



Estimates, Supplementary Estimates and their Supporting Information

Technical Guide for Departments

January 2024

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What's New?

This document replaces the previous guidance *Estimates, Supplementary Estimates and their Supporting Information - Technical Guide for Departments* released in December 2022.

There are no changes for Budget 2024.

What's Still Important

In completing the Estimates and Supplementary Estimates documents, departments should still pay particular attention to improving the quality of information following changes introduced in Budget 2014 as a result of the 2013 amendments to the Public Finance Act 1989 (PFA):

- **Traceability**, where there has been appropriation restructuring, information in the Reconciliation of Changes in Appropriation Structure table in Part 1.4, and Comparators for Restructured Appropriation table for each affected appropriation.
- A clear concise statement of “**what is intended to be achieved**” for each appropriation.
- A clear concise explanation of “**how performance will be assessed**” for each appropriation, or a description of why it is exempted, where applicable.
- The explanations of “what is intended to be achieved” and “how performance will be assessed” for each appropriation **need to be consistent** with each other and provide a basis for reporting after the end of the year on what has been achieved.
- **Who will report** on performance, for each appropriation, and in which document performance information will be presented to the House (unless exempted).
- It is essential to get details of who will report and in which document correct in the **Supplementary Estimates** as those details become **binding** on the appropriation administrator.

Intended Audience for this Guidance

This guidance should be read by those involved in the preparation of the *Estimates of Appropriations for the Government of New Zealand* and the *Supplementary Estimates of Appropriations for the Government of New Zealand*.

Chief Executives and the senior leadership teams should read the Overview section of the Guidance and be familiar with the high-level or strategic statements captured in these documents, such as the “what is intended to be achieved” statements for appropriations.

About this Guidance

This guidance sets out the purpose and content requirements for the following documents:

- the 2024/25 *Estimates of Appropriations for the Government of New Zealand*, and
- the 2023/24 *Supplementary Estimates of Appropriations for the Government of New Zealand*.

There are accompanying checklists for both documents.

The requirements and guidance outlined here apply until this guidance is updated or replaced, which is expected to be late 2024 or early 2025 in preparation for Budget 2025.

This document has been written by the Budget Management team in the Treasury.

This guidance should be read in conjunction with the annotated mock ups of the *Estimates of Appropriations 2024/25* and the *Supplementary Estimates of Appropriations 2023/24* which are released at the same time as this guidance.

Persistent URLs

This guidance document has frequent links to other guidance on the Treasury's website using persistent URLs (redirects maintained by the Online Computer Library Centre (OCLC) for bibliographic purposes) to ensure that users of this guidance document will be redirected to the current location of guidance documents if the location changes on the Treasury website.

Questions and Feedback

You should use this document as your first point of reference for issues relating to the content of the Estimates, the Supplementary Estimates, and their supporting information.

Any agency-specific questions should be addressed to your Treasury Vote team.

Any comments about how to improve this guidance can be directed to performanceinfo@treasury.govt.nz.

Further Information

Other documents that should be considered when preparing your Estimates and Supplementary Estimate are:

- *A Guide to Appropriations* - November 2013:
<https://www.treasury.govt.nz/publications/guide/guide-appropriations>
- *Style Guide for Estimates and Supplementary Estimates of Appropriations and Supporting Information*: <https://www.treasury.govt.nz/publications/guide/budget-style-guide-estimates-supplementary-estimates>

Overview

The Estimates, Supplementary Estimates and their supporting information form the basis of the appropriation information provided to Parliament. They:

- are a record of Ministers' spending intentions and how they plan to use the appropriations, and
- provide the information that Parliament needs to understand what is intended to be achieved with the funding sought in appropriation bills, and to set the basis for holding Ministers and departments accountable for their performance.

These documents fulfil the legislative requirements for reporting as set out in the PFA. Each appropriation Minister is responsible for the quality of the material presented for their appropriations.

The "*What is Intended to be Achieved with This Appropriation*" and "*How Performance will be Assessed*" supporting information for each appropriation provide the basis for end of year performance reporting on what was achieved with appropriations. End of year performance reporting occurs in the following documents:

- a department's Annual Report
- Minister's report(s) in the same document as a Department's Annual Report
- Minister's reports on Non-Departmental Appropriations in a Vote or Votes
- Crown entity Annual Reports, and
- Annual reports of Schedule 4 organisations and Schedule 4A companies.

As part of their annual planning cycle, including preparation of Strategic Plans, departments work closely with appropriation Ministers to discuss priorities, the allocation of the Vote, the nature of the services to be delivered, associated expenditure to be incurred and what is intended to be achieved with these appropriations and expenditure.

These conversations should be reflected in the material presented in these documents by identifying the resources to be used, how those resources will be applied, what is intended to be achieved and how performance will be assessed for each appropriation.

Similar conversations should occur with Crown entities about appropriations they use to deliver services.

Purpose of the Estimates

The *Estimates of Appropriations*, including the supporting information they contain, provide Members of Parliament with details of all appropriations to enable Parliament to exercise an appropriate level of scrutiny and control over the government's operating and investing activities. This information:

- supports their examination of the appropriations and other authorities requested by the government in the main Appropriation Bill for the forthcoming financial year, and
- provides a base against which they can later assess what has been achieved with each appropriation (and category of an MCA) during that financial year.

These documents fulfil the requirements set out in sections 14 to 15F of the PFA.

The Estimates documents are organised into nine volumes by sector, each of which covers one or more Votes. Each sector volume is organised alphabetically by Vote, with the appropriations and capital injections being sought for each Vote followed directly by the supporting information for that Vote.

Purpose of the Supplementary Estimates

The *Supplementary Estimates of Appropriations*, including the supporting information they contain, provide Members of Parliament with details of all new appropriations and changes to appropriations or their supporting information since the corresponding Estimates were approved by Parliament.

What is the Role of the appropriation Minister?

The lead Minister¹ for each Vote has the primary responsibility for ensuring that the information provided in the Estimates and Supplementary Estimates documents is complete and accurate. They also decide the composition of and allocation within that Vote in consultation with other appropriation Ministers for that Vote. This will be within the parameters set out in the PFA and with reference to Cabinet if policy changes are required.

What is the Role of the Chief Executive?

The Chief Executive of the department is responsible for administering the Vote (the appropriation administrator) and is responsible for ensuring information is accurate and has been prepared in accordance with the PFA and applicable Treasury guidelines prior to publication.

Information on the responsibilities of an appropriation administrator can be found here: [The responsibilities of an appropriation administrator \(treasury.govt.nz\)](https://treasury.govt.nz)

¹ In this document "lead" Minister is the Minister who coordinates other appropriation Ministers for the Vote.

What is the Role of Treasury?

Treasury's Vote teams are available to assist with the process of preparing the Estimates and Supplementary Estimates documents. Vote teams can access others within Treasury who have expertise in specific areas, such as performance information and reporting.

The responsibility for ensuring the documents are properly completed and free of error remains with the relevant appropriation Minister(s) and the department administering the Vote. Treasury Vote teams will nevertheless check financial information to ensure it is consistent with other Budget documentation. There is only limited capacity to review the rest of the material, and priority for doing this will be Votes with significant appropriations and/or risks.

Process Requirements

Information on when the Estimates and Supplementary Estimates documentation need to be completed is contained in the Budget guidance and timetable.

Structure

The order of the material in this guide is aligned to the order of the parts of the Estimates and the Supplementary Estimates documents.

Glossary and Acronyms

Terms and acronyms used in this guidance are explained in Annex 4.

Public Service Act 2020

The Public Service Act 2020 contains new system design provisions that allow for new types of public service organisations.

- a more flexible departmental agency model
- two different types of public service joint ventures - interdepartmental ventures and joint operational arrangements - that support joined-up agile service delivery and joint resource
- interdepartmental executive boards that support joined-up planning and budgeting and/or policy alignment on complex cross-cutting issues.

These are collectively known as Specified Agencies. Specified Agencies can administer an appropriation. This change means that there could be more than one appropriation administrator in a Vote. It is now necessary to identify the appropriation administrator (Ax) for each appropriation in a Vote, as there may be more than one in a Vote. The appropriation administrator identifier appears in all places the appropriation Minister identifier (Mx) appears.

If your Vote contains a specified agency that is an appropriation administrator you should contact your vote analyst to confirm the changes to your Vote chapter, and the way it will be completed.

Crown Financial and Information System (CFISnet)

What is the Role of the Crown Financial and Information System (CFISnet)?

Most of the content of the Estimates and Supplementary Estimates documents is entered into different parts of CFISnet by the administering department for each Vote (appropriation administrator). The final documents for each Vote are then generated from the information loaded into CFISnet.

CFISnet Processes in Updating the Estimates

Completing the various parts of the Estimates and Supporting Information in CFISnet is fully detailed in the CFISnet Help system. The following is an overview of where changes are made:

What to change	How
Estimates	
Vote Header page	<p>APPROPRIATION MINISTER(S): Request a Coredata Change - Based on what the Appropriation Administrator enters as the Minister responsible for each appropriation within that Vote.</p> <p>APPROPRIATION ADMINISTRATOR: Based on the CFISnet unit number and Vote association. Contact the CFISnet Helpdesk if this is needs to be amended.</p> <p>Responsible Minister For <Appropriation Administrator>: Based on information supplied on The Department of the Prime Minister and Cabinet's website. Contact the CFISnet Helpdesk if this needs to be amended.</p>
Vote Overview (Estimates and new Votes only in Supplementary Estimates)	In CFISnet, Baselines, Estimates Production , Open the Vote Overview edit page and make changes.
Appropriation details (Title, Scope, and Ministerial number). For an MCA, single overarching purpose should also be included.	Request a Coredata change in CFISnet.
Amounts in any Appropriation table or amounts in the <i>Capital Injection Authorisations</i> table	<p>Submit updated numbers to CFISnet via a DataLoad. Changes to the Estimates, including Estimated Actuals are made in the Budget Exercise.</p> <p>Changes to the Supplementary Estimates are made in the Supplementary Estimates Exercise.</p>
Supporting Information (per appropriation)	
Appropriation Title, Scope, and Ministerial number	Request a Coredata change in CFISnet.
Amounts in the <i>Expense and Revenue</i> tables. Amounts in the <i>Departmental Capital Expenditure</i> table, and the <i>Capital Injections and Movements in Departmental Net Assets</i> table.	<p>Submit updated numbers to CFISnet via a DataLoad. Changes to the Estimates, including Estimated Actuals are made in the Budget Exercise.</p> <p>Changes to the Supplementary Estimates are made in the Supplementary Estimates Exercise.</p>
Text within the information sections for each appropriation	In CFISnet, Baselines, Estimates Production , locate the relevant Part and Appropriation. Open the appropriation edit page and make changes.

CFISnet Tables

Each table in CFISnet must be one of the following types:

- CFISnet-generated table - means CFISnet will produce the entire table including all relevant rows (text and amounts). Departments will not be able to make any editing changes to these tables. In the Word output, these tables will have a watermark “Auto-populated Data” behind them. This watermark will not appear in the published documents.
- CFISnet template table - means CFISnet will provide the structure of the table with the columns, and column headers, automatically generated. The Department enters all the relevant information into the table, can add or delete rows as required, and can apply different styles as long as they follow the requirements provided in the Layout\Tables section of the *Budget Style Guide* which can be downloaded from ‘Circulars’ in CFISnet each year.
- Free-form table - means there is no pre-defined table structure provided by the system. The user decides how many columns and rows the table is to have, and what the column headers are to be. It is hoped that in most cases, one of the above-mentioned table types would be suitable; however, where a different table format would present the information in a more meaningful way, then users have the option of using a free-form table. To ensure consistency throughout the publication, these tables need to follow the requirements provided in the Layout\Tables section of the *Budget Style Guide*, which can be downloaded from ‘Circulars’ in CFISnet each year.

When either a template or a free-form table is used, it is important to check dollar amounts are consistent with the financial information elsewhere in the document. Ministerial numbers, if present, should also be checked for accuracy.

Free form tables additional information

Where a free-form table is used, the department is required to provide additional information for each such table in order to comply with e-Government standards for web publishing. This information is presented above each free-form table in the Word output so the text can be checked for its suitability to be published on the web. This information will not appear in the printed documents but forms part of the information shared with the public to assist a blind reader.

Information is available from CFISnet Help about e-Government standards for web publishing.

1 The Estimates

1.1 Introduction

The purpose of the Estimates, including the supporting information they contain, is to:

- meet the requirements of the PFA, and
- address the information needs of Parliament, and of Parliamentary select committees that are responsible for examining the Estimates.

The Estimates provide:

- a picture of each and every Vote and appropriation
- details of annual and permanent appropriations
- details of multi-year appropriations
- details of capital injection authorisations, and
- supporting information to enable readers to understand what appropriations are intended to achieve, how performance will be assessed, where performance will be reported and by whom, and reasons for changes in funding.

1.2 Vote Header Page Requirements

Mandatory: Where two or more Ministers are responsible for different appropriations in a Vote, all of those Ministers must be referenced together with their Ministerial number.

The instructions on how to do this are included in the table in the CFISnet section above.

Example: Header page box contents: Vote Justice

APPROPRIATION MINISTER(S): Minister of Justice (M42), Minister for Māori Crown Relations: Te Arawhiti (M98), Minister for the Prevention of Family and Sexual Violence (M104)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Justice (A23)

OTHER APPROPRIATION ADMINISTRATOR(S): Executive Board for the Elimination of Family Violence and Sexual Violence (A600)

RESPONSIBLE MINISTER FOR MINISTRY OF JUSTICE: Minister of Justice
RESPONSIBLE MINISTER FOR EXECUTIVE BOARD FOR THE ELIMINATION OF FAMILY VIOLENCE AND SEXUAL VIOLENCE: Minister for the Prevention of Family and Sexual Violence

1.3 Overview of the Vote

Mandatory: This section is required for the Estimates in all Votes.

The Overview must encompass **all** appropriations included in a Vote, but does not need to detail or mention each appropriation.

Where two or more Ministers are responsible for specific appropriations in a Vote, the Overview must distinguish each Minister and their respective appropriations.

The text of the Overview of the Vote should be no more than one page, including the required standard text at the end.

The text of the Overview should be written in plain language providing a thumbnail sketch of the Vote for a non-technical reader.

The text of the Overview should be written in plain language providing a thumbnail sketch of the Vote for a non-technical reader. To meet this requirement it should be no more than **one page** - including allowance for the standard final sentence.

The Overview should give a reader a clear picture of the size of the Vote, what the Vote is intended to achieve, and the principal components of the Vote. The focus of the Overview should be on appropriations, aggregated and rounded as appropriate to present the clearest plain language story of the Vote. Rounded amounts in the story should account for total appropriations in the Vote - annual, multi-year and permanent appropriations. A final point in the list (or narrative) may be required to cover any residual smaller or less significant appropriations not otherwise addressed.

The level of information included about appropriations that purchase services provided by Crown entities, and whether to name the Crown entities, will require judgement based on materiality and significance.

The overview should also include information on any significant Crown revenue sources (eg, tax or levy revenue).

The format of the figures should be in \$x million with no decimal places (except those figures under \$1 million which are written as \$xxx,000). The data must be consistent with the *Summary of Financial Activity* table for each Vote which includes annualised multi-year appropriations (MYAs).

Example 1: Overview of the Vote: Vote Education

The Minister of Education is responsible for appropriations in Vote Education for the 2023/24 financial year covering the following:

- a total of nearly \$11,586 million for educational services primarily from schools (including teacher salaries) and early learning providers. Aside from teacher salaries, schools' operations grants and early learning subsidies, other significant costs include curriculum support and professional development in schools and early learning sectors and school transport services
- a total of nearly \$3,578 million for services from the Ministry of Education (delivery of school accommodation including depreciation and capital charge (\$2,435 million) and Learning Support services (\$432 million) being the most significant costs)
- a total of just over \$2,004 million for capital expenditure by the Ministry of Education, mainly related to school sector property
- a total of nearly \$104 million for other educational services mainly funding to proprietors of integrated schools
- a total of nearly \$77 million for capital expenditure for schools, and
- a total of just over \$59 million for allowances, scholarships and awards for students, teachers and trainees.

The Minister of Education is also responsible for a capital injection to the Ministry of Education of just over \$1,164 million.

Details of these appropriations are set out in Parts 2-4.

The following example is where two Ministers are responsible for specific appropriations within a Vote.

Example 2: Overview of the Vote: Arts, Culture and Heritage

The Minister for Arts, Culture and Heritage is responsible for appropriations in Vote Arts, Culture and Heritage for the 2023/24 financial year, covering the following:

- A total of nearly \$145 million for purchasing services (mainly from arts and heritage Crown entities) for performing arts, museums and archiving, the protection of historic places, and supporting New Zealand films and the arts.
- A total of \$32 million for support to arts, cultural and heritage organisations and creative individuals to mitigate the impact of the COVID-19 pandemic on New Zealand's cultural sector.
- A total of over \$29 million for purchasing services (heritage services, policy advice, monitoring of funded agencies and ministerial servicing) from Manatū Taonga - Ministry for Culture and Heritage.
- A total of nearly \$17 million for capital investment in Crown cultural agencies and heritage assets.
- A total of \$15 million for contributions to capital projects at performing arts venues, exhibition venues and buildings where collections will be housed.
- A total of over \$9 million for other initiatives to maintain or improve cultural services in New Zealand.
- A total of over \$5 million for the development and maintenance of war graves, historic graves and monuments, including depreciation and New Zealand's contribution to the Commonwealth War Graves Commission.
- A total of over \$4 million for supporting commemorations and anniversaries.
- A total of over \$2 million for supporting the seismic strengthening of heritage buildings.
- A total of \$850,000 for Cultural Diplomacy International Programme activity.
- A total of \$650,000 for the conservation of newly found taonga tūturu.
- A capital investment in the ongoing renewal of departmental assets such as furniture, fittings and information technology of \$430,000.

The Minister for Broadcasting and Media is responsible for appropriations in Vote Arts, Culture and Heritage for the 2023/24 financial year covering a total of over \$184 million for purchasing public media services mainly from broadcasting Crown entities.

Details of these appropriations are set out in Parts 2-4.

1.4 Annual and Permanent Appropriations

This summary table sets out each annual and permanent appropriation. For each appropriation, the following information is required:

- the title of the appropriation - which should indicate if it is RDA or PLA, the Ministerial number of the appropriation Minister, and the number of the appropriation administrator
- the scope of the appropriation
- the final budgeted and estimated actual expenditure for the current financial year, and
- the budgeted expenditure for the forthcoming financial year to which the Estimates relate.

For multi-category appropriations (MCAs) the required information differs slightly:

- the single overarching purpose for the MCA must be stated
- a scope statement for the MCA as a whole is not required
- it needs to show the title of each category within the MCA
- it needs to show the type of each category, and
- it needs a scope statement for each category.

1.5 Multi-Year Appropriations

The table for multi-year appropriations (MYAs) must be completed for each multi-year appropriation. Among other things, it must show:

- the title and scope of the appropriation
- the period covered by the appropriation
- the total amount of the appropriation, and
- the amount of the appropriation that has been expended, the amount that remains to be spent, and the estimated expenditure for the current financial year and for the financial year to which the Estimates relate.

For MYAs disclosed for the first time in either the Estimates or Supplementary Estimates:

- the 'Original Appropriation' is the amount first legislated in Schedule 2 in either the *Appropriation (Estimates) Act* or the *Appropriation (Supplementary Estimates) Act*;
- As the appropriation amount is being legislated for the first time, both the 'Original Appropriation' and the 'Adjusted Appropriation' amounts must be the same.

Refer to section 5.8 for information about MYAs in the Supplementary Estimates. Also refer to the CFISnet homepage for the *CFISnet Guide to Multi-Year Appropriations* which provides more information about MYAs.

1.6 Total Annual Appropriations and Forecast Permanent and Multi-Year Appropriations

The Total Annual Appropriations and Forecast Permanent and Multi-Year Appropriations table assists in linking total appropriations in this front section to the *Summary of Financial Activity* table in Part 1.2. This table appears only if the vote contains MYAs. This table is populated from data loaded in CFISnet.

Example from Vote Arts, Culture and Heritage in the 2023/24 Estimates			
	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	519,660	519,660	415,194
Total Forecast MYA Departmental Output Expenses	12,349	12,349	850
Total Forecast MYA Non-Departmental Other Expenses	124,594	124,594	17,623
Total Forecast MYA Multi-Category Expenses and Capital Expenditure	14,680	14,680	14,506
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	671,283	671,283	448,173

Additional text appears beneath the *Summary of Financial Activity* table (refer to section 2.1.2 below). *“In this instance Total Appropriations for the Final Budgeted and Estimated Actual year above, may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.”* This is because there maybe restructuring in the Supplementary Estimates year which is not shown in the table above.

1.7 Capital Injection Authorisations

Where a department administers more than one Vote, capital injection authorisations are included only in the primary Vote administered by that department.

Capital injection authorisations authorise additional capital for a department. They are not appropriations as they do not authorise spending. The use of any capital for the purchase or development of assets is incurred under the capital expenditure PLA administered by the department.

However, because Parliament is entitled to scrutinise this authorisation, it must have a responsible Minister stated, including their Ministerial number. This should be the Minister responsible for the department to which the capital injection authorisation relates.

This table is populated by the CFISnet DataLoad. It also appears where there is no capital injection.

2 Supporting Information for the Estimates Part 1

2.1 Part 1 - Vote as a Whole

This section provides the overall context for a Vote. It shows:

- new policy initiatives so they can be tracked through to individual appropriations
- a summary of the financial activity (appropriations and revenues) of the Vote
- analysis of significant trends in the Vote
- how appropriation structures have changed since the last Budget (where applicable).

It consists of the following parts:

2.1.1 New Policy Initiatives (Part 1.1)

This table lists the new policy initiatives **agreed** since the previous year's Budget, including resources obtained outside the Budget process. It should capture those new initiatives that have had a material impact on the Vote as a whole, with a quantification of their impacts.

This table is not required by legislation, but is required to provide context for the Vote. It assists the appropriation Minister(s) and the department in linking appropriation changes with government policy announcements to be made in the Budget, media statements associated with the Budget and during the previous year. This table should be consistent with any media communication planned by the Minister's Office. Any specific requirements for this table will be included in advice closer to the time, if required.

New policy initiatives are included in this table even if the year of the first impact on appropriation is not until one of the out years. This table should not cover items that are included in a contingency as there will be no announcements for these items.

This table should not include:

- technical fiscally neutral adjustments, as technical fiscally neutral adjustments by definition (CO (18) 2)² do not include policy changes, or
- demand driven changes that are unrelated to a policy change (ie, forecasting changes) - such as an increase or decrease in the number of people meeting the qualifying criteria for a payment.

This table should show reprioritisation decisions due to policy changes.

Where initiatives involving a capital injection to a department are included in the *New Policy Initiatives* table, the phrase Departmental capital injection must be used in the appropriation column. Although a Departmental capital injection is not an appropriation, this set of words nonetheless provides the clearest description for the purpose of this table.

Please ensure all numbers in this table are accurate. This is critical, as this table will be used as the base information for Ministerial press releases and the Budget Speech.

² Cabinet Office circular: *Guidelines and Requirements for Proposals with Financial Implications*, CO (18) 2, 30 July 2018: <https://dpmc.govt.nz/publications/co-18-2-proposals-financial-implications-and-financial-authorities>

Use the name and brief description of each new policy initiative from the Budget initiatives papers or previous Estimates. Where different language has been used for a subsequent increase in appropriation for the same initiative, use the most informative name for the initiative and also consider putting the original or current language in brackets after the title to facilitate tracking over time. If Ministers have made two decisions within the year on the same policy initiative, bring together the amounts for the decisions into one line.

The Appropriation line should be written with the Appropriation title first. The appropriation type should sit on a new line.

Multi-Category Appropriations (MCAs) should show the Appropriation title first. The category title should be on the next line with the relevant **funding**. Finally, the category type should sit on a new line.

This table can be deleted if there are no new policy initiatives. If this occurs the Vote as a Whole heading will be output along with the following text “This part provides trend information for the vote.”

2.1.2 Summary of Financial Activity (Part 1.2)

The purpose of the *Summary of Financial Activity* table is to provide trend information on the Vote in accordance with s15(1) of the PFA as context for review of the individual appropriations.

This is a CFISnet template table that departments must complete. It is required to show the trends in the Vote over the previous four years (actual expenditure), the current financial year (budgeted and estimated actual expenditure), the following financial year to which the estimates relate (budgeted expenditure), and the following three years (projected expenditure).

MYAs are annualised and included in both the *Summary of Financial Activity* table for each Vote and all summary tables in the Estimates and Supporting Information.

If the Vote has been restructured since the beginning of the period for which supporting information is required, to the extent practicable **the prior year figures** in the *Summary of Financial Activity* table need to be restated. That is, prior year actual audited information and Supplementary Estimates information should be restated to be on the same basis as for the current financial year so that the trend information is comparable.

Restructuring is defined in s15(3) of the PFA, whereby a Vote has been restructured if:

- it has been combined with, or separated from, any other Vote
- an appropriation, or category within a multi-category appropriation, has moved into the Vote, or moved out of the Vote into, any other Vote, or
- a category of expenses or non-departmental capital expenditure has been moved into or out of a multi-category appropriation within the Vote.

All appropriation types should be reconciled to the current year's structure (including those that have been changed during the period covered by the table).

How to Complete the Trend Table in CFISnet:

The *Summary of Financial Activity* table (trend table) is a combination of department manual input and system output.

The department enters, for each Vote, amounts for all prior years into a CFISnet input template. Prior years include the current Supplementary Estimates year:

- when the Vote has been restructured, these amounts will be the restated numbers for the affected appropriation types
- when the Vote has not been restructured, or for appropriation types not affected by a restructuring, these will be:
 - the numbers from Actual columns of the prior year Estimates trend table
 - actual amounts for last year
 - amounts from the current year (Supplementary Estimates and Estimated Actual), and
- all these years are included in the template and a value (an amount or a dash representing zero) must be shown for each appropriation type for each year.

CFISnet will output the complete table which will be a combination of (a) the prior year manual entries, as above, and (b) data submitted for out-years one to four of the Budget Baseline (the Budget year and Forecast out years).

2.1.3 Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

This table is also included in Part 1.2. It is required to be entered in CFISnet **only where** there has been restatement of prior year information because of Vote restructuring. It is not required to be completed for changes where the Vote has not been restructured (eg, for new policy initiatives, or technical accounting changes such as audit adjustments). It shows the amount(s) by which entries in the Trend Table (above) have been restated because of the restructuring, compared to the trend information provided in the previous year's Estimates.

This table is not required if there has been no restructuring in the Vote since the last Estimates. If this has occurred then select the appropriate option in the Estimates mock up to explain why.

If this table **is included** because of restructuring, the following text should be added below the table: *"The prior year information in the Summary of Financial Activity table has been restated to reflect the current Vote structure."*

Example: Vote: Health in the 2022/23 Estimates

	2017/18 Adjustments \$000	2018/19 Adjustments \$000	2019/20 Adjustments \$000	2020/21 Adjustments \$000	2021/22 Final Budgeted Adjustments \$000	2021/22 Estimated Actual Adjustments \$000
Appropriations						
Output Expenses	(1,337,754)	(1,437,869)	(1,668,784)	(1,879,659)	(2,057,789)	(2,049,139)
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	(18,405)	(21,328)	(29,946)	(36,243)	(45,193)	(42,193)
Capital Expenditure					-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	119,650	121,380	124,018	282,178	272,784	261,134
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	-	-	-	-	-
Total Appropriations	(1,236,509)	(1,337,817)	(1,574,712)	(1,633,724)	(1,830,018)	(1,830,018)
Crown Revenue and Capital Receipts						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
Total Crown Revenue and Capital Receipts	-	-	-	-	-	-

These adjustments are due primarily to the transfer of Disability support services funding to Vote Social Development as noted in the Overview of the Vote.

Note: The prior year information in the Summary of Financial Activity table has been restated as far as practicable to reflect the current Vote structure.

Where there are a number of distinct major changes being made to a Vote, having a separate *Adjustments to the Summary of Financial Activity Table due to Vote Restructuring* table for each change is encouraged to provide greater clarity and transparency eg, Vote Social Development had four separate *Adjustments to the Summary of Financial Activity Table due to Vote Restructuring* tables in the 2015/16 Estimates of Appropriations.

When funding transfers from one vote to another due to restructuring, the amounts in this table should be confirmed by each agency so that they are consistent in each Vote.

This is a CFISnet template table with all lines defined. Where the table is used, all lines must be present.

2.1.4 Analysis of Significant Trends (Part 1.3)

This section should provide a succinct commentary of the significant trends in the Vote, and material impacts on the Crown's financial performance and position. The focus is on **key** trends and the factors which are driving these, rather than being exhaustive. This section should explain the trends in the *Summary of Financial Activity* table. This analysis needs to be relevant to the current Estimates chapter; it should not simply make a few additions to the previous year's analysis.

It should be presented in an order which corresponds to the order of the appropriations in the Estimates. This analysis should consider significant departmental appropriation types, non-departmental appropriation types and MCAs separately.

It should not simply repeat, but may refer to, material that is included in the Overview of the Vote, *Summary of Financial Activity* table and the *New Policy Initiatives* table.

In each instance, the narrative must be a brief explanation of the nature of, and drivers for, the significant trends that cannot be accessed or explained by reference to the *New Policy Initiatives* table above.

Text in this section should selectively provide reasons for significant movements **over the last five years**, in the **budget year** and in the **three forecast out years**. For instance, the narrative might outline the drivers for major step changes (increases or decreases) in appropriations, including shifts within a Vote that reflect changes in relative priorities.

As well as its focus on appropriations, this section is also an appropriate place to explain significant movements in revenue and receipts over the period if this is material to the story of the Vote.

Graphs should be included on an exceptions basis when they provide additional insight into or understanding of the Vote. If it is decided to include a graph, then the following applies:

- graphs must be based on the value of the data in the Summary of Financial Activity table (ie, the summary table and the graph must be prepared on a consistent basis)
- the data for each year must be referred to consistently - see the Budget style guide for the appropriate headings (ie, Actual, Est. Actual, Budget, and Estimated). For multiple series graphs, please refer to the Budget style guide for labelling and format requirements, and

Additional descriptive trend information for each graph is required to be provided for readers of the documents with visual disabilities in order to comply with e-Government standards for web publishing. This information is presented below each user-created graph in the Word output so the text can be checked for its suitability to be published on the web for readers with impairments. This information will not appear in the printed documents but is 'spoken aloud' to the users via their software and includes the purpose of the graph, the years the graph covers, the value for each year for each series and the overall trend - up, down or flat.

2.1.5 Reconciliation of Changes in Appropriation Structure (Part 1.4)

The information presented in this table should be consistent with the trend information in Part 1.2 of the Estimates.

Mandatory: If there are changes in the appropriations structure in the current Estimates, the changes must reconcile and be explained in this section. For example, new and disestablished appropriations, shifts to a Multi-Category Appropriation, changes in appropriation title or classification and appropriations transferred into or out of the Vote.

This section is required only if there have been changes to appropriation structures in the past year. In the Estimates this means changes that apply from 1 July in the Estimates year (2024/25). In the Supplementary Estimates this means changes that occurred during the year (2023/24).

Where there are a number of distinct major changes being made to a Vote, having a separate Part 1.4 table for each change is encouraged eg, Vote Social Development had ten separate Part 1.4 tables in the *2015/16 Estimates of Appropriations*. This allowed the impact of each change to be seen clearly.

This section complements the “*Comparators for Restructured Appropriation*” section in Parts 2-4 of the supporting information. The purpose of this section is to provide traceability of funding when there has been inter-vote and/or intra-vote appropriation restructuring. It should **clearly** identify and reconcile these changes so that Members of Parliament can understand the impact of these changes eg, to what extent do these changes affect where resources have been allocated and what is intended to be achieved.

The left side of the table shows what was restructured (the old appropriation structure and the amounts of money that were moved to the new structure). The right side of the table shows the consequences of the restructuring (the new appropriations and the amounts of money). The table needs to be organised and presented so there is a clear mapping from the left side of the table to the right side.

Where there have been restructuring changes between appropriation types (eg, from an “other expense” to an “output expense” appropriation type) or between Votes (eg, moving an appropriation between Votes), such changes should also trigger the information in the *Summary of Financial Activity* table (Part 1.2) to be restated.

Where the appropriation shown in the table is within the Vote, just the name of the appropriation should be shown. Where the restructuring is intra-vote and a source is from/to another Vote, the name should be shown as “Vote <xxx>: <appropriation name>”.

Each current appropriation could be changed in a number of different ways:

- **Change in title only** - it is important to include changes in title so that users can follow the history of an appropriation. All information relating to a change in title only will be located in the same row of the table.
- **Transfer to more than one appropriation** - two (or more) appropriations will be included in the column showing the transfer details. The appropriations to which the expenses are being transferred will not necessarily show in the affected column in the same order. As far as possible there should be a mapping across the columns of this table so a reader can readily follow the changes.
- **Transfer from more than one appropriation to a single appropriation** - two (or more) appropriations will be included in the column showing the current year structure and each of these will show the same appropriation in the transfer details. The appropriation in the right column will show the aggregate effect of these changes.
- **Change in classification** - in this instance, the appropriation to which the expenses are being transferred will show in another part of the table. This should be located close to the appropriation from where the transfer is being made to enable ready mapping across the table.
- **Vote mergers/splits** - appropriations shifted from an existing Vote to a new Vote. This situation can be shown in the current standard table (see example 2 below).

Other changes beyond these may also be possible. The table may be adapted further to accommodate such situations.

Key points to remember when completing the table and associated explanatory information:

- The table needs to reconcile **all** structural changes appearing in the Vote.
- The table should be accompanied by text to explain the changes as a whole and why any appropriations are ceasing or new appropriations are being created. How particular appropriations are changing will be covered in the reasons for change for that appropriation.
- There is a standard reference sentence that will appear at the bottom of the section referring the reader to Parts 2-4 to cover the change to the appropriation structure. The standard sentence is: *“Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4”*.
- It is important to separately identify the “moved to” and “moved from” for each appropriation and to include the appropriation type if the change in structure involves a change in type of appropriation as well. The sums involved will generally be on different rows since the two situations in which a transfer is direct are when there is a change in the appropriation title only.

- Within a Vote, the total amount of the current appropriations included in the reconciliation table should equal the total of the appropriations affected by the change, since every change will decrease a current appropriation and increase one (or more) new or changed appropriations by the same total value. The centre column of the table needs to add to zero, as that shows that all the appropriations in the new structure have been allocated to the old structure.
- Across the Vote, the total amount of the current appropriations included in the reconciliation table should equal the total of the Vote transfers.
- Totals for each appropriation type are not required since some expenses may be transferred between appropriation types, including through reclassification of a particular appropriation and through a major re-allocation of expenses to reflect a shift in priorities.
- Changes that relate only to the amount of each appropriation should not be included in this reconciliation.
- Technical changes, discussed in *Cabinet Office Circular CO (18) 2* are not shown separately in this table unless they affect the structure of appropriations.³
- Changes that involve the relocation of an appropriation (or part) to another Vote will be noted before the standard text under the table.

The first example shows changes in Vote: Internal Affairs in Budget 2023.

³ <https://dpmc.govt.nz/publications/co-18-2-proposals-financial-implications-and-financial-authorities>

Example 1: Changes within a Vote - Vote Internal Affairs

		Old Structure		New Structure		
2022/23 Appropriations in the 2022/23 Structure	2022/23 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2022/23 Appropriations in the 2023/24 Structure	2022/23 (Restated) \$000	2023/24 \$000
Non-Departmental Other Expenses		Non-Departmental Other Expenses		Non-Departmental Other Expenses		
Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	3,913	Transfer from Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	(2,204)	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Commissioners' Fees MYA	1,709	-
Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	11,394	Transfer from Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	(7,243)	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Counselling Costs MYA	4,151	-
Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	6,384	Transfer from Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	(4,171)	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs MYA	2,213	-
		Transfer to Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Non-Departmental Operating Expenses	2,126	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Non-Departmental Operating Expenses	2,126	2,126
		Departmental Output Expense		Departmental Output Expense		
		Transfer to Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operations	11,492	Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operations	11,492	11,492
Total Changes in Appropriation	21,691		-		21,691	13,618

The table above traces the expiry of the three non-departmental multi-year appropriations into the two newly established appropriations associated with the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions.

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

The second example shows the merger of Vote ACC, Vote Immigration, Vote Labour and the Employment appropriations in Vote Economic Development and Employment to form Vote Labour Market. Brief contextual information has been supplied to aid users understanding of the information.

Example 2: Vote merger - to form Vote Labour Market

From 1 July 2015 the former Vote ACC, Vote Immigration and Vote Labour and the Employment appropriations part of Vote Economic Development and Employment are being merged to form the new Vote Labour Market. The non-departmental output expense Māori and Pasifika Trades Training Consortia in former Vote Economic Development and Employment is transferring unchanged to Vote Labour Market.

Unless otherwise shown in the table below appropriations are transferring unchanged from the former Votes to the new Vote.

The tables below show:

- a detailed analysis of the appropriation restructure (Table 1.4.1), and
- a summary of transfers (Table 1.4.2).

Table 1.4.1 Detailed analysis of the appropriation restructure

2014/15 Appropriations in the 2014/15 Structure	2014/15 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2014/15 Appropriations in the 2015/16 Structure	2014/15 (Restated) \$000	2015/16 \$000
Vote ACC		Transferred to:		Vote Labour Market		
Policy Advice and Related Outputs MCA				Policy Advice and Related Outputs MCA		
<i>Departmental Output Expense</i>				<i>Departmental Output Expense</i>		
Ministerial Services	501	Related Services to Ministers - ACC	501	Related Services to Ministers - ACC	501	501
Policy Advice - ACC	2,001	Policy Advice - ACC	2,001	Policy Advice - ACC	2,001	1,951
Vote Economic Development and Employment		Transferred to:				
Policy Advice and Related Outputs MCA						
<i>Departmental Output Expense</i>						
Ministerial Services - Employment	504	Related Services to Ministers - Employment	504	Related Services to Ministers - Employment	504	1,504
Policy Advice - Employment	2,151	Policy Advice - Employment	2,151	Policy Advice - Employment	2,151	2,157

Example 2: Vote merger - to form Vote Labour Market (continued)

		Old Structure		New Structure		
2014/15 Appropriations in the 2014/15 Structure	2014/15 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2014/15 Appropriations in the 2015/16 Structure	2014/15 (Restated) \$000	2015/16 \$000
Vote Immigration		Transferred to:				
Policy Advice and Related Outputs MCA						
<i>Departmental Output Expense</i>						
Ministerial Services	1,176	Related Services to Ministers - Immigration	1,176	Related Services to Ministers - Immigration	1,176	1,376
Policy Advice - Immigration	6,023	Policy Advice - Immigration	6,023	Policy Advice - Immigration	6,023	6,038
Vote Labour		Transferred to:				
Policy Advice and Related Outputs MCA						
<i>Departmental Output Expense</i>						
Ministerial Services	1,235	Related Services to Ministers - Workplace Relations and Safety	1,235	Related Services to Ministers - Workplace Relations and Safety	1,235	2,035
Policy Advice - Labour	8,551	Policy Advice - Workplace Relations and Safety	8,551	Policy Advice - Workplace Relations and Safety	8,551	6,200
Vote Economic Development and Employment		Transferred to:				
<i>Departmental Output Expense</i>				<i>Departmental Output Expense</i>		
Employment Sector Analysis and Facilitation	4,619	Employment Sector Analysis and Facilitation	1,540	Employment Sector Analysis and Facilitation	1,540	3,816
		Vote Business, Science and Innovation		See Vote Business, Science and Innovation Table 1.4.1		
		Sector Analysis and Facilitation MCA				
		Departmental Output Expense				
		Sectoral and regional data and analysis - Economic Development	3,079			
Total	26,761		26,761		23,682	25,578

Example 2: Vote merger - to form Vote Labour Market (continued)

Table 1.4.2 Summary of transfers

		Old Structure		New Structure		
2014/15 Appropriations in the 2014/15 Structure	2014/15 (Current) \$000	Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2014/15 Appropriations in the 2015/16 Structure	2014/15 (Restated) \$000	2015/16 \$000
Total Table 1.4.1	26,761	Total Table 1.4.1	26,761	Total Table 1.4.1	23,682	25,578
Sectoral and regional data and analysis - Economic Development	(3,079)	Sectoral and regional data and analysis - Economic Development	(3,079)			
Total	23,682		23,682		23,682	25,578

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

The third example is from Vote Justice in the 2022/23 Supplementary Estimates. This shows structural changes made during the year.

Example 3: Changes within the year - Vote Justice

From 1 October 2022 the following changes to the appropriation structure have been made within the Vote Justice:

- establishing the new General Election and Electoral Services multi-year appropriation in Vote Justice administered by the Ministry of Justice from 1 October 2022.
- from 1 October 2022, transfer the funding to the new non-departmental output expense, General Election and Electoral Services multi-year appropriation from the non-departmental output expense, Electoral Services appropriation.

Estimates	2022/23 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2022/23 (Restated) \$000
Non-Departmental Output Expenses					
Electoral Services	82,905	Transfer to General Election and Electoral Services (MYA Expense)	(62,179)		20,726
		Transfer from Electoral Services	62,179	General Election and Electoral Services (MYA Expense)	62,179
Total Changes in Appropriations	82,905		-		82,905

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

3 Supporting Information for the Estimates Parts 2-4: Generic elements

3.1 Purpose and Content of Parts 2-4

Supporting Information (Parts 2-4) should cover **only** appropriations with amounts in the Budget year. If there is no funding for the appropriation in the Budget year, the appropriation should not be included in the supporting information.

The supporting information covers departmental appropriations in (Part 2), followed by non-departmental appropriations in (Part 3), and MCAs in (Part 4). For each appropriation, the supporting information consists of:

- title of the appropriation
- overarching purpose statement for an MCA
- scope of the appropriation/category
- expenses/capital expenditure table (for MYAs scope is in this table)
- components of the appropriation or category (where applicable)
- comparators for restructured appropriation (where applicable)
- what is intended to be achieved with this appropriation
- how performance will be assessed and end of year reporting requirements (or a statement explaining why it has been exempted from this requirement)
- current and past policy initiatives (if any)
- reasons for change in appropriation (if any), and
- conditions on use of appropriation (if any).

The appropriations in each part of the supporting information are listed in alphabetical order, with MYAs included among the annual and permanent appropriations.

3.2 Appropriation Title

Unlike amount, scope and period, the title does not form part of the legal boundary of the appropriation and is not considered a formal dimension of an appropriation. The title is instead for information purposes only.

Good titles should be short, descriptive and jargon free. Acronyms should not be used unless they are well known by the public.

For output expenses, titles should focus on the nature of the service provided. For other expenses, titles should focus on the purpose or use of the appropriation.

Titles need to be informative - generic titles like sector leadership and support, and contestable services should be avoided. Appropriations that have a distinguishing feature (PLA, RDA) must include the relevant abbreviation at the end of the title.

No two appropriations within a Vote, or categories within an MCA, should have the same title. If the same project is funded by two appropriations (eg a departmental output expense and a non-departmental output expense) titles may be similar, but there must be sufficient distinguishing features between the two that they will not be easily confused with each other.

All appropriation titles must include the Ministerial number for the appropriation Minister (eg, M1) in brackets at the end of the title (after, RDA or PLA). They must also include the appropriation administrator's number (eg, A1) in brackets, immediately after the appropriation Minister number.

This information is taken from *A Guide to Appropriations* released in November 2013 and is available on Treasury's website at: [A Guide to Appropriations | The Treasury New Zealand](#).

Titles can be edited through the CFISnet Coredata module. Titles of annual appropriations are not changed during a financial year to ensure transparency and consistency; titles of MYAs are not changed during the period to which an MYA relates. Any change in title should be included in Reconciliation of Changes in Appropriation Structure table in Part 1.4 - see section 2.1.5 above.

3.3 Scope of the Appropriation

Scope is a short statement (ie, one or two sentences) that establishes the legal limits of what an appropriation can be used for. The purpose of a scope statement is to provide an effective constraint against non-authorised activity, while not inappropriately constraining activity intended to be authorised. It should therefore seek to define the boundary of the appropriation or category, not to define everything within that boundary.

For MCAs, a scope statement is required for each category within the MCA. The scope of the MCA is the scope of each of the individual categories.

A scope statement is not a performance measure and should not express the results desired from the appropriation. However, a scope statement should always be consistent with the performance information.

The scope statement is taken directly from the Estimates or Supplementary Estimates and if required is updated through the Coredata module of CFISnet. This ensures that the scope statements are the same in the Estimates and the Appropriation (Estimates) Bill presented to Parliament and in the Supplementary Estimates and Appropriation (Supplementary Estimates) Bill.

Scope statements cannot be changed substantively within a financial year, or within the period of an MYA, as such changes would widen or narrow the appropriation, in effect creating a new appropriation.

Where an appropriation has permanent legislative authority, a specific reference to the statutory provision that provides that authority must be a key element of the scope statement.

Example: Vote Finance - An appropriation with permanent legislative authority

Administration of Crown Borrowing, Securities Derivative Transaction and Investment PLA (M31)

Scope of Appropriation

This appropriation is limited to expenses incurred in connection with administering borrowing, securities, derivative transactions and investment by the Crown, as authorised by section 65ZH of the Public Finance Act 1989.

For departmental capital expenditure appropriations, the scope statement should read:

Mandatory: *The appropriation is limited to the purchase or development of assets by and for the use of the [name of the department] as authorised by section 24(1) of the Public Finance Act 1989.*

The requirement, for separate Policy Advice appropriations or categories in an MCA was removed during 2019 as part of the Treasury's Consolidating Appropriations process. This means that previously mandatory scope statements for departmental or non-departmental policy advice appropriations, and policy advice categories within an MCA are **no longer mandatory**. Where consolidation of appropriations has not occurred it is recommended that the standard scope statement is retained.

For information: *This appropriation/category is limited to the provision of advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government policy matters [relating to policy area x].*

Refer to section 3.7.2.2 for information on how performance against policy appropriations is to be assessed.

For more details on scope statements, including what makes a good scope statement and reviewing and maintaining scope statements, see *A Guide to Appropriations* released in November 2013 available on Treasury's website at: [A Guide to Appropriations | The Treasury New Zealand](#)

3.4 Expenses (or Expenses and Revenue)/Departmental Capital Expenditure table

The “Expenses” table captures the financial information for the appropriation (budget, and prior year final budgeted and estimated actual). This financial information should be the same as that provided in the *Estimates of Appropriations - Annual and Permanent Appropriations* table. It also identifies the sources of any revenue (an *Expenses and Revenue* table) associated with the appropriation or, in the case of an MCA, with each category within the MCA.

For departmental capital expenditure appropriations, a capital expenditure table is used which provides a breakdown of the financial information by asset category.

Mandatory: The list of asset categories in the template table has been standardised for use by all departments to cover all asset types that fall within the definition of *capital expenditure* in PFA **section 2**:

capital expenditure means costs of assets acquired or developed (including tangible, intangible, or financial assets and any ownership interest in entities, but excluding inventories)

Financial assets that might be purchased or developed by some departments include investments, shares, loans (to employees) and pre-payments. Financial asset purchases should be included in the other category, along with any physical assets that do not fit the standard categories.

Information on total actual and estimated departmental capital expenditure is included in the *Summary of Financial Activity* table in Part 1.2.

3.4.1 Appropriations with Significant Changes Indicated for the Out Year Baselines

Where there are significant changes expected in the out-years, the number of years covered by an expenses table may be extended, to provide more meaningful information.

What constitutes a substantial change should be considered in the context of each individual appropriation and the Vote as a whole.

The data for these tables is entered manually by the department.

Example: Vote: Social Development non-departmental benefits or related expenses - New Zealand Superannuation

	2022/23		2023/24	2024/25	2025/26	2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	19,562,219	19,523,219	21,628,878	23,211,875	24,698,724	26,405,758

3.5 Components of the Appropriation or Category

The major components of an appropriation are shown to enable Parliament to better understand the major items that make up the appropriation. This is required where it is practicable and where further information is available. The breakdown should show the major components of non-departmental output and other expense appropriations and departmental output expenses for appropriations over \$50 million. Components should be disclosed from largest to smallest. In some cases, it may be appropriate to use an other components line to summarise less significant components.

Categories within MCAs also require this breakdown where the amount of an individual category is more than \$50 million.

Where it is not practicable or there is no meaningful information a breakdown is not required.

Example: Vote: Police: Policing Services MCA

	2022/23		2023/24
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Crime Prevention			
Directed Patrols	210,485	210,485	200,015
Community Responsiveness	199,392	199,392	189,473
Youth Services	84,184	84,184	81,610
Maintenance of Public Order	30,335	30,335	28,826
Staff Deployment Overseas and Support to the Pacific Islands Chiefs of Police	27,032	27,032	25,688
Lost & Found Property	5,281	5,281	5,018
Vetting Services	4,970	4,970	4,220
Arms Act Services	2,579	2,579	2,579
Total	564,258	564,258	537,429
Investigations and Case Resolution			
Criminal Investigations	576,329	576,329	568,432
Custody and Escort Services	99,839	99,839	98,472
Criminal Case Resolution	84,195	84,195	83,041
Other Investigations	36,291	36,291	35,794
Execution of Court Summonses, Warrants & Orders	22,578	22,578	22,269
Total	819,232	819,232	808,008
Policy Advice and Ministerial Services			
Policy Advice	10,193	10,193	9,284
Ministerial Services	1,719	1,719	1,565
Total	11,912	11,912	10,849
Primary Response Management			
Police Response to Incidents and Emergencies	610,447	610,447	575,387
Communications Centres	92,174	92,174	86,881
Total	702,621	702,621	662,268

3.6 Comparators for Restructured Appropriation

The purpose of this section is to enable traceability between financial years of funding for those appropriations (or categories of an MCA) that have been restructured since the previous financial year. It does this by providing, to the extent practicable, all comparable voted and estimated actual financial information for an appropriation or category where it does not directly correspond to an appropriation or category for the previous financial year, by identifying:

- each previous appropriation or category that includes comparable expenses or capital expenditure, and
- the amount of comparable expenses or capital expenditure for that previous appropriation or category.

A comparators table is required by s15B of the PFA if any of the expenses for the appropriation fell within the scope of another appropriation in the prior year.

This does not apply to new appropriations where the expense or expenditure would not have fallen within the scope of an existing appropriation (this situation falls outside the meaning of comparable expenses or capital expenditure).

This section complements Part 1.4 (*Reconciliation of Changes in Appropriation Structure*) of the supporting information.

This is an example of an appropriation transfer within a Vote.

Example 1: Vote: Courts: Environment Commissioners and Deputy Commissioners' Salaries and Allowances PLA			
	2022/23		2023/24
Vote, Type and Title of Appropriation	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Courts: Non-Departmental Other Expenses			
Tribunal Related Fees and Expenses	1,850	1,850	-
Total	3,700	3,700	3,700

As the table above sits under the heading for the individual appropriation to which it relates, it is not necessary to detail the destination appropriation in the table.

This is an example of an appropriation transfer from another Vote.

Example 2: Vote: Social Development: Supporting tāngata whaikaha Māori and disabled people

	2021/22		2022/23
Vote, Type and Title of Appropriation	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Health: Departmental Output Expenses: Health Sector Information Systems	427	427	-
Vote Health: Departmental Output Expenses: Managing the Purchase of Services	14,493	14,493	-
Vote Health: Departmental Output Expenses: Policy Advice and Related Services	819	819	-
Vote Health: Departmental Output Expenses: Sector Planning and Performance	4,261	4,261	-
Vote Health: Non-Departmental Output Expenses: Health Workforce Training and Development	3,041	3,041	-
Vote Health: Non-Departmental Output Expenses: National Disability Support Services	1,771,728	1,771,728	-
Total	1,794,769	1,794,769	2,008,391

3.7 Performance Expectations for Appropriations

Ministers are accountable to Parliament for what is achieved with appropriations. The supporting information should include meaningful performance information for each appropriation to enable performance to be assessed at year-end. The concise explanations in the supporting information in the Estimates of “what is intended to be achieved with an appropriation” and “how performance will be assessed” are the basis for the end-of-year performance information on appropriations, “what has been achieved with that appropriation” that is provided after the end of the financial year.

3.7.1 What is Intended to be Achieved with Appropriations

A **concise** explanation of “*what is intended to be achieved*” must be provided for:

- each appropriation (except an appropriation for expenses and capital expenditure to be incurred by an intelligence and security department), and
- each category of an MCA (in addition to the MCA as a whole).

The concise explanation of “*what is intended to be achieved*” is about what **value the taxpayer will get** from the proposed spending. It is different in nature from the appropriation scope statement, which provides the **legal boundary** for what the appropriation can be spent on. The substance of the explanation, particularly for departmental appropriations should relate to the department’s most recent strategic intentions. The quality of these statements is particularly important for appropriations that are not exempt from end of year performance reporting.

The principles for drafting this explanation are as follows:

- **Format.** The explanation should start with **either**:

“This appropriation is intended to achieve [...]”, **or**

“This category is intended to achieve [....]”

There is a **specific exception** from using the standard introductory stem statement, for Permanent Legislative Authority (PLA) appropriations for salaries and allowances. In this case, it is permissible to use:

“This appropriation is intended to contribute to [...]”,

There may also be a small number of similar appropriations where it may be appropriate to use an adjusted standard introductory stem statement. Please contact your Treasury vote analyst if you wish to discuss another specific exception.

- **Length.** This explanation should be concise. In most cases, it should be only a single sentence.
- **Meaningful.** The explanation should be a meaningful statement about what each appropriation or category is intended to achieve. The connection between “what is intended to be achieved” and “how performance will be assessed” (refer to section 3.8) should be self-evident.
- **Consistency.** The explanation should be consistent with related information presented elsewhere in the Estimates or Supporting Information.

Example 1: Vote Education: School Transport

This appropriation is intended to achieve maximum attendance at schools by ensuring transport options are available for eligible students.

Example 2: Vote Housing and Urban Development: Housing Infrastructure Fund Loans

This appropriation is intended to enable council infrastructure (storm water, potable water, waste water and transport) to be developed and to enable new houses to be built sooner.

Example 3: Vote Education: Scholarships and Awards for Teachers and Trainees

This appropriation is intended to achieve a high quality workforce by increasing the quality of teachers through targeted study assistance and supporting prospective teachers through their training.

Example 4: Vote Social Development: Improved Employment and Social Outcomes Support (MCA)

Improved Employment and Social Outcomes Support

This appropriation is intended to achieve improved employment and social outcomes.

Administering Income Support

This category is intended to achieve accurate and efficient operation of the benefit system so that the correct amount is paid to the correct people on time.

Improving Employment Outcomes - Service Provision

This category is intended to achieve an increase in the number of people (from those who are currently receiving or are likely to receive working-age benefits and are work ready) moving into sustainable employment.

Improving Work Readiness - Service Provision

This category is intended to improve the skills and capabilities of people who are receiving or likely to receive working-age benefits and reduce barriers to employment, to assist them to become work-ready and increase their chances of entering into sustainable work.

For more information and more examples refer to:

<http://www.treasury.govt.nz/publications/guidance/planning/performanceexpectations-achieved>

3.7.1.1 Departmental Capital Expenditure

A departmental capital expenditure appropriation and associated performance information should be included only in a Vote which is the primary Vote administered by a department. Departmental capital expenditure **cannot be exempt** from performance reporting.

Where a department's capital expenditure is exclusively part of a regular programme of renewals of operating assets to maintain service delivery, the following wording could be used:

Example 1: Vote Conservation *"What is intended to be achieved with this appropriation"*

This appropriation is intended to achieve the renewal and replacement of life-expired assets in support of the delivery of the Department of Conservation services.

Where a department is undertaking a material capital programme that is more than just maintaining its existing asset base for the continued delivery of existing services (eg, a major upgrade or expansion of its asset base), appropriate wording which reflects this should be used.

Example 2: Vote Revenue *"What is intended to be achieved with this appropriation"*

This appropriation is intended to invest in the renewal, upgrade and redesign of assets that support the delivery of the department's services. This includes the capital investment required for the implementation of business transformation.

3.7.2 How Performance will be Assessed for Each Appropriation

Information on how performance will be assessed is not required for a borrowing expense appropriation or an appropriation for expenses and capital expenditure to be incurred by an intelligence and security department, or if an exemption has otherwise been granted. In all other cases, such performance information is required.

Performance information should be a **concise** explanation of “*how performance will be assessed*” and, other than as noted above, it is required for each appropriation. For MCAs it is required for both **the MCA as whole**, and for **each category** within the MCA. Performance information **must** be included in the supporting information in the Estimates, it is not to be cross referenced to another document especially one that is not yet available to Parliament.

Agencies can select the most appropriate framework or method to assist them to demonstrate performance in the most meaningful way. For more information, refer to: <https://www.treasury.govt.nz/information-and-services/state-sector-leadership/guidance/reporting-performance>

As noted in section 3.8, the connection between “what is intended to be achieved” and “how performance will be assessed” should be rigorous and self-evident. “How performance will be assessed” needs to relate to the whole, not just part of, “what is intended to be achieved” with the appropriation.

Performance information can be presented in tabular format using the following CFISnet-generated table:

Standard Performance Information Table			
	2023/24		2024/25
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
How Performance will be Assessed 1	xxx	xxx	xxx
How Performance will be Assessed 2	xxx	xxx	xxx
How Performance will be Assessed 3	xxx	xxx	xxx

The option remains to **replace** the Standard Performance Information Table with text or to add text in the performance columns above or below the table.

Information is available from CFISnet Help about how to populate the Standard Performance Information table.

PBE FRS 48

This accounting standard for service performance reporting is effective **on, or after** 1 January 2022. The key change is that the accounting standard requires that most significant judgements that affect the selection, measurement, aggregation and presentation of service performance information are **disclosed**.

To meet the disclosure requirement, when performance information for an appropriation is altered from the previous year, a note explaining the changes and why they were made is included. If there are a number of changes for an appropriation, agencies may wish to consider a paragraph rather than multiple notes. This might be useful for changes to performance information for a Multi-Category Appropriation.

Table showing how some disclosures may be included in the Estimates [updated

Type of changes	What expect to see in the Estimates	Examples
New performance indicator	Clearly identified as a new indicator. A concise explanation is provided as to why it has been added.	“New Performance indicators” Note 1: This is a new performance indicator and was selected as it [one sentence reason]
Deleted performance indicator	A short note that identified the measure removed and why it was removed. If it was replaced what measure replaced it and why (see above)	“Deleted performance indicators” Note 1: One performance indicator was removed in relation to xxx. This was removed for [write your reason]
Change to the ‘budget standard’	If a budget standard is provided and changed would expect to see a note providing reasons why it was changed	The budget standard was changed for [put in year] from x to y to [add your reason]
Changing the way an indicator is calculated	Agencies should always document calculation methods, including any changes so they can be shared with auditors (eg, in an audit file)	

Prior to Budget 2022, deleted or replaced performance information was not disclosed in the Estimates as the required performance information was for the current year only. From Budget 2022 this information is required to meet the disclosure requirement.

The accounting standard also requires **comparative** information for new performance information. It does not directly affect new or revised performance information in the 2023/24 Estimates. However, agencies will need to be able to provide information for the previous year. This is required when they report their 2023/24 result in their 2023/24 annual report.

For more information refer to the Treasury Guidance on the Service Performance Reporting Standard (PBE FRS 48) <https://www.treasury.govt.nz/publications/guide/service-performance-reporting-standard-pbe-frs-48>

3.7.2.1 New or Restructured Appropriations

Unless an exemption has been obtained:

- new appropriations require performance information to be included, and
- where an appropriation has been restructured, new or changed performance information may be required, depending on the nature and scale of the restructuring.

Mandatory: For new performance information for appropriations in Budget year for existing services, there should be estimated actual information for the previous financial year to provide context for the level of performance expected. This also applies to restructured appropriations but not to capital expenditure.

It is important for new performance information for existing appropriations and restructured appropriations that some contextual information is provided for the level of performance or results expected. The easiest way to do this is to include **estimated actual information** for the previous financial year. If appropriations have been restructured with no policy changes, then it is expected that performance information for the previous year will be readily available and will be included.

Updating estimated actual information provides context for the Budget year's performance standard and indicates whether the standard is a challenge relative to the current year. The estimated actual column can also be used to indicate when performance is likely to be less than expected for that year.

When the same performance information applies to multiple appropriations it is an option to include the performance information in full once, under the first appropriation to which it relates, and then to refer to that appropriation in the performance information table for other appropriations (or categories for an MCA) to which they apply.

3.7.2.2 Common Performance Indicators for Policy Advice Activities

In November 2018 the Policy Head of Profession confirmed the minimum performance information for Policy Advice activities. The indicators are:

- technical quality assessment score, and
- Ministerial satisfaction score.

Mandatory: Departments that have policy advice appropriations, **or policy advice activities within other appropriations**, are required to report against the following two common performance indicators: Technical quality assessment score, and Ministerial satisfaction score.

Exemption: This requirement is not mandatory for the Ministry of Foreign Affairs and Trade; they are invited to participate on a voluntary basis.

Agencies are required to use one common policy quality framework to calculate the technical quality assessment score. More detailed guidance on how to collect information on the technical quality assessment score and the Ministerial satisfaction score was released to agencies in early 2019.

Departments are not limited to these two common performance indicators. Additional performance indicators for policy appropriations can be used to supplement these indicators, where it is meaningful and informative to do so.

3.7.2.3 Departmental Capital Expenditure

This section should show information that is likely to be useful or informative to Parliament, in light of the nature and scale of the departmental capital expenditure that is being undertaken.

How performance will be assessed

Expenditure is in accordance with the department’s intention to [list the particular intentions from the relevant asset management/capital expenditure plan].

The standard table for performance information can also be used.

Example 1: Vote Education			
	2022/23		2023/24
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Percentage of state schools that meet the Ministry’s property-related utilisation standards (see Notes 1 and 5)	66%	66%	66%
Percentage of state schools that meet the Ministry’s property-related condition standards (see Notes 2 and 5)	75%	87%	82%
Percentage of state schools that meet the Ministry’s property-related functionality standards (see Notes 3 and 5)	75%	75%	75%
Percentage of the additional student places forecast delivered (see Note 4)	80%	80%	80%

Note 1 - Running the large school property portfolio is expensive; good utilisation performance helps to minimise this cost and maximise the effectiveness of education delivery. The Ministry's school property-related utilisation standards aim to get schools operating at between 50% and 105% of their roll capacity. This measure considers the relationship between schools' annual July student roll returns and their respective roll capacity, which is determined from the total net area available in schools for teaching and non-teaching use. The measure refers to the July rolls and capacity from the previous year's returns. The standard recognises that below 50% there is likely to be excess capacity, which may be inefficient to operate or may be expensive to remove, and above 105% there may be a need for additional capacity to be built or the demand managed. When a school is identified as being above 105%, the Ministry has clear plans in place to help address the capacity needs of the school through various demand and supply management responses - for example, there may be new capacity already in development, or rolls may be expected to decline. This measure covers more than 95% of all state schools.

Note 2 - Maintaining appropriate condition performance helps to minimise expensive asset failures and supports the effectiveness of education delivery. The Ministry's school property-related condition standards aim to get schools operating at a moderate ("C3") or better condition rating for their school buildings. Performance against this industry-standard condition framework for each school building is based on assessments conducted during each school's annual property visit. Performance is separately assessed for components of each building (ie roof, building fabric and fitout). A school-wide aggregated rating is then determined based on weightings that reflect the built-area of those buildings. The aggregated rating needs to be at least "C3" on the five-point industry-standard rating scale, which runs from "C1" (very good) to "C5" (very poor) and where "C3" means "moderate". This measure is forecast to cover 80% to 100% of all state schools by June 2022. For 2023/24, the standard has been lifted due to the consistent performance over the last two years.

Note 3 - Maintaining appropriate functionality (fitness for purpose) performance helps to support the effectiveness of education delivery. The Ministry's school property-related functionality standards aim to get schools operating at a moderate ("3") or better functionality rating. Performance against this standard is based on assessments conducted as part of schools' five-yearly property planning process. Schools use the School Evaluation of the Physical Environment (SEPE) tool to self-assess and rate aspects of their school site and school buildings. In some cases, data from internal environment sensors will supplement these self-assessments. A school-wide aggregated rating is then determined based on weightings that reflect site functionality and the usability and comfort of school buildings. The aggregated rating needs to be at least "3" on the five-point SEPE functionality rating scale, which runs from "1" (very poor) to "5" (very good), and where "3" means "moderate". The introduction of the measure in 2020/21 resulted in coverage of around 17% of state schools. This is forecast to increase each year as more SEPE assessments are undertaken. Coverage is expected to increase towards 100% by June 2025.

Note 4 - This includes all student places that have been added to the Ministry's school property portfolio, regardless of funding source, project type or delivery method, and permanent or temporary nature, for state schools.

Note 5 - The Ministry uses three of the same performance measures to assess annual achievements within School Property Portfolio Management and Ministry of Education Capital Expenditure PLA appropriations. This is done because both appropriations include intents to develop property assets that support the delivery of educational services. Utilisation, condition and functionality are the fundamental asset performance measures for an asset's ability to deliver its required services.

Example 2: Vote Revenue

Expenditure supports the delivery of the department's performance measures in accordance with the department's capital asset management priorities for 2023/24 which are the:

- upgrades and enhancements to our core systems and infrastructure
- maintenance and improvement of business infrastructure including technology and equipment replacements and accommodation fit-outs, and
- the implementation of government policy initiatives.

Post transformation spending will be assessed against the performance measures agreed for the residual activities post transformation closure appropriation.

3.8 End-of-Year Performance Information on Appropriations

The supporting information on appropriations needs to state either:

- (i) how performance information will be reported, including:
 - the **entity** that will provide information at end of year on what has been achieved with the appropriation (for an MCA it must be the appropriation administrator)
 - the **document** in which the information will be presented to the House - this does not need to be the administering department's annual report, but does need to be in a document that is required to be presented to the Houseor
- (ii) if the appropriation is exempt from performance reporting under s15D of the PFA, including the reason for the exemption.

Note: if the exemption was granted under section 15D(2)(b) (i) of the PFA this is an exemption from reporting for the appropriation Minister, not an exemption from reporting to Parliament. So the performance information must still be provided along with who will report this information and in which document it will be presented to the House. This exemption was granted because the information will be reported by another party. The following information is required:

- the document(s) that will be presented to the House to inform it of the performance expectations and the year-end assessment of what was achieved, and
- which entity will provide the information.

The three examples below show a number of possibilities for reporting non departmental performance information.

Example 1: Performance Information will be reported by another party (a Crown entity)
Vote Education: Qualifications Support Structures

Performance information for this appropriation will be reported by the New Zealand Qualifications Authority in its annual report.

Example 2: Performance Information will be reported by the Appropriation Minister
Vote Education: Provision of Information and Advisory Services

Performance information for this appropriation will be reported by the Minister of Education in a report appended to the Ministry of Education's annual report.

Example 3: Performance Information will be reported by the Appropriation Minister in a separate report
Vote Social Development: Strong Families

Performance information for this appropriation will be reported by the Minister for Social Development in the Vote Social Development Non-Departmental Appropriations Report.

3.8.1 Key Points to Note

Ministers cannot report on Non-Departmental performance in a Department's Annual Report. They can report on Non-Departmental performance in a report **in the same document as the Department's Annual Report**, (See example two above) or they can report in a separate document (see example three above).

End-of-year performance information for the entire appropriation should be provided **in one document by one entity**. Where two or more entities report on what has been achieved with different aspects of an appropriation, there still needs to be one consolidated report on what has been achieved with the appropriation. This situation occurs in Non-Departmental expense appropriations where there are multiple service providers. When this occurs the appropriation administrator is responsible for either reporting end-of-year performance for the appropriation, or, confirming who will report end-of-year performance.

Where this is not feasible, discuss with your Vote Analyst how to best describe where this information will be reported.

3.8.2 Amendments to the PFA about End-of-Year Performance Reporting for an MCA

If resources from an MCA are used:

- only by a Crown entity, a Schedule 4 organisation (but not including a Reserves Board) or a Schedule 4A company, **then that Crown entity, Schedule 4 organisation or Schedule 4A company must provide the end-of-year performance information** (s15C(2)(a)(i) of the PFA)
- only by a department that has been directed by the appropriation Minister to use the MCA, then that department must provide the end-of-year performance information

The appropriation administrator must provide the end-of-year performance information for any other case (this is required by s15C(2)(a)(iii) of the PFA).

Previously the appropriation administrator had to provide end-of-year performance information for all MCAs. For example in Vote Business, Science and Innovation end-of-year performance information for the Commerce and Consumer Affairs: Enforcement of General Market Regulation MCA **must** be reported by the Commerce Commission (in their Annual Report) rather than by the Ministry of Business, Innovation and Employment (MBIE), the appropriation administrator in their Annual Report.

3.8.3 Amendments to the PFA Exemptions from End-of-Year Performance Reporting

Section 15D2(a) was amended in the PFA. This affects the criteria for exemptions for End-of-Year Performance Reporting for non-departmental expenses or non-departmental capital expenditure appropriations, or non-departmental expenses or non-departmental capital expenditure within a multi-category appropriation.

If the Minister is satisfied that-

- the appropriation or category is one from which resources will be provided to a person or an entity **other than** a department, a functional chief executive, an Office of Parliament, or **a Crown entity**;

and one of the following applies – s15(b) (i), (ii) or (iii) the Minister may grant an exemption.

This change mainly affects appropriations which fund Crown entities which previously qualified for an exemption from End-of-Year Performance Reporting. These appropriations no longer meet the criteria for an exemption.

The standard text, in *the* Estimates and Supplementary Estimates, for non-departmental exemptions needs to change to reflect the change in the PFA.

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity, under s15D(2) [and associated subsections] of the PFA, as[insert the legislative reason in words] because...

The following are **amended** examples of performance reporting exemptions.

Example 1: Where performance Information is not likely to be informative
Vote Social Development: New Zealand Superannuation

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s.15D(2)(b)(ii) of the PFA, and additional performance information is unlikely to be informative because this appropriation is solely for payments of New Zealand Superannuation under the New Zealand Superannuation and Retirement Income Act 2001. Performance information relating to the administration of the payment is provided under the Income Support and Assistance to Seniors appropriation.

Example 2: Where the annual amount of the appropriation is less than \$5 million for expenses or \$15 million for capital expenditure.

Vote Business, Science and Innovation: Commerce and Consumer Affairs: Contributions to International Organisations

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act, and the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

Vote Internal Affairs: Heritage Collections - Annual

An exemption was granted as the appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity under s15D(2)(b)(iii) of the Public Finance Act, and the amount of this annual appropriation for non-departmental capital expenditure is less than \$15 million.

3.9 Current and Past Policy initiatives

This section of the information explains the policy reasons for why the amount of the appropriation has changed over the five years covered in the table. Guidance in section 2.1.1 above, also applies to this table. Initiatives need to appear in the New Policy Initiatives table and then in the relevant appropriation Current and Past Policy Initiatives table.

Mandatory: The table must list decisions by the year affected, with the most recent year first.

The table should cover decisions made in this **Budget and the previous four years** so long as the decision affects one of the five years in the table: the preceding year, Budget year or the three out years.

Policy initiatives affecting more than one appropriation need to be included in the table for all appropriations affected. This should **include only** policy changes and **not** include fiscally neutral adjustments with no policy implications or other technical changes. Do not include Cabinet minute references in the titles of policy initiatives.

Decisions made more than four Budgets ago that included on-going funding should not be included.

The ‘Year of First Impact’ refers to the first fiscal year in which there is an appropriation impact, irrespective of when the policy decision was taken or announced. For example, a decision to increase an appropriation in out years can be announced in the current Budget.

If there are a significant number of policy decisions affecting one appropriation in a particular year, judgement needs to be used so that the table remains informative and complete. The department should have available a breakdown of all minor initiatives combined.

The naming of current initiatives should be consistent over time and reflective of how initiatives will be reported on. If an initiative is part of a wider strategy or programme of work, this should be clear in the name of the initiative.

When appropriations are restructured, the initiatives affecting the old structure need to be transferred to the new structure and reported in this table. The purpose of initiatives should have been sufficiently clear to enable them to be attributed to one or more appropriations (consistent with their scope), rather than making an arbitrary allocation. However, if the wording of initiatives in past Budgets wasn’t transparent, then papers supporting the original decision by Ministers may need to be referred to when completing the table.

A brief narrative can also be added below the table to explain the effect of the restructuring (which would have been reconciled in Part 1.4), including a reference to the initiative’s origin if it is no longer associated with, say, a restructured or defunct appropriation. If an allocation cannot be made, this could also be noted for the sake of transparency.

As there was a change of government following the 2023 general election it is appropriate to identify which government made policy decisions in this section of the *Supporting Information to the Estimates*.

Departments should use the headings “Current Government” and “Previous Government” to distinguish which government agreed the policy.

Example 1: Vote Education: Early Childhood Education

Policy Initiative	Year of First Impact	2017/18 Final Budgeted \$000	2018/19 Budget \$000	2019/20 Estimated \$000	2020/21 Estimated \$000	2021/22 Estimated \$000
Current Government						
Cost Adjustment for Early Childhood Education	2018/19	-	13,680	29,218	30,308	31,606
Improvements to the Implementation of Communities of Learning Kahui Ako in 2018	2018/19	-	1,270	1,850	-	-
Cost Adjustment for Schools' Operational Grant	2018/19	-	7	15	15	15
Reprioritisation - Removing Underutilised ECE Participation Funds	2017/18	(1,163)	(1,513)	(1,513)	(1,513)	(1,513)
Previous Government						
Early Childhood Education - Targeted Funding for Disadvantage	2017/18	5,000	10,000	10,000	10,000	10,000
Operational Grant Funding Increase for Schools	2017/18	6	12	12	12	12
Settlement of the Primary Teachers' and the Primary Principals' Collective Agreements 2016-2018 and the Area School Principals' Collective Agreement 2016-2019	2016/17	6,859	7,073	7,073	7,073	7,073
Settlement of 2016-2019 Collective Agreements for Area School Teachers and Secondary Principals	2016/17	6	9	9	9	9
Secondary Teachers' Collective Agreement 2015-2018	2015/16	48	51	51	51	51
Cost Adjustment for Schools Operational Grant Funding	2015/16	9	9	9	9	9
Savings - Reprioritisation of Funding from Early Childhood Education Outcome-Based Purchase Agreements	2015/16	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Kindergarten Teachers, Head Teachers and Senior Teachers' Collective Agreement 2013-2016	2015/16	1,300	1,300	1,300	1,300	1,300
Cost Adjustment to Operational Grants for Schools	2014/15	27	27	27	27	27

Example 1: Vote Social Development: Partnering for Youth Development

Policy Initiative	Year of First Impact	2017/18 Final Budgeted \$000	2018/19 Budget \$000	2019/20 Estimated \$000	2020/21 Estimated \$000	2021/22 Estimated \$000
Current Government						
<i>Administering Youth Development</i>						
Remuneration Cost Pressures for the Ministry of Social Development	2018/19	-	33	33	33	33
Youth Health and Wellbeing Survey	2018/19	-	2,000	1,000	-	1,000
Previous Government						
<i>Administering Youth Development</i>						
Availability and Resilience Business Case: Preferred Resilience Initiative Option for Tranche One	2017/18	5	-	-	-	-
Modernising Frontline Tools (End User Compute) Business Case and Request for Draw Down	2017/18	7	21	27	30	31
Ministry of Social Development - Maintaining Services	2017/18	27	24	24	24	24
Establishing Partnering for Youth Development MCA	2016/17	2,312	2,312	2,312	2,312	2,312
<i>Increasing Youth Development Opportunities</i>						
Youth Enterprise Initiatives Expansion	2017/18	1,500	1,500	1,500	1,500	1,500
Establishing Partnering for Youth Development MCA	2014/15	6,753	6,753	6,753	6,753	6,753

3.10 Reasons for Change in Appropriation

The purpose of this section is to explain significant changes in appropriations between years. It should provide a succinct explanation of the reasons funding for an appropriation has changed compared to the previous year's Supplementary Estimates. It should summarise both information presented elsewhere in the document (eg, policy changes and restructuring) and/or other information that may not be outlined elsewhere in the document (eg, a change in demand), where these are relevant to understanding a material change in the appropriation.

Mandatory: where there are **material** changes in the appropriation for the Budget year, relative to the final appropriation for the previous year, the reasons for those changes must be noted briefly.

If the change is **not material**, this section is not required in the Estimates. Use of words such as “there have been no/minimal changes to this appropriation” in a draft indicate that the section should be removed.

What constitutes a material change should be considered in the context of each individual appropriation and the Vote as a whole. Changes listed in the new Initiatives table in Part 1.3 are likely to be included, as will some technical changes, such as significant re-allocations between appropriations.

Reasons for change explanations are required for new appropriations.

The following introductory sentence should be used in the supporting information for the Estimates:

“The increase/decrease in this appropriation for 2024/25 is (mainly) due to [...]”

In completing this section, it is recommended:

- if there is more than one reason for change for the appropriation, use the introductory text as a stem and bullet points for each reason, and
- reasons should be ordered from largest to smallest, so the most significant appear first, and they should also be separated between increases and decreases to the appropriation.

The text should clearly explain **why** the change has occurred. For example:

- for policy changes, this information should come from the Cabinet minute or paper
- for technical changes (approved by joint Ministers) the baseline update or joint Ministers paper would have provided justification for the technical change (note: fiscally neutral is **not** an explanation of why the change occurred), and
- for a forecasting change (for forecast appropriations only), the reason for the forecast change should be outlined.

Example 1: Vote Justice: Services from the Independent Police Conduct Authority

The decrease in this appropriation for 2023/24 is due to a time-limited funding of \$2.750 million in 2022/23 to fund an independent review of policing on and around Parliament grounds to be performed by the Independent Police Conduct Authority.

Example 2: Vote Justice: Administration of Legal Services

The increase in this appropriation for 2023/24 is mainly due to:

- an increase of \$2.009 million to ensure core justice services are maintained by improving remuneration for Ministry of Justice employees, and
- an increase of \$655,000 for the maintenance of critical technology to ensure the delivery of Justice services.

Example 3: Vote Pacific Peoples: Skills training and Employment

The increase in this appropriation for 2023/24 is due to:

- new funding for the Budget 2023 initiative of \$1.034 million for Tupu Aotearoa Programme - Increasing Employment and Education Pathways for Pacific People (increase)
- a transfer of funding of \$120,000 from Departmental Output Expenses in 2023/24. This is for the Building Affordable Homes programme (increase)
- a carry forward from 2021/22 to 2022/23 of \$456,000 for the Building Affordable Homes programme which does not recur in 2023/24 (decrease).

3.10.1 Multi-Category Appropriations

For MCAs the reason for change needs to explain the change at the appropriation level. This is likely to require explaining movements in some or all of the categories (it should exclude fiscally neutral adjustments between categories of the MCA as these have no impact on the amount of the MCA).

Example 1: Vote Internal Affairs: National Archival and Library Services

The decrease in this appropriation for 2023/24 is mainly due to a higher level of funding for the New Zealand Libraries Partnership Programme in 2022/23. The decrease also reflects capital to operating swaps associated with Software as a Service arrangements in 2022/23.

Example 2: Vote Corrections: Public Safety is Improved

The increase in appropriation for 2023/24 is mainly due to:

- an increase of \$86.271 million relating to the Waikeria Prison Development, including the Waikeria Mental Health and Addiction Service Facility, offset by a \$2.350 million decrease due to a one-off gain in 2022/23
- an increase of \$25.762 million to enable sustainable depreciation funding following asset revaluations
- an increase of \$9.807 million to develop workforce capability and capacity through the Frontline Safety and Improvement Programme
- an increase of \$4.306 million to maintain critical infrastructure and digital technology to ensure the delivery of Corrections services
- an increase of \$1.190 million in bail support services that provides early support to lower the number of people entering or remaining in custody, and
- an increase of \$1.100 million for the prevention of harm from serious and organised crime in New Zealand.

Partially offset by:

- a decrease of \$23.731 million for remuneration and other cost pressures because the funding for 2023/24 remuneration pressures is subject to approval, pending the settlement of each collective bargaining round
- a decrease of \$12 million due to a transfer to the Re-offending is Reduced appropriation, including \$10 million relating to a rise in expenditure requirements associated with inflation, costs associated with the continued delivery of a safe and effective custodial environment in light of workforce constraints and \$2 million to assist Corrections to manage operating costs related to the clean up and interruption to Corrections business as usual activities caused by the North Island weather events
- a decrease of \$11.046 million that related to the first tranche of the Waters Infrastructure Programme
- a decrease of \$8.063 million for assisting with the management of the COVID-19 environment
- a decrease of \$7.151 million relating to one-off funding for the change in fiscal treatment of Software-as-a-Service arrangements
- a decrease of \$5.250 million to fund a feasibility study for the Christchurch Men's Prison Redevelopment Project
- a decrease of \$2.468 million relating to refinancing of the Auckland Prison Public Private Partnership, and
- a decrease of \$2 million relating to a business continuity insurance recovery.

Example 3: Vote Housing and Urban Development: Managing the Housing and Urban Development Portfolio

The decrease in this appropriation for 2023/24 is mainly due to:

Policy Advice and Ministerial Servicing category

The decrease in this category is mainly due to:

- a one-off fiscally neutral transfer of \$2.966 million from the Progressing the Pipeline of Māori Housing 2022 - 2025 (MYA) in 2022/23, to cover the departmental costs associated with managing the Whai Kāinga Whai Oranga initiative
- an expense transfer of \$1.800 million from 2021/22 to 2022/23 for the WAI2750 inquiry
- an expense transfer of \$1.630 million from 2021/22 to 2022/23 for costs associated with monitoring the Housing Acceleration Fund
- a decrease in funding of \$1.500 million costs associated with monitoring the Housing Acceleration Fund
- an expense transfer of \$500,000 from 2021/22 to 2022/23 to design and implement a new Property and Provider Maintenance system, and
- reduced funding of \$314,000 in 2023/24 relating to third party revenue received from the secondment of Ministry staff.

These are partially offset by additional funding of \$2.726 million from the Budget 2023 initiative Ministry of Housing and Urban Development - Responding to Volume Pressures.

3.10.2 Multi-year Appropriations Reasons for Change

MYAs do not have reasons for change explanations in the supporting information in the *Estimates*. These explanations appear in the supporting information in the *Supplementary Estimates* as the changes to the appropriation occur in the *Supplementary Estimates* year (refer to section 5.5.1.1 below).

3.11 Conditions on Use of Appropriation

The purpose of this section is to outline any constraints or other rules around the use of the appropriation as set out in legislation, regulation, Cabinet decisions or other agreements. This sort of information should not be included in the scope statement unless it is essential to defining the boundary of the appropriation. Information on conditions on use is not applicable for all appropriations. This section should not be used to set out entitlements.

Additional information on any conditions on the use of the appropriation should be noted where, for instance, there is a particular process that must be followed. Inclusion of this information is especially useful where reference is made to such processes or criteria in the scope of the appropriation or in performance information.

Where conditions are set out in an Act or Regulations, include the relevant sections or clauses. Where the reference is to a Gazette Notice, include the date of the Gazette and the notice number and title. Where the conditions are set out in a Cabinet decision, use the words Cabinet decision in the Reference column. Do not include the Cabinet Minute reference.

The conditions included here may be specific criteria or other conditions, or a summary of a more detailed set. A summary should provide sufficient information to convey the nature of the factors that must be considered in fulfilling the purpose of the appropriation (as set by the scope) or meeting the performance expectations.

Example: Vote Internal Affairs: Rates Rebate Scheme	
Reference	Conditions
Rates Rebates Act 1973, section 3.	Rebates are granted on the basis of a formula taking into account income, the number of dependents and the amount of rates owing.

Performance information must not be included here. Instead, it should be included as text under the performance information table.

4 Supporting Information for the Estimates Parts 2-4: Variations and Specific Requirements

This section of the guidance covers requirements associated with the following specific issues.

4.1 Service Providers for Non-Departmental Expenses

This table identifies the main service providers for **each** non-departmental output expense and non-departmental other expense **appropriation** and it is also required for these categories in an MCA. Where there is only one service provider, this table should be replaced with a sentence identifying the service provider.

Total amounts for prior year Budget and Estimated Actual columns should reconcile to those included in the *Details of Appropriations and Capital Injections* table at the front of the Vote chapter. In order to focus on the main service providers, this may require combining information for small or similar types of service providers.

Budget-year amounts should be disclosed for individual providers where known; state **“Not yet known or Contract under negotiation”** in the Budget-year column when this situation applies.

Enter a date (month and year) in the last column when the commitment extends beyond the Budget-year. The Expiry of Resourcing Commitment column should not be left blank.

The Service Providers table should be completed even when the appropriation is exempt from end of year performance reporting.

Example, showing how information for multiple service providers should be disclosed, using the table format.

Example 1: Vote Education: Early Learning

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Education in a report appended to the Ministry of Education's annual report.

Service Providers

Provider	2022/23 Final Budgeted \$000	2022/23 Estimated Actual \$000	2023/24 Budget \$000	Expiry of Resourcing Commitment
Crown Entities				
The Correspondence School	2,601	3,035	3,393	Ongoing
Non-Government Organisations				
Education and Care Centres	1,840,354	1,836,045	2,058,542	Ongoing
Kindergarten	292,686	292,064	326,807	Ongoing
Playcentre	15,693	15,660	17,523	Ongoing
Home-based	129,448	129,173	144,538	Ongoing
Te Kōhanga Reo	80,185	80,015	89,532	Ongoing
Community Action Groups	2,406	2,401	2,686	Ongoing
Playgroups	4,124	4,115	4,605	Ongoing
Non-Government Organisations, Iwi and Community Groups	3,498	3,491	3,906	Ongoing
Private Training Establishments	1,718	1,714	1,918	Ongoing
Total	2,372,713	2,367,713	2,653,449	

Example, showing how information for a single service provider should be disclosed using text instead of the table format.

Example 2: Vote Education: School Managed Network Funding

Performance information for this appropriation will be reported by the Network for Learning in its annual report.

4.2 Multi-Category Appropriations (Part 4)

MCAs must state the single over-arching purpose of the appropriation.

This should be a one sentence statement starting as follows:

Overarching Purpose Statement

“The single overarching purpose of this appropriation is to [...]”

Estimates Statutory Requirement - Section 7B(b) of the PFA:

A multi-category appropriation described in section 7A(1)(g)—

- (b) must include only categories of expenses or non-departmental capital expenditure that contribute to a single overarching purpose.

Estimates Statutory Requirement - Section 14(1)(e) of the PFA:

(1) The Estimates must state, for each appropriation sought in the main Appropriation Bill for a financial year and each appropriation authorised for that financial year by an Appropriation Act,—

- (e) in the case of a multi-category appropriation, the overarching purpose of the appropriation (in terms of section 7B(b))

A “What is Intended to be Achieved” statement is required for the MCA at the appropriation level and also for each category of the MCA (refer to section 3.7.1 above). At the appropriation level for the MCA the “What is Intended to be Achieved” statement should relate to the single overarching purpose of the MCA.

Performance information is required at the **appropriation level for the MCA** as a whole **and for each category** within the MCA. It is not satisfactory to say the performance information for the categories is also the performance information for the appropriation (refer to section 3.8 above).

Example: Vote Courts: Courts, Tribunals and Other Authorities Services, including the collection and Enforcement of Fines and Civil Debts Services

How Performance will be Assessed for this Appropriation

	2022/23		2023/24
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
Satisfaction of court users with court services and facilities	80%	At least 80%	80%
Percentage of juror survey responses that rate overall juror satisfaction as "satisfied" or better	90%	At least 90%	90%
Percentage of category 3 and 4 criminal cases disposed within 12 months	90%	At least 90%	90%

There will also be performance information for each category of the MCA.

End-of-Year Performance Reporting

If resources from an MCA are used:

- only by a Crown entity, a Schedule 4 organisation (but not including a Reserves Board) or a Schedule 4A company, **then that Crown entity, Schedule 4 organisation or Schedule 4A company must provide the end-of-year performance information**
- only by a department that has been directed by the appropriation Minister to use the MCA, then that department must provide the end-of-year performance information.

The appropriation administrator must provide the end-of-year performance information for any other case (this is required by s15C(2)(a)(iii) of the PFA).

Previously the appropriation administrator had to provide end-of-year performance information for all MCAs. For example in Vote Business, Science and Innovation end-of-year performance information for the Commerce and Consumer Affairs: Enforcement of General Market Regulation MCA **must** be reported by the Commerce Commission (in their Annual Report) rather than by the Ministry of Business, Innovation and Employment (MBIE), the appropriation administrator in their Annual Report.

4.3 Capital Injections and Movements in Departmental Net Assets (Part 2.3)

Information on net assets must be completed when a Vote is the primary Vote administered by a department and a capital injection is authorised for the current estimates year. The purpose of this is to provide context where a capital injection is being made to a department, and to show the impact of the injection on net asset holdings. This is also, where information about what capital injections will be used for is disclosed.

Inclusion of this table is optional where no capital injection is authorised.

Example: Ministry of Education			
Details of Net Asset Schedule	2022/23 Estimated Actual \$000	2023/24 Projected \$000	Explanation of Projected Movements in 2023/24
Opening Balance	26,478,551	27,121,219	
Capital Injections	955,851	1,164,137	Expansion of the School Property Portfolio for roll growth classrooms and new schools in accordance with the National Education Growth Plan (\$439.293 million), the Christchurch Schools Rebuild Programme (\$157.350 million), land reimbursement for new schools (\$100 million), build and expand schools delivering Māori Medium Education (\$99.580 million), restore school property affected by North Island Weather Events (\$92.599 million increase), learning support modifications to school buildings (\$60 million), the Nga Iti Kahurangi (Improving Classrooms in Small or Remote Schools) Programme (\$50 million), supporting the co-location of Marlborough Boys and Girls Colleges and relocation of Bohally Intermediate (\$36.620 million), development of Pourato (the online resourcing system for schools, kura and the early learning sector) (\$28.683 million), additional non-teaching space in schools primarily for the Learning Support Coordinator roles (\$24.002 million), decarbonisation programme to replace coal boilers in schools (\$19.817 million), funding requirements for schools procured under Public Private Partnerships (\$14.957 million), the Reform of the Tomorrow's Schools System (Budget 2021 initiative) to provide front line support closer to schools, creating a more networked and supported system that is more responsive to the needs of learners/ākonga and their whānau (\$13.052 million), the regeneration of the Hāwera school network, allowing for the construction of temporary teaching spaces and the design of a combined high school and intermediate school (\$10 million), development of the Pokapū Waka Kura School Transport Supplier Portal (\$5.138 million), add functionality and identity records to the Education Sector Logon system for secondary schools students so that they can sit NCEA online securely (\$3.380 million), implement the equity index in schools and kura as a replacement for decile system (\$3.088 million), implementing the NCEA Change Programme to ensure students have the appropriate skills and knowledge to seek further education or employment (\$2.625 million), update online assessment tool, developed to assess students' achievement and progress in reading, mathematics, writing, and in pānui, pāngarau, and tuhiuhi (\$844,000), and other (\$3.109 million).

Capital Withdrawals	(47,673)	(13,433)	Revision of business case for the Online Curriculum Hub (as part of the Reform of the Tomorrow's School System initiative in Budget 2021) bringing forward capital funding to complete the project earlier than anticipated and converting some capital funding to operating funding (\$6.111 million), a capital to operating swap for a Property Portfolio Management Tool to support the management of the school property portfolio (\$4.197 million), decisions to procure new schools under Public Private Partnership contracts rather than through traditional procurement process (\$1.788 million), and for school property repairs and maintenance incurred under the pilot External Fabric Upgrade National Programme (\$1.337 million).
Surplus to be Retained (Deficit Incurred)	(265,510)	(289,155)	Unfunded depreciation as a result of 30 June 2021, 2022 and 2023 upward revaluation of school buildings and teacher housing (totalling \$289.194 million deficit), and net unrealised gain on interest rate swap derivatives with New Zealand Debt Management Office (\$39,000 surplus).
Closing Balance	27,121,219	27,982,768	

4.4 Memorandum Accounts

A memorandum account provides a mechanism to allow revenue and expenses for cost-recovered outputs to be balanced over time and not in an individual year. The section relating to memorandum accounts is required to be completed only where an appropriation contains such an account.

Mandatory: Treasury Instruction 6.3.7 - Where a memorandum account is required, the accumulated balances of surpluses and deficits for an output or group of outputs within the appropriation must be reported in a memorandum account in the supporting information, as shown here, and in the administering department's annual report.

As memorandum account balances should trend to zero over time, departments are encouraged to briefly set out the actions taken or proposed to address large or increasing surpluses or deficits in their memorandum accounts in narrative immediately under the table. If there is more than one memorandum account within a single appropriation, include the title and details in the same table by repeating the standard rows.

A separate table is required for each memorandum account.

5 Supplementary Estimates

5.1 Purpose of the Supplementary Estimates

The Supplementary Estimates of Appropriations, including the supporting information they contain, provide Members of Parliament with details of the terms of all new appropriations and changes to appropriations since the Estimates were approved by Parliament.

However, while the Supplementary Estimates have the same purpose as the Estimates, they have **a different focus**. The supporting information in the Supplementary Estimates focuses only on information that has changed since the Estimates for the year were produced. These changes are either:

- new appropriations, or
- changes to existing appropriations.

The information for a Vote in the Supplementary Estimates covers, as appropriate, some or all of the following:

- details of annual and permanent appropriations
- details of multi-year appropriations
- details of capital injection authorisations
- reconciliations of changes in appropriation structures
- supporting information to enable readers to understand all changes in supporting information for an appropriation since the Estimates were approved by Parliament, and
- full supporting information for new appropriations that were not in the Estimates.

The Supplementary Estimates and supporting information is all contained in one document and is organised alphabetically by Vote.

The appropriations in each part of the supporting information for each Vote are listed in alphabetical order, with MYAs included among the annual and permanent appropriations.

5.2 Overview of the Supplementary Estimates

The Supplementary Estimates provide information on new appropriations or changes to appropriations since the Estimates were finalised. Where there are no changes to a Vote, it is not included in the Supplementary Estimates. A Vote is included in the Supplementary Estimates where:

- it is a new Vote that was created during the year
- it contains a new appropriation that was created during the year (including restructured appropriations)
- funding for an appropriation changed during the year
- components of the appropriation or category changed during the year

- what is intended to be achieved with an appropriation or category changed during the year
- performance information for an appropriation or category changed during the year
- end of year reporting requirements for an appropriation or category changed during the year, (this is the last chance to get this correct as the information adjusted in the Supplementary Estimates is legally binding), including exemption from reporting performance information, or
- other relevant information associated with the Vote (eg, conditions on use) changed during the year.

5.3 Requirements for a New Vote Created During the Year

A new Vote created during the year needs almost all the content required for the Estimates and its supporting information.

5.3.1 Overview Requirements

A plain language Overview is required for a new Vote created during the year. Refer to section 1.3 above for details about how to complete this section of the document.

5.3.2 Annual and Permanent Appropriations and MYA Tables

These tables are required for a new Vote. They are system generated from data loaded in CFISnet.

5.3.3 Total Annual, Permanent and Multi-Year Appropriations Table

The Total Appropriations table assists in linking information between the *Annual and Permanent Appropriations* table and the *Summary of Financial Activity* table. This only appears if the vote contains MYAs. This table is populated from data loaded in CFISnet.

5.3.4 Trends in the Vote

This table, which summarises changes since the Estimates for the year were approved, is system generated from data loaded in CFISnet.

5.3.5 Reconciliation of Changes in Appropriation Structure

This section is used where a new Vote is created during the year and when sufficient explanatory information could not be included in the “*Reasons for change*” section for each appropriation affected. It should also be used where a restructure of appropriations has occurred **during** the Supplementary Estimates year. Refer to section 2.1.5 above for details about how to complete this section of the document.

5.4 Requirements for a New Appropriation Created During the Year

A new appropriation created during the year needs most of the content required for the Estimates and supporting information (as detailed in Sections 2, 3 and 4.2 of this Guide). Unless stated, the following requirements are the same as for the Estimates.

5.4.1 Appropriation Title

Refer to section 3.2 above for guidance on completing this section.

5.4.2 Scope of Appropriation

Refer to section 3.3 above for guidance on completing this section.

5.4.3 Expenses (or Expenses and Revenue) / Departmental Capital Expenditure Table

The expenses or expenses and revenue table should be included for new appropriations.

5.4.4. Components of the Appropriation or Category

Refer to section 3.5 above for guidance on completing this section.

5.4.5 What is Intended to be Achieved with this Appropriation

This is required for all new appropriations created during the year. Refer to section 3.7.1 above for guidance on completing this section.

5.4.6 How Performance will be Assessed and End of Year Reporting Requirements

For all new appropriations, other than Benefits or Related Expenses, and borrowing expense appropriations, performance information must be included. All new appropriations, which contain performance information, must also show who reports on performance information and the document the information is in, or the reason the appropriation is exempt from performance reporting must be disclosed.

Example 1: Vote Prime Minister and Cabinet: Extreme Weather Events All of Government Response

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The responsible Minister is satisfied with progress to establish the Cyclone Recovery Taskforce and Unit (see Note 1)	New measure	4	4

Note 1 - The Minister's Satisfaction Survey measures satisfaction with the quality of policy advice on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Department of Prime Minister and Cabinet in the 2022/23 annual report.

For new non-departmental expense appropriations, the information provided should include:

- the table or statement showing service providers (refer to section 4.1 above).

PBE FRS 48

This accounting standard for service performance reporting is effective **on, or after** 1 January 2022. The key change is that the accounting standard requires that most significant judgements that affect the selection, measurement, aggregation and presentation of service performance information are **disclosed**.

To meet the disclosure requirement, for new appropriations created during the current financial year, a note explaining why the performance information for the new appropriation was selected is included. The 2022/23 Supplementary Estimates are the first that require this disclosure. Refer to section 3.7.2 for more guidance about PBE FRS 48.

5.4.7 Conditions on Use of Appropriation

Refer to section 3.11 above for guidance on completing this section.

5.4.8 Capital Injections and Movements in Departmental Net Assets

Refer to section 4.3 above. This table must be included if the Vote is the primary Vote for the department **and** the projected closing net asset balance differs from those included in the 2023/24 Estimates or the amount of the capital injection changed during the year.

5.5 Funding for an Appropriation Changed During the Year

The supporting information required for all appropriations with funding changes is:

- Title (refer to section 3.2 above for guidance on completing this section)
- Scope (refer to section 3.3 above for guidance on completing this section), and
- reasons for change.

5.5.1 Reasons for Change in Appropriation

The section explains **all** funding changes within the current year.

Mandatory: All changes must include a 'reasons for change' explanation and all changes must be **completely** explained.

The Expenses and Revenue table (refer to section 5.4.3 above) should be included **only** for a departmental output expense appropriation that has more than one source of revenue. It is not required for other appropriation types, as it duplicates information in the mandatory reasons for change section.

Reasons for change are required for Capital Injections and Movements in Departmental Net Assets if either of these changed during the year (refer to section 4.3 above).

The following introductory sentence should be used in the supporting information for the Supplementary Estimates.

This appropriation increased/decreased by \$xx to \$xx for 2023/24 due to []

In completing this section, it is recommended:

- if there is more than one reason for change for the appropriation, use the introductory text and bullet points for each reason, and
- reasons should be ordered from largest to smallest, so the most significant appear first, and they should also be separated between increases and decreases to the appropriation.

The text should clearly explain **why** the change has occurred. For example:

- for policy changes, this information should come from the Cabinet minute or paper
- for technical changes (approved by joint Ministers) the baseline update or joint Ministers' paper would have provided justification for the technical change (note: fiscally neutral is **not** an explanation of why the change has occurred), and
- for a forecasting change (for forecast appropriations only), the reason for the forecast change should be outlined.

The following examples explain why the changes occurred, the direction of change, the amount of the change and the final amount.

Example 1: Vote Social Development: Administration of Service Cards

This appropriation increased by \$621,000 to \$8.070 million for 2022/23 due to:

- \$994,000 capital to operating swap for the Community Connect initiative
- \$700,000 to reflect changes in cost drivers in 2022/23
- \$84,000 to help fund potential increases in remuneration in light of wage pressures for 2022/23, and
- \$35,000 expense transfer from 2021/22 to 2022/23 for Community Connect services.

The increase was offset by \$1.192 million transfer to Waka Kotahi NZ Transport Agency (Vote Transport) to implement the Community Connect initiative - Public Transport Concessions for Community Services Cardholders.

Example 2: Vote Education: Supporting Parenting

This appropriation increased by \$300,000 to \$9.274 million for 2022/23 due to a transfer from 2021/22 to ensure events planned to support whānau and communities that had been cancelled due to COVID-19 could be delivered in 2022/23.

5.5.1.1 Multi-year Appropriations Reasons for Change

Mandatory: Explanations must be provided for each year in which an adjustment has been made to the MYA, which will provide reconciliation from the original appropriation to the adjusted appropriation.

MYA reasons for change explanations appear in the *Supporting Information for the Supplementary Estimates* as the changes to the appropriation occur in the Supplementary Estimates year and are authorised in the Appropriation (Supplementary Estimates) Act.

Example: Vote Internal Affairs

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Operating Expenses (M41) (A6) This appropriation is limited to supporting the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions. Commences: 03 January 2019 Expires: 30 June 2023	Original Appropriation	56,066
	Adjustments to 2021/22	92,000
	Adjustments for 2022/23	5,851
	Adjusted Appropriation	153,917
	Actual to 2021/22 Year End	113,678
	Estimated Actual for 2022/23	40,239
	Estimate for 2023/24	-
	Estimated Appropriation Remaining	-

Revenue

	Budget \$000
Revenue from the Crown to end of 2023/24	153,917
Revenue from Others to end of 2023/24	-
Total Revenue	153,917

Reasons for Change in Appropriation

This appropriation increased by **\$5.851** million to **\$153.917** million for **2022/23** due to:

- a transfer of funding from the Royal Commission into Historical Abuse in State Care and in the Care of Faith-based Institutions - Legal Assistance Costs Multi-Year Appropriation to meet the departmental operating expenses associated with the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions (increase of \$5.606 million), and
- funding for the Public Sector Pay Adjustment (increase of \$245,000)

Where a MYA is revoked, a comment should be included as to whether the revoked appropriation has been replaced by another MYA (in which case, the link between the old and new appropriations should be made clear).

For a departmental MYA, the revenue amounts are cumulative from the commencement of the MYA.

Reasons for change for new MYA created during the year.

Example: Vote Internal Affairs: Water Services Reform: Better Off Support Package		
Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Water Services Reform: Better Off Support Package (M49) (A6) This appropriation is limited to grants to support investment into community wellbeing, placemaking, housing, and climate related initiatives. Commences: 01 August 2022 Expires: 30 June 2027	Original Appropriation	500,000
	Adjustments to 2021/22	-
	Adjustments for 2022/23	-
	Adjusted Appropriation	500,000
	Actual to 2021/22 Year End	-
	Estimated Actual for 2022/23	300,363
	Estimate for 2023/24	123,859
	Estimated Appropriation Remaining	75,778
<i>Reasons for Change in Appropriation</i> This multi-year appropriation was established in 2022/23 to provide funding to support local government investment in the wellbeing of their communities in a manner that meets the priorities of both central and local government		

5.6 Performance Information for an Appropriation Changed During the Year

If performance information is changed during the year, it needs to be agreed by the Appropriation Minister and notified to Parliament. This is done in the *Supporting Information for the Supplementary Estimates*. Refer to section 3.7.2 above for guidance on completing this section.

Mandatory: If the department plans to report on revised performance information in their **annual report** they need to be included in the Supporting Information for the Supplementary Estimates. Otherwise departments will be expected to report against the performance information included in the Supporting Information for the Estimates at the start of the financial year.

The Supplementary Estimates column shows the change from the original Estimates standard and the Total standard is the sum of the Estimates and Supplementary Estimates standards.

Example 1: Vote Education: Oversight of the Education System MCA (this example is truncated)

	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Stewardship and Oversight of the Education System			
<i>Ministerial Services</i>			
Percentage of Official Information Act requests made to the Ministry released on the Ministry's website within 10 working days, where a decision has been made to publicly release the information (see Note 1)	100%	(2%)	98%

Example 2: Vote Education: Supporting Parenting

Assessment of Performance	2022/23		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Families receiving the Home Interaction Programme for Parents and Youngsters (HIPPY) (see Note 1):			
• number of families receiving the HIPPY programme in 2022	1,795	Measure removed	Measure removed
• percentage of parents participating in the HIPPY programme who report feeling more confident supporting their children's learning	85%	Measure removed	Measure removed
Percentage of parents participating in Whānau In-Home Learning who report feeling more confident supporting their child's learning	New measure	85%	85%

Note 1 - These measures have been replaced for 2022/23. Whānau In-Home Learning is a replacement programme for HIPPY and was implemented on 1 July 2022.

If performance information was not available at the time the Estimates were prepared then the Supplementary Estimates allow this information to be provided to Parliament before the end of the year. This is not ideal but it is better than not providing the information at all.

5.6.1 PBE FRS 48

This accounting standard for service performance reporting is effective **on, or after** 1 January 2022. The key change is that the accounting standard requires that most significant judgements that affect the selection, measurement, aggregation and presentation of service performance information are **disclosed**.

To meet the disclosure requirement, when performance information for an appropriation is altered during the current financial year, a note explaining the changes and why they were made is included. The 2022/23 Supplementary Estimates are the first that require this disclosure. Refer to section 3.7.2 for more guidance about PBE FRS 48.

5.6.2 Memorandum Accounts

Information for memorandum accounts, for departmental outputs only, should appear in the supporting information only if there **are significant changes from the Estimates**.

5.7 Other Supporting Information for an Appropriation Changed During the Year

Other supporting information for an appropriation can change during the year to, either, correct errors or, to improve the quality of information provided in the Estimates. In particular:

- what is intended to be achieved with an appropriation or category, and
- end of year reporting requirements for an appropriation or category, including exemptions from reporting performance information.

5.7.1 What is Intended to be Achieved with Appropriations

These statements appeared for the first time in the 2014/15 Estimates and should be reviewed to ensure they are consistent with the Technical Guide (refer to section 3.7.1 above). In previous Estimates some statements were too long, some listed a number of activities or repeated the scope statement, rather than the benefit or value the taxpayer gets from the spending and others did not use the appropriate introductory stem statement.

5.7.2 Exemptions from End of Year Performance Reporting

If the exemption no longer applies as funding for a Non-Departmental expense appropriation increased above the \$5 million exemption threshold or, funding for a Non-Departmental Capital expenditure appropriation increased above the \$15 million threshold. The Supplementary Estimates should contain performance information for the appropriation, who reports on this performance information and where (the document) the information is to be reported.

If an appropriation becomes eligible for an exemption as funding for a Non-Departmental expense appropriation decreased below the \$5 million threshold or, a Non-Departmental Capital expenditure appropriation decreased below the \$15 million threshold for the appropriation. When this occurs the appropriation Minister needs to apply to the Minister of Finance for approval of the exemption **and** the exemption must be included in the Supplementary Estimates under the heading “*How Performance will be Assessed and End of Year Reporting Requirements*” after the Minister of Finance approves the exemption.

5.8 Revoking or Extending a MYA

MYAs can be revoked or their period can be extended in the Supplementary Estimates.

5.8.1 Revoking a MYA

Until a MYA naturally expires it remains active under its enabling legislation and must be disclosed in the Estimates – regardless of the appropriation amount or whether it has been fully spent.

Please consider revoking a MYA **prior to its natural expiry date** when there will be no further expenditure against the MYA beyond the current year.

A strong signal that a MYA should be revoked is when the MYA table in the Estimates shows the ‘Adjusted Appropriation’ amount as zero or it is adjusted to match the current spending.

To revoke a MYA, please contact your Vote Analyst.

5.8.2 Extending the period of a MYA

The period of an MYA can be extended (up to no more than five financial years). The latest such an extension of the period of an MYA can be approved is in Budget decisions prior to the 30 June year the MYA is due to expire. As the *Appropriation (Supplementary Estimates) Bill* is in final form when it is introduced on Budget day, it is too late for approval to an extension of the period of an MYA in June only weeks or days before the MYA legislatively expires.

Refer to the CFISnet homepage for the *CFISnet Guide to Multi-Year Appropriations* which provides more information about MYAs.

Annex 1: Checklists for the Estimates

The Appropriation Minister(s) and the appropriation Administrator for a Vote are responsible for the quality of the content of the information on that Vote in the Estimates. The section references in this document refer to this Guide.

Checklist for departmental sign-off

Version number to be signed by the Minister matches the current version in CFISnet

Any Supporting Information quality issues, raised in the most recent Audit Management Letter, have been addressed

Chief Executive sign-off sheet accompanies documents to the appropriation Minister's (or one of the appropriation Minister's, in which case the agreement of the other appropriation Minister(s) must already have been obtained) office

All the parts have been checked

All CFISnet warnings shown at the end of the document are verified as not applicable

Checklist for Estimates - Overview of the Vote

Overview refers to the Budget year (section 1.3)

Covers all appropriations (section 1.3)

Covers separately each Minister responsible for appropriations (section 1.3)

The Overview provides a concise high-level plain English summary setting out key elements and context for the Vote (section 1.3)

Details of Appropriations and Capital Injections

Names of appropriations listed in the supporting information match the appropriations listed in the *Annual and Permanent Appropriations tables*

Numbers in the *Annual and Permanent Appropriations tables* are consistent with the supporting information

Numbers in the Total Appropriations table are consistent with the Summary of Financial Activity table (section 1.6)

Checklist for Supporting Information - Part 1 - Vote as a Whole

New policy initiatives table is complete (section 2.1.1)

When the *Summary of Financial Activity Table* reflects restructuring in the Vote, an *Adjustments to the Summary of Financial Activity Table due to Restructuring* is also completed (section 2.1.2)

Where included, the information on the *Adjustments to the Summary of Financial Activity Table due to Restructuring* reconciles to the information in the *Reconciliation of Changes in Appropriation Structure* table (section 2.1.3)

Analysis of significant trends explains **major** trends for the nine years shown in the *Summary of Financial Activity Table* (section 2.1.4)

Any appropriation restructuring/renaming is **clearly** explained and is reconciled between the previous and Budget financial years (section 2.1.5)

The web-publishable text for each user-created graph accurately describes the structure of the user-created graph (section 2.1.4)

Each free form table has the associated web-publishable text accurately describing the structure of the table (CFISnet Tables)

Checklist for Part 2 - Departmental Expenses

For each appropriation

Title (section 3.2)

Minister's Number and preceded by RDA or PLA (if required) (section 3.2)

Appropriation Administrator's Number follows the Minister's Number (section 3.2)

Scope (section 3.3)

Where an appropriation is authorised by a PLA, the statutory reference (including the section number) for the PLA has been cited (section 3.3)

Expenses and revenue table (section 3.4) - all appropriations (Expenses table only for Departmental Other Expenses)

Components of the appropriation if larger than \$50 million, where appropriate (Departmental Output Expenses only) (section 3.5)

Comparators for any restructured appropriation, to enhance traceability (section 3.6)

What is intended to be achieved with this appropriation - all appropriations (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all appropriations, (sections 3.7.2 and 3.8)

Current and Past Policy Initiatives (section 3.9)

Reasons for change only for **material** changes (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Memorandum account if required by Treasury instructions (Departmental Output Expenses only) (section 4.3)

Each free form table has the associated web-publishable text accurately describing the structure of the table (CFISnet Tables)

Checklist for Part 2.3 - Departmental Capital Expenditure and Capital Injections

For capital expenditure

<i>Title</i> (section 3.2)	
<i>Minister's Number</i> preceded by PLA if required (section 3.2)	
<i>Appropriation Administrator's Number</i> follows the Minister's Number (section 3.2)	
<i>Scope</i> (section 3.3)	
Where an appropriation is authorised by a PLA, the statutory reference (including the section number) for the PLA has been cited (section 3.3)	
<i>Expenditure table</i> (section 3.4)	
<i>What is intended to be achieved with this appropriation</i> - applied to capital expenditure (all appropriations) but not capital injections which are authorisations, not appropriations (section 3.7.1)	
<i>How performance will be assessed and end of year reporting requirements</i> (sections 3.7.2.3 and 3.8)	
<i>Reasons for change</i> only for material changes (section 3.10)	

For a capital injection

The <i>Capital Injections and Movements in Departmental net assets table</i> , provides a concise explanation of each projected movement in net assets, in particular what each capital injection is to be used for, if there is one (section 4.3)	
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Checklist for Part 3 - Non-Departmental Appropriations

For each appropriation

Title (section 3.2)

Minister's Number preceded by PLA (if required) (section 3.2)

Appropriation Administrator's Number follows the Minister's Number (section 3.2)

Scope (section 3.3)

Where an appropriation is authorised by a PLA, the statutory reference (including the section number) for the PLA has been cited (section 3.3)

Expenses table (Capital Expenditure table for Non-Departmental Capital Expenditure) (section 3.4)

Components of the appropriation if larger than \$50 million, where appropriate (Output and Other Expenses only) (section 3.5)

Comparators for restructured appropriation, to enhance traceability (section 3.6)

What is intended to be achieved with this appropriation - all appropriations (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all appropriations, except those exempt from reporting - for which the exemption and the reason for it should instead be stated (sections 3.7.2 and 3.8)

Service providers table (Output and Other Expenses only) (section 4.1)

Current and Past Policy Initiatives (section 3.9)

Reasons for change only for **material** changes (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Each free form table has the associated web-publishable text accurately describing the structure of the table (CFISnet Tables)

Checklist for Part 4 - Multi-Category Expenses and Capital Expenditure (MCA)

For each appropriation

Title (section 3.2)

Minister's Number followed by the Appropriation Administrator's Number
(section 3.2)

Statement of single overarching purpose of MCA (section 4.2)

Scope for each category (section 3.3)

Expenses, Revenue and Capital Expenditure table (section 3.4)

Components of the appropriation or category if larger than \$50 million, where appropriate (section 3.5)

Comparators for any restructured appropriation or category to enhance traceability (section 3.6)

What is intended to be achieved with this appropriation - for the MCA as a whole (section 3.7.1)

How performance will be assessed - for the MCA as a whole unless exempted (section 3.7.2)

What is intended to be achieved with each category - all categories
(section 3.7.1)

*How performance will be assessed and end of year reporting requirements - all categories, except those exempt from reporting, **appropriation administrator reports** (section 3.7.2 and 3.8)*

Service providers table (ND Output and Other Expenses only) (section 4.1)

Current and Past Policy Initiatives (section 3.9)

Reasons for change only for **material** changes, at the appropriation (MCA) level (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Memorandum account if required by Treasury instructions (Departmental Output Expenses only) (section 4.4)

Each free form table has the associated web-publishable text accurately describing the structure of the table (CFISnet Table)

[illegible]

Annex 2: Checklists for the Supplementary Estimates

The Appropriation Minister(s) and the appropriation Administrator for a Vote are responsible for the quality of the content of the information on that Vote in the Supplementary Estimates. The section references in this document refer to this Guide.

Checklist for departmental sign-off

Version number to be signed by the Minister matches the current version in CFISnet

Only those appropriations that have changed from the Main Estimates are included (in the Supporting information)

Chief Executive sign-off sheet accompanies documents to the appropriation Minister's (or one of the appropriation Minister's, in which case the agreement of the other appropriation Minister(s) must already have been obtained) office

All the parts have been checked

All CFISnet warnings shown at the end of the document are verified as not applicable

Checklist for Supplementary Estimates - Overview of the Vote

New Votes Only

Overview refers to the Budget year (section 1.3)

Covers all appropriations (section 1.3)

Covers separately each Minister responsible for appropriations (section 1.3)

The Overview provides a concise high-level plain English summary setting out key elements and context for the Vote (section 1.3)

Details of Appropriations and Capital Injections

Names of appropriations listed in the supporting information match the appropriations listed in the *Annual and Permanent Appropriations tables*

Numbers in the *Annual and Permanent Appropriations tables* are consistent with the supporting information

Numbers in the *Total Appropriations table* are consistent with the *Summary of Financial Activity table* (section 1.6)

Checklist for Supporting Information - Part 1 - Vote as a Whole

The *Summary of Financial Activity Table* shows changes from the beginning of the financial year (section 5.3.2)

Any appropriation restructuring/renaming is **clearly** explained (section 5.3.4)

Checklist for Part 2 - Departmental Expenses

For each new appropriation (including all appropriations in new Votes)

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.3)

Expenses and revenue table (section 3.4) - all appropriations
(Expenses table only for Departmental Other Expenses)

Components of the appropriation if larger than \$50 million, where appropriate
(Departmental Output Expenses only) (section 3.5)

What is intended to be achieved with this appropriation - all appropriations
(section 3.7.1)

How performance will be assessed and end of year reporting requirements -
all appropriations (sections 3.7.2 and 3.8)

Reasons for change (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Memorandum account if required by Treasury instructions (Departmental
Output Expenses only) (section 4.4)

Each free form table has the associated web-publishable text accurately
describing the structure of the table (CFISnet tables))

For each changed appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.3)

Expenses and Revenue table (section 3.4) (include for appropriations with
changes **only** if more than one revenue source otherwise include amount of
change in reason for change)

What is intended to be achieved with this appropriation - where appropriate
(section 3.7.1)

How performance will be assessed and end of year reporting requirements -
all appropriations (sections 3.7.2, and 3.8). In particular changes to performance
information if the basis against which performance to be reported in the annual
report has changed, where appropriate (section 5.6)

Reasons for change, including **why** the change has occurred - Mandatory
(section 5.5.1)

Memorandum account only if there are significant changes (Departmental
Output Expenses only) (section 5.6.1)

Checklist for Part 2.3 - Departmental Capital Expenditure and Capital Injections

For a new administering department

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.3)

Expenditure table (section 3.4)

What is intended to be achieved with this appropriation - applied to capital expenditure (all appropriations) but not capital injections which are authorisations, not appropriations (section 3.7.1)

How performance will be assessed and end of year reporting requirements (sections 3.7.2.3 and 3.8)

Reasons for change including **why** the change has occurred - Mandatory (section 5.6.1)

Departmental net assets table, provides a concise explanation of each projected movement in net assets, in particular what each capital injection is to be used for, if there is one, (section 4.3)

For a change to the appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.3)

Expenditure table (section 3.4)

What is intended to be achieved with this appropriation - applies to capital expenditure (all appropriations) but not capital injections which are authorisations, not appropriations, where appropriate (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all appropriations (sections 3.7.2, and 3.8). In particular changes to performance information if the basis against which performance to be reported in the annual report has changed, where appropriate (section 5.6)

Reasons for change, including **why** the change has occurred - Mandatory (section 5.6.1)

Departmental net assets table, provides a concise explanation of each projected movement in net assets, in particular what each capital injection is to be used for, if there is one, (section 4.3)

Checklist for Part 3 - Non-Departmental Appropriations

For each new appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.3)

Expenses table (Capital Expenditure table for Non-Departmental Capital Expenditure) (section 3.4)

Components of the appropriation if larger than \$50 million, where appropriate (Output and Other Expenses only) (section 3.5)

What is intended to be achieved with this appropriation - all appropriations (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all appropriations, except those exempt from reporting - for which the exemption and the reason for it should instead be stated) (sections 3.7.2 and 3.8)

Service providers table (Output and Other Expenses only) (section 4.1)

Reasons for change (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Each free form table has the associated web-publishable text accurately describing the structure of the table (CFISnet Tables))

For each changed appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Scope (section 3.2)

What is intended to be achieved with this appropriation - where appropriate (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all appropriations (sections 3.7.2, and 3.8). In particular changes to performance information if the basis against which performance to be reported in the annual report has changed, where appropriate (section 5.6)

Reasons for change, including **why** the change has occurred - Mandatory (section 5.5.1)

Checklist for Part 4 - Multi-Category Expenses and Capital Expenditure (MCA)

For each new appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Statement of single overarching purpose of MCA (section 4.2)

Scope for each category (section 3.3)

Expenses, Revenue and Capital Expenditure table (section 3.4)

Components of the appropriation or category if larger than \$50 million, where appropriate (section 3.6)

Comparators for restructured appropriation or category, to enhance traceability (section 3.6)

What is intended to be achieved with this appropriation - for the MCA as a whole (section 3.7.1)

How performance will be assessed - for the MCA as whole (section 3.7.2)

What is intended to be achieved with each category - all categories (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all categories, except those exempt from reporting, **appropriation administrator reports** (sections 3.7.2 and 3.8)

Service providers table (ND Output and Other Expenses only) (section 4.1)

Reasons for change only for material changes at the appropriation (MCA) level (section 3.10)

Conditions on use of appropriation (if needed) (section 3.11)

Memorandum account if required by Treasury instructions (Departmental Output Expenses only) (section 4.4)

Each free form table has the associated web-publishable text accurately describing the structure of the table (section CFISnet Tables)

Checklist for Part 4 - Multi-Category Expenses and Capital Expenditure (MCA)

For each changed appropriation

Title (section 3.2)

Minister's Number and the Appropriation Administrator's Number (section 3.2)

Statement of single overarching purpose of MCA (section 4.2)

Scope for each category (section 3.3)

Expenses, Revenue and Capital Expenditure table (section 3.4)

Components of the appropriation or category if larger than \$50 million, where appropriate (section 3.6)

What is intended to be achieved with this appropriation - for the MCA as a whole, where appropriate (section 3.7.1)

How performance will be assessed - for the MCA as whole, where appropriate (section 3.7.2)

What is intended to be achieved with each category - all categories, where appropriate (section 3.7.1)

How performance will be assessed and end of year reporting requirements - all categories, except those exempt from reporting, **appropriation administrator reports**, where appropriate (sections 3.7.2 and 3.8)

Reasons for change, including **why** the change has occurred - Mandatory at the appropriation (MCA) level (section 5.5.1)

Annex 3: Sector Overview Statement

Sector Overview Statement

Summary

Immediately following the Introduction in the relevant volume of the *Estimates*, **may** appear a statement, agreed by all Ministers responsible for appropriations in each Vote included in the sector, presenting an overview of the sector and a high-level summary of the government's expectations and priorities.

Sector Overview Statement - optional

Mandatory: If a Sector Overview Statement is presented, all Ministers responsible for, or otherwise using, appropriations within the sector must agree the statement and the lead agency must verify that all Ministers have agreed, prior to printing

Appropriation Ministers may use this Sector Overview Statement as an opportunity to set out a summary of their expectations - strategies, desired outcomes, and priorities - for the sector as a whole. The Statement should be relatively brief, generally in the order of 1-2 pages.

Process for Sector Overview Statements

The lead sector department is responsible for the coordination of the sector overview statement. This covers the:

- sector overview statement content
- quality assurance and accuracy of the sector overview
- ministerial sign off of the sector overview statement
- electronic copy of the document to Treasury, and
- provision of lead departmental contact details for any follow up questions.

The sector overview statement will have the same format and style as the rest of the budget documentation.

The lead sector agency is responsible for organising for all Ministers to sign off on the sector overview statement. Confirmation of Ministerial sign off on the sector overview statement needs to be emailed to the Treasury (performanceinfo@treasury.govt.nz and the relevant Vote Analysts). The deadline for this will be included in the Budget guidance timeline once the Budget date has been announced.

The sector overview statement needs to be emailed to performanceinfo@treasury.govt.nz via SEEMAIL, along with confirmation of Ministerial signoff and contact details for any follow up questions. If it cannot be emailed by SEEMAIL, it needs to be hand delivered on disk to the Treasury Publications Team, Level 5 Reception, No 1 The Terrace, Wellington. The lead sector agency remains responsible for the quality and accuracy of the sector statement. The deadline for the provision of the electronic copy will be included in the Budget guidance timeline.

In case there are follow up questions, the lead department for the sector should provide the contact person for someone who can respond to questions or organise responses.

Annex 4: Glossary and Acronyms

Appropriation	A parliamentary authorisation for the Crown or an Office of Parliament to incur expenses or capital expenditure. An appropriation can be annual, multi-year or permanent.
Appropriation Amount	<p>The amount of an appropriation is the upper limit of the financial authority that Parliament has granted to the Crown or an Office of Parliament to incur expenses or capital expenditure within the scope of the appropriation.</p> <p>The notion of upper limit is important - the amount provides a Minister (and therefore departments acting on the Minister's behalf) or an Office of Parliament authority to spend up to and not beyond the amount specified.</p>
Appropriation Administrator	The department that administers an appropriation on behalf of the appropriation Minister, or an Office of Parliament.
Appropriation Administrator Number	The number of the department, Office of Parliament or other appropriation administrator (A###).
Appropriation Bill	A bill seeking authority from Parliament for the Crown and Offices of Parliament to incur expenses or capital expenditure.
Appropriation Minister	In most cases, this means the Minister responsible for an appropriation. However, in relation to an appropriation made to an Office of Parliament or an appropriation administered by the Office of the Clerk of the House of Representatives or the Parliamentary Service, it means the Speaker.
Appropriation Scope	One of the defining dimensions of an appropriation that establishes limits on the activities for which the Crown or an Office of Parliament is authorised to incur expenses or capital expenditure under that appropriation.
Benefits or Related Expenses	Benefits or Related Expenses. Expenses incurred by the Crown (excluding departments) in transferring resources (generally to individuals for their personal benefit) for which the Crown receives nothing directly in return. An example is New Zealand Superannuation.
Borrowing expenses	Means any interest or other financing expenses in respect of any loan or under any public security.
Budget Year	<p>The forthcoming financial year to which the Estimates of Appropriations and Supporting Information relate. For example, for the 2024 Budget:</p> <ul style="list-style-type: none"> the Budget year for the Estimates is 2024/25, and the current financial year (for the Supplementary Estimates) is 2023/24

Capital Expenditure	The cost of assets acquired or developed including any ownership interest in entities, but excluding inventory.
Category (in an MCA)	A class of departmental output expenses or non-departmental output expenses or departmental other expenses or non-departmental other expenses or non-departmental capital expenditure within a Multi-Category Appropriation.
CFISnet	Treasury's electronic platform for the production of the Estimates and the Supplementary Estimates.
Component	An individual part or element of an appropriation, or of a category of an MCA.
Departmental Capital Expenditure	Capital expenditure incurred by a department or Office of Parliament.
Departmental Other Expenses	An appropriation for operating expenses incurred by a department or Office of Parliament that are not output expenses. This type of appropriation is rare.
Departmental Output Expense	An appropriation authorising a department or Office of Parliament to provide/produce a category of outputs.
Departmental Outputs	Goods and services produced by a government department.
Estimates	The Government's request for appropriations, and supporting information, is presented to the House of Representatives at Budget time in a formal document known as The Estimates of Appropriations for the Government of New Zealand. The Estimates detail appropriations sought from Parliament by Appropriation Ministers for expenses and capital expenditure, for all purposes including classes of outputs.
Estimated Actual	<p>For an amount - the estimated actual incorporates the actual amount that has been spent to date and an estimate of the amount to be spent for the rest of the year.</p> <p>For anything else - the estimated actual incorporates actual performance that has been achieved to date and an estimate of performance for the rest of the year.</p>
GST	Goods and services tax. Appropriations are stated GST exclusive.
MCA	Multi-category appropriation. An appropriation consisting of two or more categories of output expenses, other expenses and non-departmental capital expenses with the same overarching purpose.
Ministerial Number	A number used to designate a particular ministerial portfolio, in the format (M##).
MYA	Multi-year appropriation. An authority to spend money over a period spanning more than one and no more than five financial years. The authority lapses at the end of the multi-year period specified.

Non-Departmental Capital Expenditure	Capital expenditure incurred in acquiring or developing a non-departmental asset or investing in a Crown entity or other third party.
Non-Departmental Other Expenses	An appropriation for non-departmental operating expenses that are not output expenses, benefits or related expenses, or borrowing expenses.
Non-Departmental Output Expense	An appropriation authorising a Minister to provide non-departmental outputs.
Non-Departmental Outputs	Goods and services purchased by a Minister from a provider that is not a government department. For example, provision of services for the public from community-based providers and voluntary groups. Crown entities are often providers of non-departmental outputs.
Output	Outputs are goods or services, or goods or services that the department, Crown entity or Office of Parliament or other person or body has agreed or contracted to supply.
PFA	Public Finance Act 1989.
PLA	Permanent Legislative Authority - a permanent appropriation, ie, one that is authorised for an indefinite period by legislation other than an Appropriation Act.
responsible Minister	The Minister responsible for the financial performance of a department or Crown entity. In relation to an Office of Parliament, the Speaker of the House of Representatives is the responsible Minister.
RDA	Revenue-dependent appropriations, as authorised by section 21(1) of the Public Finance Act 1989.
Supplementary Estimates	Supplementary Estimates provide members of Parliament with details of the terms of changes to existing appropriations and of new appropriations proposed since the Estimates were finalised.
Supporting Information	Information supporting the information contained in the Estimates or Supplementary Estimates.
Vote	A grouping of one or more appropriations that are the responsibility of one or more Ministers of the Crown and are administered by one department or Office of Parliament.