

The Treasury

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Cabinet

Minute of Decision

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2021 Budget Technical Financial Recommendations: Vote Justice

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
13390	Safe and Effective Justice - Policy Legislative Project	(0.950)	0.950	-	-	-
13368	Victims' Services Carry Forward of Underspend	(0.800)	0.800	-	-	-
13452	Addressing legal aid debt impairment	2.000	-	-	-	-
13478	Development of the national plan of action against racism	(3.400)	1.700	1.700	-	-
Total Operating		(3.150)	3.450	1.700	-	-

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, 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 increase 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: Justice

Appropriation Administrator: Ministry of Justice

Title: Safe and Effective Justice - Policy Legislative Project

Description: In August 2019, funding was provided from the Effective Justice Fund for Safe and Effective Justice. The original funding assumed that legislative reform would run parallel to the engagement process; however, legislative reform will now progress in 2021/22. The transfer between 2020/21 to 2021/22 reflects this change to the project's timeline.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	(0.950)	0.950	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(0.950)	0.950	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Justice Policy Advice (funded by revenue Crown)	-	0.950	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Justice Policy Advice and Related Services (MCA)					
<i>Departmental Output Expense:</i>					
Justice Policy Advice (funded by revenue Crown)	(0.950)	-	-	-	-
Total Operating	(0.950)	0.950	-	-	-

Vote: Justice
Appropriation Administrator: Ministry of Justice

Title: Victims' Services Carry Forward of Underspend

Description: The provision of support to victims of crime is primarily funded through the cash collected from the offender levy. The Sentencing (Offender Levy) Amendment Act 2009 states that offender levy revenue can only be spent on victims of crime. For this reason, any underspend must be carried forward and spent on victims' services. This initiative transfers the current year underspend to ensure existing grants and services can be maintained in the next financial year.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	(0.800)	0.800	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(0.800)	0.800	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Non-Departmental Other Expense:					
Victims' Services	(0.800)	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Community Justice Support and Assistance (MCA)					
<i>Non-Departmental Other Expense:</i>					
Victim Entitlements	-	0.800	-	-	-
Total Operating	(0.800)	0.800	-	-	-

Additional recommendations

- 7 **noted** that a portion of the Victims' Services appropriation relates to demand-driven services (including funeral grants for families bereaved by homicide and grants for victims of the Christchurch mosque attack) for which the final spend is difficult to forecast;
- 8 **noted** that, due to the difficulty associated with forecasting the final spend in the Victims' Services appropriation, an additional in-principle transfer of up to \$1.086 million from 2020/21 to 2021/22 may be required;
- 9 **agreed in principle** a transfer of up to an additional \$1.086 million from 2020/21 to 2021/22 if required, as per paragraph 8;

- 10 **authorised** the Minister of Finance and the Minister of Justice jointly to agree the final amount to be transferred, following completion of the 2020/21 audited financial statements, with no impact on the operating balance or net core Crown debt across the forecast period;

Vote: Justice

Appropriation Administrator: Ministry of Justice

Title: Addressing legal aid debt impairment

Description: This initiative addresses the potential 30 June 2021 revaluation cost pressure arising from the impairment of legal aid debt, through a fiscally neutral transfer from other impairment appropriations managed by the Ministry of Justice.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	2.000	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	2.000	-	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Non-Departmental Other Expenses:					
Impairment of Legal Aid Debt	2.689	-	-	-	-
Impairment of Offender Levy	(0.689)	-	-	-	-
Total Operating	2.000	-	-	-	-

Additional recommendation

11 **noted** that there is a corresponding decrease to an appropriation in Vote Courts (Initiative 13453) and that these initiatives are fiscally neutral across Votes.

Vote: Justice

Appropriation Administrator: Ministry of Justice

Title: Development of the national plan of action against racism

Description: This initiative transfers funding to the Justice Policy Advice appropriation from the Public Provision of Referendum-Related Information and Crime Prevention and Community Safety Programmes appropriations to support the development of a national plan of action against racism. This initiative is fiscally neutral over the forecast period.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	(3.400)	1.700	1.700	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(3.400)	1.700	1.700	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Justice Policy Advice (funded by revenue Crown)	-	1.700	1.700	-	-
Public Provision of Referendum-Related Information (funded by revenue Crown)	(0.550)			-	-
Non-Departmental Output Expenses:					
Crime Prevention and Community Safety Programmes	(2.850)	-	-	-	-
Total Operating	(3.400)	1.700	1.700	-	-