

The Treasury

Budget 2022 Information Release

August 2022

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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
- [27] 9(2)(ba)(ii) - 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 otherwise to damage the public interest
- [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 October 2021

Rt Hon Trevor Mallard
Speaker of the House of Representatives
Parliament Buildings
Wellington

Dear Mr Speaker

Overview

Thank you for your recent engagement on Budget 2022. As you will be aware, we have set a very high bar for the initiatives that will be invited for submission.

Over 560 initiatives were submitted through the Budget 2022 invitation process. Indicative funding sought totals \$64 billion operating and \$9.2 billion capital across the forecast period. As will be obvious to you, that is far beyond the funding available and has required me to make early decisions to allow for an effective Budget process.

Even having done this, I still need your assistance to support the Budget process. In that light, I have had to carefully reduce the number of potential Budget 2022 initiatives through the invitation process, to reduce wasted effort and to ensure that the Budget decision-making stage is as strategic and targeted as possible, supported by robust value-for-money analysis and confidence of delivery.

I expect the number of initiatives submitted in December across all portfolios to be less than the number invited. Similarly, I expect total funding sought to be less than the indicative funding of invited initiatives. I ask that you play your part in this focusing of Budget priorities and only submit those invited initiatives in your portfolio that are the highest priority, represent strong value for money, and are implementation ready.

When initiatives are submitted in December, I expect these to be accompanied by a clear articulation of relative priorities. This may include a ranking of submitted initiatives within your portfolio, identifying those that are less discretionary and higher priority.

When prioritising, I expect you to focus on the implementation readiness of initiatives and delivery risk. I will only be supporting initiatives that are implementation ready, unless there is clearly articulated reasoning for why an exception to this rule should be considered.

Budget 2022 Invitations

With this in mind, I have considered the proposals that you outlined in your letter for your Parliamentary Service portfolio, and the initiatives detailed below are invited for consideration through Budget 2022.

Title	Comment and/or condition	Delivery risk
13615 – Delivering Future Parliamentary Accommodation*	Please confirm that this initiative requires funding through Budget 2022.	A business case needs to be completed to support this initiative.
13618 – Bowen House Fitout*	My preference is to defer this initiative to Budget 2023. However, if deferral creates significant additional costs or unacceptable risks, I invite this initiative. Any submission should include options for scaling and phasing of funding.	

All Budget 2022 initiatives are expected to complete all value-for-money information and analysis requirements outlined in the initiative submission template due 10 December, except for the cost pressure initiatives identified with an asterisk in the table above. As these initiatives are considered to be low-risk and involve a small quantum of funding, these initiatives are only required to complete delivery aspects of the value-for-money information and analysis.

Initiative submission templates and guidance were communicated to your department on 30 September and are available on CFISnet.

Please note that while I have invited these initiatives to be submitted for consideration, 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 2022 package considered by Cabinet. Therefore, I expect that all initiatives will be supported by a robust case for funding and a strong evidence base, as well as realistic scaling and reprioritisation options.

Delivery of Budget 2022 Initiatives

The Treasury has advised me of potential early-stage delivery risk associated with two of the initiatives I have invited, the details of which are included in the table above.

Ahead of initiative submission, please ensure your agency works closely with the Treasury to work on a plan to mitigate delivery risk where possible.

If delivery risk cannot be mitigated, I expect you to consider deferring these initiatives to a future Budget, at which point I would expect this risk to be mitigated. If these initiatives cannot be deferred, I expect you to outline a clear rationale in December for why funding is required through Budget 2022 despite any delivery concerns.

Next steps

I look forward to discussing options for funding initiatives through Budget 2023 at a later stage.

Thank you for your ongoing work.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Grant Robertson', written in a cursive style.

Hon Grant Robertson
Minister of Finance