

The Treasury

Budget 2011 Information Release

Release Document

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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] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [2] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [3] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [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
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- [6] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [7] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [8] 9(2)(h) - to maintain legal professional privilege
- [9] 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
- [10] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [11] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice.

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

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 2011: Vote Prime Minister and Cabinet

On 11 April 2011, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2011 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)				
		2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
6630	Establishment of the New Intelligence Coordination Group	-	0.642	0.642	0.642	0.642
6632	Restoring Foreign-Assessment Capability	-	0.106	0.106	0.106	0.106
6633	Restoring Foreign-Assessment Capability - Reprioritisation from Efficiency Savings	-	0.054	0.054	0.054	0.054
6635	Establishment of the New Intelligence Coordination Group - Reprioritisation from Efficiency Savings	-	0.023	0.023	0.023	0.023
6636	Efficiency Savings through Combining the Support Services of Intelligence Coordination Group and Government Communications Security Bureau	-	(0.077)	(0.077)	(0.077)	(0.077)
6655	Science Advisory Committee	-	0.625	0.625	-	-
Total Operating		-	1.373	1.373	0.748	0.748

- 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 and/or projected balances of net assets of the administering department (where applicable) to implement the initiatives, as set out in the attached initiative documents;

- 4 **agreed** that the changes to appropriations and/or projected balances of net assets for 2010/11 above be included in the 2010/11 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **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 2010/11 Supplementary Estimates, the 2011/12 Estimates and the fiscal forecasts;
- 6 **noted** that all communications relating to the 2011 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 (11) 187; CAB (11) 190

Initiative No: 6630

Vote: Prime Minister and Cabinet

Title: Establishment of the New Intelligence Coordination Group

Description: Establishment of the new Intelligence Coordination Group to expand the role of the intelligence coordinator within the Department of the Prime Minister and Cabinet following the Murdoch review.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.642	0.642	0.642	0.642
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.642	0.642	0.642	0.642

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Intelligence Coordination and National Security Priorities (funded by revenue Crown)	-	0.642	0.642	0.642	0.642
Total Operating	-	0.642	0.642	0.642	0.642
Total Capital	-	-	-	-	-

Initiative No: 6632

Vote: Prime Minister and Cabinet

Title: Restoring Foreign-Assessment Capability

Description: To restore foreign-assessment capability to previous levels through the establishment of two additional analyst positions. This would be consistent with the Officials Committee for Domestic and External Security Coordination's expectation that this reporting should not diminish in order to accommodate the new functions.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.106	0.106	0.106	0.106
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.106	0.106	0.106	0.106

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Intelligence Coordination and National Security Priorities (funded by revenue Crown)	-	0.106	0.106	0.106	0.106
Total Operating	-	0.106	0.106	0.106	0.106
Total Capital	-	-	-	-	-

Initiative No: 6633

Vote: Prime Minister and Cabinet

Title: Restoring Foreign-Assessment Capability - Reprioritisation from Efficiency Savings

Description: Efficiency savings from the National Assessments Bureau to help restoring foreign-assessment capability.

New Appropriation Approval

Type	Period	Name	Multi-class Output Appropriation (MCOA) Output Class	Scope
Departmental Output Expenses	Annual	Intelligence Coordination and National Security Priorities	N/A	Leadership, advice and coordination around national security matters, leading collaboration within the New Zealand intelligence community and providing intelligence assessments to support national security priorities.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.054	0.054	0.054	0.054
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.054	0.054	0.054	0.054

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Intelligence Coordination and National Security Priorities (funded by revenue Crown)	-	0.054	0.054	0.054	0.054
Total Operating	-	0.054	0.054	0.054	0.054
Total Capital	-	-	-	-	-

Initiative No: 6635

Vote: Prime Minister and Cabinet

Title: Establishment of the New Intelligence Coordination Group - Reprioritisation from Efficiency Savings

Description: Efficiency savings from the National Assessments Bureau to help fund support services in the new Intelligence Coordination Group.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.023	0.023	0.023	0.023
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.023	0.023	0.023	0.023

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Intelligence Coordination and National Security Priorities (funded by revenue Crown)	-	0.023	0.023	0.023	0.023
Total Operating	-	0.023	0.023	0.023	0.023
Total Capital	-	-	-	-	-

Initiative No: 6636

Vote: Prime Minister and Cabinet

Title: Efficiency Savings through Combining the Support Services of Intelligence Coordination Group and the Government Communications Security Bureau.

Description: The National Assessments Bureau is undertaking efficiency initiatives through the wider changes to the Department of the Prime Minister and Cabinet's intelligence functions. Specifically, it is seeking a two percent efficiency dividend through combining the support services of the Intelligence Coordination Group and the Government Communications Security Bureau.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	(0.077)	(0.077)	(0.077)	(0.077)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(0.077)	(0.077)	(0.077)	(0.077)

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Intelligence Coordination and National Security Priorities (funded by revenue Crown)	-	(0.077)	(0.077)	(0.077)	(0.077)
Total Operating	-	(0.077)	(0.077)	(0.077)	(0.077)
Total Capital	-	-	-	-	-

Initiative No: 6655

Vote: Prime Minister and Cabinet

Title: Science Advisory Committee

Description: The position of the Chief Science Advisor was established in 2009. It is expected that the role will continue in its present form in the foreseeable future. Funding for the office from 2011/12 will be provided via vote transfers from Vote Science and Innovation.

New Appropriation Approval

Type	Period	Name	MCOA Output Class	Scope
Departmental Output Expenses	Annual	Science Advisory Committee	N/A	This appropriation is limited to the purchase of high quality scientific advice to the Prime Minister.

Appropriation Changes

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Operating Balance Impact	-	0.625	0.625	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.625	0.625	-	-

	\$m - increase/(decrease)				
	2010/11	2011/12	2012/13	2013/14	2014/15 & Outyears
Departmental Output Expense:					
Science Advisory Committee (funded by revenue Crown)	-	0.407	0.407	-	-
Non-Departmental Other Expense:					
Ex gratia payment to the University of Auckland	-	0.218	0.218	-	-
Total Operating	-	0.625	0.625	-	-
Total Capital	-	-	-	-	-