

The Treasury

Budget 2021 Information Release

August 2021

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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 Kelvin Davis
Minister of Corrections
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 portfolio:

Māori Pathways – extension of programme to Wāhine Māori

Expansion of the Māori Pathways rehabilitation programme inside prisons to wāhine Māori.

I note that this initiative has been included in the proposed Māori Budget 2021 package.

Maintaining and enhancing a safer prison and community network

To maintain current settings of operational safety and effectiveness. I expect that the funding sought will only extend to wage pressures, the Prisoner Extreme Risk Unit, demand and price pressure for electronic monitoring services, and reintegration and housing services contract pressures.

I request that these four aspects are submitted as individual initiatives.

I expect that the initiative to extend funding for Prisoner Extreme Risk Unit will include a report-back on the operating model used and ongoing level of funding required, in line with Cabinet's expectations [CAB-19-MIN-0498 refers].

Infrastructure Resilience

To identify and begin to address potential risks in the infrastructure base, and to maintain a level of safety and effectiveness to support delivery of Hōkai Rangi. I expect that the funding sought will only extend to critical asset renewal (three waters), asbestos management, depreciation impacts of an asset revaluation, and accommodation lease renewal increases.

I request that these four aspects are submitted as individual initiatives and that initiatives will explore options for part-funding from baselines.

Waikeria Development including Mental Health Services

For putting into service the Waikeria development including the mental health and addiction services.

I expect that the initiative will be developed in conjunction with the Minister of Health.

Transformation of the criminal justice system

To improve remand and caseflow through the justice system. I expect that the funding sought will only extend to the Joint Remand Initiative and High Impact Innovation Programme.

I request that these are submitted as individual initiatives and that the initiatives explore options for part-funding from baselines. I expect that the initiative for the Joint Remand Initiative will be developed in conjunction with the Minister of Police.

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