

Vote State Services

APPROPRIATION MINISTER(S): Minister for Social Development (M63), Minister of State Services (M66)

APPROPRIATION ADMINISTRATOR: State Services Commission

RESPONSIBLE MINISTER FOR STATE SERVICES COMMISSION: Minister of State Services

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Designing and Implementing Social Investment (M63) This appropriation is limited to identifying where and how to implement a social investment approach, assessing how well a social investment approach is being delivered in these areas, and providing tools and support to agencies to assist them in implementing a social investment approach.	13,428	1,612	15,040
Place-based Initiatives - National Support (M63) This appropriation is limited to providing support and evaluation across place-based initiatives.	-	450	450
Place-based Initiatives - South Auckland Social Investment Board (M66) This appropriation is limited to the delivery of services as part of the Social Investment Plan for South Auckland and to the operational support of the South Auckland Social Investment Board.	-	1,000	1,000
Total Departmental Output Expenses	13,428	3,062	16,490
Departmental Capital Expenditure			
State Services Commission - Capital Expenditure PLA (M66) This appropriation is limited to the purchase or development of assets by and for the use of the State Services Commission, as authorised by section 24(1) of the Public Finance Act 1989.	100	1,600	1,700
Total Departmental Capital Expenditure	100	1,600	1,700
Non-Departmental Other Expenses			
Open Government Partnership (M66) This appropriation is limited to payments associated with New Zealand's membership of the Open Government Partnership.	200	-	200
Remuneration and Related Employment Costs of Chief Executives (M66) This appropriation is limited to the remuneration and costs relating to the employment of chief executives employed by the State Services Commissioner.	16,460	213	16,673
Settlement of Legal Liabilities (M66) The settlement of legal liabilities incurred by now-disestablished government departments and other Crown settlements.	7	-	7
Total Non-Departmental Other Expenses	16,667	213	16,880

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Multi-Category Expenses and Capital Expenditure			
Policy Advice and Leadership of the Public Sector MCA (M66)	29,823	868	30,691
The single overarching purpose of this appropriation is to support decision making by Ministers on Government policy matters and leading the Public Management System.			
Departmental Output Expenses			
<i>Leadership of the Public Management System</i>	24,295	529	24,824
This category is limited to ensuring the Public Management System has the design, capability and performance to deliver public services.			
<i>Policy Advice</i>	5,528	339	5,867
This 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 the Public Management System.			
Total Multi-Category Expenses and Capital Expenditure	29,823	868	30,691
Total Annual Appropriations and Forecast Permanent Appropriations	60,018	5,743	65,761

Capital Injection Authorisations

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
State Services Commission - Capital Injection (M66)	-	1,822	1,822

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2018/19				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	13,428	3,062	-	3,062	16,490
Benefits or Related Expenses	-	N/A	-	-	-
Borrowing Expenses	-	-	-	-	-
Other Expenses	16,667	-	213	213	16,880
Capital Expenditure	100	1,600	-	1,600	1,700
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	29,823	868	-	868	30,691
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	60,018	5,530	213	5,743	65,761
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	16,211	N/A	463	463	16,674
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	16,211	N/A	463	463	16,674

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Designing and Implementing Social Investment (M63)

Scope of Appropriation

This appropriation is limited to identifying where and how to implement a social investment approach, assessing how well a social investment approach is being delivered in these areas, and providing tools and support to agencies to assist them in implementing a social investment approach.

Reasons for Change in Appropriation

This appropriation increased by \$1.612 million to \$15.040 million for 2018/19 due to:

- an expense transfer of \$1.442 million from 2017/18 to 2018/19 due to a delay in the implementation of the Phase 2 Data Exchange, and
- a transfer of \$170,000 from the Ministry of Social Development due to the Social Investment Agency taking control of The Hub research database.

Place-based Initiatives - National Support (M63)

Scope of Appropriation

This appropriation is limited to providing support and evaluation across place-based initiatives.

Expenses and Revenue

	2018/19		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Total Appropriation	-	450	450
Revenue from the Crown	-	450	450
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the successful implementation and functioning of place-based initiatives to improve outcomes for at-risk children, young people and their families.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The place-based initiatives will report that the support they receive from the national function is contributing to the successful implementation and functioning of the initiatives	New measure	Achieved	Achieved
The place-based initiatives will attest that the support they receive from the national function assists them in meeting specific monitoring and reporting requirements	New measure	Achieved	Achieved
The commissioned evaluation is expected to support place-based decisions by June 2020	New measure	Achieved	Achieved

End of Year Performance Reporting

Performance information for this appropriation will be reported by the State Services Commission in the 2018/19 Annual Report.

Reasons for Change in Appropriation

This appropriation increased by \$450,000 due to:

- the incorporation of \$250,000 of funding intended to have been included in the 2018/19 Estimates of Appropriations but omitted by mistake, and
- increased funding of \$200,000 for an evaluation of the South Auckland Social Wellbeing Board and Manaaki Tairāwhiti.

Place-based Initiatives - South Auckland Social Investment Board (M66)

Scope of Appropriation

This appropriation is limited to the delivery of services as part of the Social Investment Plan for South Auckland and to the operational support of the South Auckland Social Investment Board.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,000	1,000
Revenue from the Crown	-	1,000	1,000
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve support for the South Auckland Social Investment Board to improve outcomes for at-risk children and their families in South Auckland using a social investment approach and agencies working collectively.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Family harm assessments conducted by New Zealand Police, Ministry of Social Development and Counties Manukau District Health Board combined teams	New measure	400 assessments	400 assessments
In-home visitation services with at-risk pregnant women by Ministry of Social Development, Ministry of Health and Counties Manukau District Health Board combined team	New measure	500 visits	500 visits

End of Year Performance Reporting

Performance information for this appropriation will be reported by the State Services Commission in the 2018/19 Annual Report.

Reasons for Change in Appropriation

This appropriation increased by \$1 million to \$1 million for 2018/19 due to incorporation of funding intended to have been included in the 2018/19 Estimates of Appropriations but omitted by mistake.

2.3 - Departmental Capital Expenditure and Capital Injections

State Services Commission - Capital Expenditure PLA (M66)

Scope of Appropriation

This appropriation is limited to the purchase or development of assets by and for the use of the State Services Commission, as authorised by section 24(1) of the Public Finance Act 1989.

Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	100	445	545
Intangibles	-	1,155	1,155
Other	-	-	-
Total Appropriation	100	1,600	1,700

Reasons for Change in Appropriation

The appropriation increased by \$1.600 million to \$1.700 million for 2018/19 due to:

- \$600,000 for the purchase of new IT infrastructure and software following the separation of the Commission and the Central Agencies Shared Services (CASS)
- \$400,000 for the purchase of new IT hardware following the separation from CASS
- \$250,000 for the development of the Digital Presence project within the Commission
- \$150,000 for the development on websites used by the Commission
- \$100,000 to transition the Learning Development Centre to a shared platform with the Commission, and
- \$100,000 spread across smaller capital purchases, such as minor alterations to the office space for the Commission and additional furniture and equipment.

*Capital Injections and Movements in Departmental Net Assets***State Services Commission**

Details of Net Asset Schedule	2018/19 Main Estimates Projections \$000	2018/19 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2018/19
Opening Balance	3,503	3,849	Supplementary Estimates opening balance reflects the audited results as at 30 June 2018.
Capital Injections	-	1,822	With the Commission exiting CASS, the ongoing responsibility for the purchase of new and replacement IT hardware and software will shift from the Treasury to the Commission. This results in a decrease in capital requirements for the Treasury, and an increase for the Commission. As a result, the Treasury transferred \$1.600 million in cash to the Commission along with \$222,000 in existing IT assets relating to the Commission.
Capital Withdrawals	(500)	-	When the Commission joined CASS, it was agreed that the Commission would transfer cash to the Treasury to enable CASS to replace IT assets for the Commission as and when necessary. The Commission could not afford the full amount at the time so a schedule of payments was agreed. Now that the Commission has exited CASS, the agencies have agreed there is no more requirement for this capital to be transferred.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	3,003	5,671	

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Remuneration and Related Employment Costs of Chief Executives (M66)

Scope of Appropriation

This appropriation is limited to the remuneration and costs relating to the employment of chief executives employed by the State Services Commissioner.

Reasons for Change in Appropriation

This appropriation increased by \$213,000 to \$16.673 million for 2018/19 due to a \$463,000 increase to allow for an additional chief executive position for the new Ministry of Housing and Urban Development. This was partly offset by a transfer of \$250,000 to the Policy Advice and Leadership of the Public Sector MCA to provide for a temporary chief executive within the Commission.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Policy Advice and Leadership of the Public Sector (M66)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to support decision making by Ministers on Government policy matters and leading the Public Management System.

Scope of Appropriation

Departmental Output Expenses

Leadership of the Public Management System

This category is limited to ensuring the Public Management System has the design, capability and performance to deliver public services.

Policy Advice

This 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 the Public Management System.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	29,823	868	30,691
Departmental Output Expenses			
Leadership of the Public Management System	24,295	529	24,824
Policy Advice	5,528	339	5,867
Funding for Departmental Output Expenses			
Revenue from the Crown	23,363	539	23,902
Leadership of the Public Management System	17,835	200	18,035
Policy Advice	5,528	339	5,867
Revenue from Others	6,460	329	6,789
Leadership of the Public Management System	6,460	329	6,789

Reasons for Change in Appropriation

This appropriation increased by \$868,000 to \$30.691 million for 2018/19 due to:

- an expense transfer of \$339,000 from 2017/18 for continued work on Diversity and Inclusion and the reform of the State Sector Act
- an increase of \$329,000 reflecting a gross-up of expenditure relating to higher departmental revenue for services provided to agencies
- a fiscally neutral transfer of \$250,000 from the Remuneration and Related Employment Costs of Chief Executives appropriation to temporarily employ a chief executive within the Commission, and
- an expense transfer of \$100,000 from 2017/18 for chief executive recruitment which was delayed into the 2018/19 period.

These increases were offset by a \$150,000 transfer to the Department of Internal Affairs for costs associated with the inquiry into the appointment of the Deputy Commissioner of Police.