

# The Treasury

## Budget 2022 Information Release

August 2022

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- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
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- [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] Out of Scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
- [42] 18(d) - information is already publicly available or will be publicly available soon

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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



22 December 2021

Hon Kelvin Davis  
Minister for Children  
Parliament Buildings  
WELLINGTON

Tēnā koe Kelvin

Thank you for meeting with me on Monday 20 December to discuss how Oranga Tamariki (OT) is implementing its Future Direction Plan (FDP), and what initiatives might be invited for consideration through Budget 2022.

I acknowledge that OT is going through a significant period of change that will continue into 2022. It is pleasing to note that some of the areas of concern that were highlighted in your recent Cabinet paper are starting to be addressed. I am encouraged by the work that has begun to better understand the drivers of costs, and re-forecasting demand based on updated assumptions.

## **Budget 2022 Initiatives**

As signalled in our meeting, I am inviting you to submit an initiative of up to \$23 million with a specific focus on partnerships. While there is a significant amount of work ahead to give me confidence about the implementation of the FDP (see March Cabinet paper below) I recognise there is important work to be done in the immediate future in further developing relationships with partners and in building their capacity. Conditions to access this funding will be developed through the Budget 2022 process and will be informed by your March Cabinet paper.

I also invite you to submit an initiative seeking further funding for VOYCE – Whakarongo Mai, as you requested in our meeting. <sup>[33]</sup>

Submitting an initiative is not a guarantee of funding, and these initiatives will need to be considered against other Budget priorities. Both initiatives should be submitted to the Treasury by 21 January 2022 to ensure that they can be considered through the package development phase of Budget 2022.

## **March Cabinet paper**

I thought it was worth reiterating the expectations I outlined at the meeting of what would be useful to include in your proposed March Cabinet paper. In addition to providing an

update on the FDP implementation and a report back on Budget 2019 initiatives, I expect the paper to include:

- a detailed breakdown of the actions in the FDP, including their scope, cost and whether baseline funding is currently allocated to them or not;
- an update on the Organisational, Workforce, and Partnering strategies;
- an update on how the organisational restructure is progressing;
- an update on the drivers of children's costs and the demand allocation model; and
- potential opportunities to continue to use OT's baseline to progress the FDP.

I realise this means that the March Cabinet paper is expected to cover a wide range of related issues but it is critical to ensure Cabinet has a good understanding of OT's future plans. It may also be useful as we are finalising the Budget process.

I am supportive of refreshing the Cabinet oversight arrangements for OT to better suit the new direction. The new oversight arrangements should build off the Budget 2019 reporting requirements, and I would like reporting to remain on a six-monthly basis for now.

#### **Next steps**

Looking forward, I expect that OT will continue strengthening their foundations for the system changes that are needed in the future. Embedding stronger fiscal management and ensuring the necessary planning and strategic work is in place will help to give me confidence that OT is ready for investment through future Budgets.

I also encourage OT to continue to develop appropriate business cases for the significant investments you wish to make in the coming years. Having these business cases approved by Cabinet before you seek funding will put OT in a stronger position when I consider whether to allocate funding.

Yours sincerely



Hon Grant Robertson  
**Minister of Finance**