

The Treasury

Budget 2021 Information Release

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Cabinet Document Details

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Cabinet

Minute of Decision

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2021 Budget Package: Vote Prime Minister and Cabinet

On 12 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
13381	Building Community Trust and Confidence in Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack	-	1.319	1.288	1.288	-
13222	Enabling the National Emergency Management Agency to build safe and resilient communities	-	6.942	9.881	12.646	16.261
13220	Government Implementation Unit	-	1.795	1.795	-	-
13221	Health and Disability System Reform – System Operating Model	-	25.960	10.434	-	-
13218	Initial System Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack	-	4.199	-	-	-
Total Operating		-	40.215	23.398	13.934	16.261

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
13381	Building Community Trust and Confidence in Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack	-	0.135	-	-	-
13222	Enabling the National Emergency Management Agency to build safe and resilient communities	-	0.549	0.086	0.122	0.093
13220	Government Implementation Unit	-	0.078	-	-	-
13221	Health and Disability System Reform – System Operating Model	0.313	-	-	-	-
13218	Initial System Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack	-	0.175	-	-	-
Total Capital		0.313	0.937	0.086	0.122	0.093

- 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 recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 4 **agreed** that the change to capital injections 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: Prime Minister and Cabinet

Appropriation Administrator: Department of the Prime Minister and Cabinet

Title: Building Community Trust and Confidence in Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack

Description: This initiative will respond to recommendation 44 of Ko tō tātou kāinga tēnei: Royal Commission of Inquiry into the terrorist attack on Christchurch masjidain on 15 March 2019, to establish and operate an Implementation Oversight Advisory Group (IOAG). Funding is provided to cover costs to manage the IOAG over three financial years, with assumptions that initial costs in 2020/21 will be met through reprioritisation of expenditure across the Vote, implementation oversight will no longer be required after June 2024, and archiving of the IOAG’s work and costs of ongoing engagement with communities will form part of the operating model of Government’s future “machinery of government” response.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	1.319	1.288	1.288	-
Debt Impact	-	0.135	-	-	-
No Impact	-	-	-	-	-
Total	-	1.454	1.288	1.288	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.135	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Advice and Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Advice and Support to Government and the Governor-General (funded by revenue Crown)	-	1.319	1.288	1.288	-
Total Operating	-	1.319	1.288	1.288	-
Total Capital	-	0.135	-	-	-

Additional recommendations

- 7 **agreed** that, to ensure this fixed term initiative can deliver the required outcomes, any unspent funding in 2021/22 be transferred to 2022/23;
- 8 **noted** that the final amount of the underspend needs to be confirmed in a baseline update;
- 9 **noted** that there is associated operating funding in Vote Internal Affairs (Initiative 13507);

Initiative No: 13222

Vote: Prime Minister and Cabinet

Appropriation Administrator: Department of the Prime Minister and Cabinet

Title: Enabling the National Emergency Management Agency to build safe and resilient communities

Description: This initiative will realise the Government's Manifesto commitments to continue to work with iwi on the role they play in emergency management, and ensure our emergency management systems are geared towards an inclusive, community-led response to natural disasters and health events. It will also give further effect to the decisions made by the Government in response to the Technical Advisory Group Ministerial Review 'Better Responses to Natural Disasters and Other Emergencies' (TAG) and other reviews. Investment in the core capability of the National Emergency Management Agency (NEMA) will allow NEMA to meet the functions and roles agreed prior to NEMA's establishment in December 2019.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	6.942	9.881	12.646	16.261
Debt Impact	-	0.549	0.086	0.122	0.093
No Impact	-	-	-	-	-
Total	-	7.491	9.967	12.768	16.354

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.549	0.086	0.122	0.093
Multi-Category Expenses and Capital Expenditure:					
Emergency Management Leadership and Support (MCA)					
<i>Departmental Output Expense:</i>					
Advice and Support for Emergency Risk Reduction, Readiness, Response and Recovery (funded by revenue Crown)	-	6.942	9.881	12.646	16.261
Total Operating	-	6.942	9.881	12.646	16.261
Total Capital	-	0.549	0.086	0.122	0.093

Vote: Prime Minister and Cabinet

Appropriation Administrator: Department of the Prime Minister and Cabinet

Title: Government Implementation Unit

Description: This initiative will fund a Government Implementation Unit that will ensure the Deputy Prime Minister and all responsible ministers know whether selected high-priority programmes and projects are on track to deliver their intended benefits in their intended timeframes, what can be done to bring delivery back on track, and that these actions are taken. This will be supported by the Treasury's broad-based qualitative data collection on select COVID-19 Response and Recovery Fund initiatives. This Unit will be established for a two-year period until 30 June 2023, with a review at around 18 months to assess the value of the Unit.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	1.795	1.795	-	-
Debt Impact	-	0.078	-	-	-
No Impact	-	-	-	-	-
Total	-	1.873	1.795	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.078	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Advice and Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Advice and Support to Government and the Governor-General (funded by revenue Crown)	-	1.795	1.795	-	-
Total Operating	-	1.795	1.795	-	-
Total Capital	-	0.078	-	-	-

Additional recommendations

- 10 **agreed** that, to ensure this fixed term initiative can deliver the required outcomes, any unspent funding in 2021/22 be transferred to 2022/23;
- 11 **noted** that the final amount of the underspend needs to be confirmed in a baseline update;
- 12 **noted** that there is associated operating funding in Vote Finance (Initiative 13501);

Initiative No: 13221

Vote: Prime Minister and Cabinet

Appropriation Administrator: Department of the Prime Minister and Cabinet

Title: Health and Disability System Reform – System Operating Model

Description: This initiative provides core initial funding to implement a new health system operating model. It includes continuation of funding for the Transition Unit in the Department of the Prime Minister and Cabinet to oversee reform, and early establishment entities at national and sub-national level (Health New Zealand, a Maori Health Authority, iwi/Maori partnership boards). It also includes targeted investments to strengthen key capabilities in new entities, including commissioning, cultural capability, Maori service design and data and digital expertise.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	25.960	10.434	-	-
Debt Impact	0.313	-	-	-	-
No Impact	-	-	-	-	-
Total	0.313	25.960	10.434	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Health and Disability System Reform (funded by revenue Crown)	-	25.960	10.434	-	-
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	0.313	-	-	-	-
Total Operating	-	25.960	10.434	-	-
Total Capital	0.313	-	-	-	-

Additional recommendations

- 13 **agreed** that, to ensure this fixed term initiative can deliver the required outcomes, any unspent funding in 2021/22 be transferred to 2022/23;
- 14 **noted** that the final amount of the underspend needs to be confirmed in a baseline update;
- 15 **noted** that there is associated operating funding in Vote Health (Initiative 13535);

Vote: Prime Minister and Cabinet

Appropriation Administrator: Department of the Prime Minister and Cabinet

Title: Initial System Response to the Royal Commission of Inquiry into March 2019 Terrorist Attack

Description: This initiative will advance the Government’s priorities in preparing and responding as a system to the recommendations of Ko tō tātou kāinga tēnei: Royal Commission of Inquiry into the terrorist attack on Christchurch masjidain on 15 March 2019 (RCOI report), to support future policy and funding decisions relating to RCOI report recommendations.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	4.199	-	-	-
Debt Impact	-	0.175	-	-	-
No Impact	-	-	-	-	-
Total	-	4.374	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.175	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Advice and Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Advice and Support to Government and the Governor-General (funded by revenue Crown)	-	4.199	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Advice and Support Services (MCA)	-	4.199	-	-	-
Total Operating	-	4.199	-	-	-
Total Capital	-	0.175	-	-	-

Additional recommendations

16 **agreed** that, to ensure this fixed term initiative can deliver the required outcomes, any unspent funding in 2021/22 be transferred to 2022/23;

17 **noted** that the final amount of the underspend needs to be confirmed in a baseline update.