

The Treasury

Budget 2021 Information Release

August 2021

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Cabinet

Minute of Decision

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2021 Budget Technical Financial Recommendations: Vote Corrections

On 6 April 2021, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2021 Budget package, as listed in the summary below and detailed in the attached initiative documents:

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
13400	Corrections Head Office Audio Visual Solutions Capital to Operating swap	-	0.180	0.120	0.120	0.120
13415	Policy Advice and Ministerial Services Appropriation Fiscally Neutral Adjustment	-	-	-	-	-
Total Operating		-	0.180	0.120	0.120	0.120

Capital Initiative (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
13400	Corrections Head Office Audio Visual Solutions Capital to Operating swap	-	(2.400)	-	-	-
Total Capital		-	(2.400)	-	-	-

- 2 **approved** changes to appropriations and capital injections to the administering department to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendation to give effect to the initiative, as set out in the attached initiative documents;

- 4 **agreed** that the changes to appropriations for 2020/21 above be included in the 2020/21 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2020/21 Supplementary Estimates, the 2021/22 Estimates and the fiscal forecasts;
- 6 **noted** that all communications relating to the 2021 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

Michael Webster
Secretary of the Cabinet

Vote: Corrections

Appropriation Administrator: Department of Corrections

Title: Corrections Head Office Audio Visual Solutions Capital to Operating swap

Description: This initiative converts the Audio Visual Solution capital budget, as part of the Corrections National Office Mayfair House redevelopment, to an ongoing operating budget to reflect the selected option which is an operating lease.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	0.180	0.120	0.120	0.120
Debt Impact	-	(2.400)	-	-	-
No Impact	-	-	-	-	-
Total	-	(2.220)	0.120	0.120	0.120

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Re-offending is Reduced (funded by revenue Crown)	-	0.020	0.013	0.013	0.013
Capital Injections:					
Department of Corrections - Capital Injection	-	(2.400)	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Public Safety is Improved (MCA)					
<i>Departmental Output Expenses:</i>					
Information and Administrative Services to the Judiciary and New Zealand Parole Board (funded by revenue Crown)	-	0.018	0.012	0.012	0.012
Prison-based Custodial Services (funded by revenue Crown)	-	0.084	0.056	0.056	0.056
Sentences and Orders Served in the Community (funded by revenue Crown)	-	0.058	0.039	0.039	0.039
Total Multi-Category Expenses and Capital Expenditure: Public Safety is Improved (MCA)	-	0.160	0.107	0.107	0.107
Total Operating	-	0.180	0.120	0.120	0.120
Total Capital	-	(2.400)	-	-	-

7 **noted** that Cabinet has agreed that, where a decrease in total taxpayers' funds is due to a capital to operating swap, departments' baselines are to be adjusted downwards by the amount of the associated capital charge [CAB Min (10) 41/9].

Vote: Corrections

Appropriation Administrator: Department of Corrections

Title: Policy Advice and Ministerial Services Appropriation Fiscally Neutral Adjustment

Description: This initiative is a fiscally neutral adjustment of \$0.8m between appropriations to reflect increased volumes of activity in the Policy Advice and Ministerial Services appropriation linked to COVID-19 impacts, the implementation of Hōkai Rangi strategy, the Waikeria incident and prison staff investigations and the impact of reorganisational structure changes.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Policy Advice and Ministerial Services	0.800	-	-	-	-
Re-offending is Reduced	(0.160)	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Public Safety is Improved (MCA)					
<i>Departmental Output Expenses:</i>					
Information and Administrative Services to the Judiciary and New Zealand Parole Board	(0.074)	-	-	-	-
Prison-based Custodial Services	(0.333)	-	-	-	-
Sentences and Orders Served in the Community	(0.233)	-	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Public Safety is Improved (MCA)	(0.640)	-	-	-	-
Total Operating	-	-	-	-	-