (funded by revenue Other)	(30.500)	(105.500)	(105.500)	(105.500)	(105.500)
Multi-Category Expenses and Capital Expenditure					
Community Support Services MCA					
Departmental Output Expenses:					
Developing and Managing Community Services (funded by revenue Dept)	-	3.675	3.675	3.675	3.675
Developing and Managing Community Services (funded by revenue Other)	-	(3.675)	(3.675)	(3.675)	(3.675)
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 9890

Vote: Social Development

Title: Enabling Good Lives Christchurch and Waikato

Description: Enabling Good Lives (EGL) involves a principles-based transformation of the cross-government disability support system to give disabled people and their families increased choice and control over the support they receive in their lives. EGL disability Support funding from Votes Health, Education and Social Development is being combined within the Vote Health: National Disability Support Services appropriation in 2016/17.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	(1.277)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(1.277)	-	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Non-Departmental Output Expense:					
Community Participation Services	(1.277)	-	-	-	-
Total Operating	(1.277)	-	-	-	-
Total Capital	-	-	-	-	-

Additional recommendation

2 **noted** that this fiscally neutral transfer is offset in Vote Health, Initiative 10040.

Initiative No: 9976

Vote: Social Development

Title: Re-Categorisation of Sexual Violence Support Services Funding

Description: To re-categorise identified sexual violence support services as 'adult' services and to redirect associated funding for these services from the Ministry for Vulnerable Children, Oranga Tamariki to the Ministry of Social Development.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	0.442	0.442	0.442	0.442
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.442	0.442	0.442	0.442

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Community Support Services MCA					
Non-Departmental Output Expense:					
Supporting Victims and Perpetrators of Family and Sexual Violence	-	0.442	0.442	0.442	0.442
Total Operating	-	0.442	0.442	0.442	0.442
Total Capital	-	-	-	-	-

Additional recommendation

- 3 **noted** that this fiscally neutral transfer is offset in Vote Vulnerable Children, Oranga Tamariki, Initiative 9977;

Initiative No: 9969

Vote: Social Development

Title: Re-Phasing of Budget 2016 Funding for a new National Sexual Violence Helpline

Description: To re-phase funding approved in Budget 2016, for Specialist Sexual Violence Services to ensure the implementation of the new national sexual violence helpline can be expedited from 2018/19 to 2017/18.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	0.913	0.087	(1.000)	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.913	0.087	(1.000)	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Multi-Category Expenses and Capital Expenditure					
Community Support Services MCA					
Non-Departmental Output Expense:					
Supporting Victims and Perpetrators of Family and Sexual Violence	-	0.913	0.087	(1.000)	-
Total Operating	-	0.913	0.087	(1.000)	-
Total Capital	-	-	-	-	-

Initiative No: 9917

Vote: Social Development

Title: Social Security Act 1964 Rewrite Delayed

Description: Fiscally neutral adjustment required to reverse a technical adjustment made as part of the Vote Social Development, March Baseline Update 2017 for the policy decision for greater access to Sole Parent Support for single carers receiving Orphan's Benefit or Unsupported Child's Benefit as part of the Social Security Act 1964 Rewrite. This is required as the Rewrite which was to take effect from 3 July 2017, will not be passed before that date.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Benefits or Related Expenses:					
Jobseeker Support and Emergency Benefit	-	1.692	1.733	1.770	1.798
Sole Parent Support	-	(1.692)	(1.733)	(1.770)	(1.798)
Total Operating	-	-	-	-	-
Total Capital	-	-	-	-	-

Initiative No: 9909

Vote: Social Development

Title: Transfer Accommodation Assistance Funding from Vote Social Housing to Vote Social Development

Description: Transfer residual budget in the Benefits or Related Expenses appropriation, Accommodation Assistance which was not captured in original February 2017 Joint Ministers paper that established Vote Social Housing, due to subsequent forecast changes.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	6.441	17.265	26.283	24.488
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	6.441	17.265	26.283	24.488

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Benefits or Related Expense:					
Accommodation Assistance	-	6.441	17.265	26.283	24.488
Total Operating	-	6.441	17.265	26.283	24.488
Total Capital	-	-	-	-	-

Additional recommendation

4 **noted** that this fiscally neutral transfer is offset in Vote Social Housing, Initiative 9985;

Initiative No: 9892

- Vote:** Social Development
- Title:** Vote Vulnerable Children, Oranga Tamariki Appropriation Structure And Changes to Vote Social Development
- Description:** During the initial transfer of appropriations in January 2017 between Vote Vulnerable Children, Oranga Tamariki and Vote Social Development in preparation for the 1 April 2017 commencement of the Ministry for Vulnerable Children, Oranga Tamariki, a number of appropriations were not cleared in the out-years funding in Vote Social Development. This initiative corrects for that error and puts the funding into the correct places in Vote Vulnerable Children, Oranga Tamariki.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	(6.081)	(2.515)	(2.512)	(0.512)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(6.081)	(2.515)	(2.512)	(0.512)

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expenses:					
Children's Action Plan (funded by revenue Crown)	-	-	-	-	(2.000)
Care and Protection Services (funded by revenue Crown)	-	1.035	1.037	1.039	5.039
Youth Justice Services (funded by revenue Crown)	-	0.337	0.337	0.338	0.338
Investing in Communities (funded by revenue Crown)	-	0.111	0.111	0.111	0.111
Departmental Other Expense:					
Transformation Programme: Investing in New Zealand Children and their Families (funded by revenue Crown)	-	(7.564)	(4.000)	(4.000)	(4.000)
Non-Departmental Output Expense:					
Strong Families and Connected Communities	-	(1.436)	(1.436)	(1.436)	(1.436)

Multi-Category Expenses and Capital Expenditure					
Community Support Services MCA					
Non-Departmental Output Expense:					
Community Support and Advice	-	1.436	1.436	1.436	1.436
Total Operating	-	(6.081)	(2.515)	(2.512)	(0.512)
Total Capital	-	-	-	-	-

Additional recommendation

5 **noted** that this fiscally neutral transfer is offset in Vote Vulnerable Children, Oranga Tamariki, Initiative 9985;

Initiative No: 9889

Vote: Social Development

Title: Whole-of-Government Approach to Christchurch Integrated Government Accommodation Capital Costs

Description: In August 2013, Cabinet agreed to the establishment of the Christchurch Integrated Government Accommodation (CIGA) precinct [EGI Min (13) 20/1 refers]. The Ministry of Business, Innovation and Employment (MBIE) was designated as a lead agency for one of the tenancies in the CIGA precinct, with the Department of Conservation and Ministry of Social Development (MSD) as participating agencies for the same tenancy. A capital transfer from MSD to MBIE is required to reimburse for the MSD share of capital costs incurred.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	(4.005)	-	-	-	-
No Impact	-	-	-	-	-
Total	(4.005)	-	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Capital Injection:					
Ministry of Social Development - Capital Injection	(4.005)	-	-	-	-
Total Operating	-	-	-	-	-
Total Capital	(4.005)	-	-	-	-

Additional recommendation

6 **noted** that this fiscally neutral adjustment and the fiscally neutral adjustment in Vote Conservation, Initiative 9992, are offset in Vote Business, Science and Innovation, Initiative 10018.

Initiative No: 10020

Vote: Social Development

Title: Analytics to the Front Line

Description: Transfer funding from 2016/17 to 2017/18 for the initiative Delivering Information to the Frontline. The funding for this initiative was approved in March 2017 from the Data and Analytics Contingency established in Budget 2016. Due to the time required to put in place a project team to deliver the work, the project will now commence in 2017/18.

Appropriation Changes

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Operating Balance Impact	(0.326)	0.326	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(0.326)	0.326	-	-	-

	Sm - increase/(decrease)				
	2016/17	2017/18	2018/19	2019/20	2020/21 & Outyears
Departmental Output Expenses:					
Data, Analytics and Evidence Services (funded by revenue Crown)	(0.326)	0.326	-	-	-
Total Operating	(0.326)	0.326	-	-	-
Total Capital	-	-	-	-	-