

# The Treasury

## Budget 2021 Information Release

### August 2021

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#### Information Withheld

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

Where this is the case, the relevant sections of the Act that would apply have been identified.

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [26] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] Not in scope
- [42] 18(d) - information is already publicly available or will be publicly available soon.

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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# Hon Grant Robertson

MP for Wellington Central

Deputy Prime Minister

Minister of Finance

Minister for Infrastructure

Minister for Sport and Recreation

Minister for Racing



21 December 2020

Hon Minister Kelvin Davis  
Minister for Children  
Parliament Buildings

Dear Kelvin

Thank you for your recent engagement on Budget 2021. As you will be aware, we have set a very high bar for the initiatives that will be invited for submission, limited to only the most critical cost pressures and urgent manifesto commitments.

I have considered the cost pressures and manifesto commitments that you outlined in your letter, and am inviting you to submit the following initiatives in your Children portfolio:

## **Manifesto commitments:**

[33]

### ***More support for people who take care of our most vulnerable children***

I invite an initiative seeking funding to provide more support for people who take care of our most vulnerable children.

### **Cost Pressures:**

#### ***The increased costs of meeting children's assessed needs***

I invite an initiative seeking funding for the increased costs associated with meeting children's assessed needs. I expect that the initiative is accompanied by comprehensive information on the current spend within Vote Oranga Tamariki on meeting children's assessed needs under the National Care Standards.

#### ***Maintaining Oranga Tamariki's current operations***

I invite an initiative seeking funding to maintain Oranga Tamariki's current operations (including areas such as remuneration and insurances).

However, I expect that the initiative will explore funding options, including funding from baselines. I also request that comprehensive scaling options are provided across the initiative's components.

### ***Cost pressures relating to social service delivery***

I invite an initiative seeking funding for cost pressures relating to social service delivery as outlined in your letter. I expect that the initiative will explore options for part-funding from baselines.

### ***Financial Management Information System (FMIS) and Payroll***

I invite an initiative seeking continued funding for Oranga Tamariki's FMIS and Payroll systems. This initiative should provide an explanation of the inter-dependencies between this bid and the Ministry of Social Development's corporate platform initiative. An explanation of how these investments deliver on the broader strategy for technology within Oranga Tamariki should also be included.

The budget bid for this initiative should also comprehensively outline any costs associated with the Shared Services Agreement separation currently underway between the Ministry of Social Development and Oranga Tamariki. In relation to the separation, I understand that Oranga Tamariki are seeking funding in relation to ICT depreciation and technology services.

### ***Additional comments relating to all initiatives***

I request that where an initiative has components that are relevant to the separation of the Ministry of Social Development and Oranga Tamariki's shared services, these components are clearly outlined and costed (including scaling options).

In addition to the detail provided in the initiatives submitted, as discussed on 14 December 2020 I would like more information on Oranga Tamariki's investment to date across its Operating Model ahead of Budget 2021. One way of providing this information is to report back to Cabinet ahead of Budget 2021 through the agreed framework for Cabinet oversight on the \$1.1 billion invested through Budget 2019 on the implementation of Oranga Tamariki's Operating Model (including a comprehensive account of what outputs are being purchased).

Please note that while I have invited these initiatives to be submitted, this does not guarantee that they will receive funding. The Treasury will assess the value for money and relative priority of all initiatives, and this advice will help to inform the shape of the final Budget 2021 package to be decided by Budget Ministers. Therefore, I expect that all initiatives will be supported by a robust case for funding and a strong evidence base, as well as scaling and reprioritisation options.

The cost pressures and manifesto commitments that I have not invited you to submit on may be addressed through future Budgets or other levers such as reprioritisation of baseline funding. As per the expectations that I have previously outlined around fiscal management, I will not support any out-of-cycle funding requests for these initiatives unless there is a compelling case for urgency.

However, I wish to emphasise that the other information that you have provided will help to lay the groundwork for future Budgets, and provides an important insight into the challenges and opportunities facing our Government this term. I will discuss options for funding these initiatives through Budgets 2022 or 2023 at a later stage.

Yours sincerely



Hon Grant Robertson  
**Minister of Finance**