

The Treasury

Budget 2022 Information Release

August 2022

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Treasury Report: Budget 2022 Bilateral: Hon Aupito William Sio

Date:	Friday 25 February	Report No:	T2022/381
		File Number:	DH-43-1

Action sought

	Action sought	Deadline
Hon Grant Robertson Minister of Finance	Discuss the contents of this report at your meeting with Hon Aupito William Sio (Minister for Pacific Peoples) on Wednesday 2 March.	5.15pm Wednesday 2 March

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact
Gabriel Simpson	Graduate Analyst, Communities Learning and Work [39]	N/A (mob)	✓
Thomas Parry	Manager, Communities Learning and Work	[35]	

Minister's Office actions (if required)

Return the signed report to Treasury.

Note any feedback on the quality of the report

Enclosure: Yes (attached)

Treasury Report: Budget 2022 Bilateral: Hon Aupito William Sio

Executive Summary

This report provides you with advice ahead of your meeting with Hon Aupito William Sio, the Minister for Pacific Peoples (who is also acting in his capacity as Associate Minister of Health and Education), at 5.15pm on Wednesday 2 March to discuss his Budget 2022 initiatives.

The Minister for Pacific Peoples submitted a package of eight initiatives totalling [33]

The submitted initiatives include cost pressures which address funding cliffs and two large housing initiatives. The Minister's proposed package follows significant increases in the last two years in the Ministry's baselines and FTEs and would continue to materially increase its funding, role and staffing levels.

We recognise that with the funding allocated through the CRRF the Ministry has been able to deliver significant and impactful support to Pacific communities. Our view is, however, that the level of investment sought through this Budget is not advisable or sustainable. The Ministry's focus has shifted from policy development to greater involvement in delivery. While we recommend a discrete proportion of the time limited funding is continued, it is important to consider if operational support, in the longer term, is best delivered via the Ministry or the larger sector specific agencies.

Treasury's draft package includes most Vote Pacific Peoples initiatives at scaled levels, with a focus on addressing funding cliffs (e.g. Tupu Aotearoa, Toloa) and delivering core initiatives (e.g. The Dawn Raids Historical Account), whilst mitigating the risks associated with significant further expansion of the Ministry. The Treasury draft package does not include the initiatives focused on housing.

Minister Sio is also likely to want to discuss Pacific targeted initiatives in Votes Education and Health. Nine initiatives totalling \$205 million were submitted in these Votes. Four Health initiatives and one Education initiative are currently included in the draft package (at \$142.656 million in total).

Recommended Action

We recommend that you:

- a **discuss** the contents of this report with Hon Aupito William Sio (Pacific Peoples) on 2 March.

Thomas Parry
Manager, Communities Learning and Work

Hon Grant Robertson
Minister of Finance

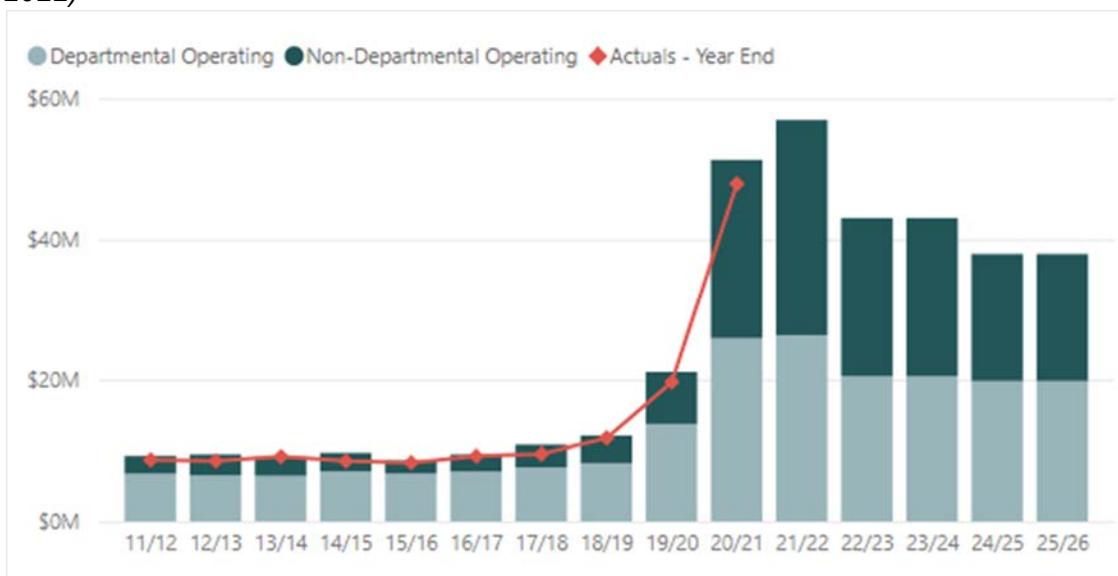
Treasury Report: Budget 2022 Bilateral: Hon Aupito William Sio

1. You are meeting with the Minister for Pacific Peoples, Hon Aupito William Sio, at 5.15pm on Wednesday 2 March regarding the initiatives he has submitted for consideration through Budget 2022. This report provides you with advice and talking points to support your discussion.
2. Four annexes are attached to this report:
 - a Annex A provides a baseline summary for the Ministry for Pacific Peoples.
 - b Annex B provides talking points for your discussion with the Minister for Pacific Peoples.
 - c Annex C provides a full list of initiatives submitted in the Pacific Peoples portfolio, the funding sought, the Treasury Vote Team assessment and recommendation, and how this is reflected in the draft Budget 2022 package.
 - d Annex D provides a suggested agenda for the bilateral meeting.

Context for Pacific Peoples portfolio

3. Annual expenditure in Vote Pacific Peoples is \$57.1 million, nearly all of which is operating expenditure. This includes \$26.5 million departmental and \$30.6 million non-departmental expenditure.
4. Funding is primarily spent in the following areas:
 - Policy advice and Ministerial Servicing (\$26.3 million).
 - Skills, Training and Employment (\$20.5 million).
 - Promotions – Business Development (\$9.2 million).
5. Funding in Vote Pacific Peoples has increased substantially in the last three Budgets. This has led to an increase in baseline from \$11.8 million in 2018/19 to a forecasted \$57.1 million in 2021/22 (see figure 1).

Figure 1 – Operating Spending & Forecasts (not including funding sought in Budget 2022)



6. A large portion of this increase is from initiatives funded through the COVID-19 Response and Recovery Fund (CRRF). These initiatives included education, employment, business, community engagement, and housing programmes. This funding was initially time limited, however a significant proportion has now been baselined at expanded levels. Several of these initiatives have seen increasing demand volumes, shown strong value since expansion, and align well with the Government's strategic priorities. We have therefore recommended continued funding for a number of these initiatives.
7. The Pacific housing initiative, funded through the CRRF at Budget 2020, placed \$41.3m in tagged contingency. COVID-19 restrictions have led to delays in the required feasibility studies and community engagement. This has slowed progress on the programme and \$14.25 million remains in tagged contingency. You may wish to note this if the Minister questions the exclusion of the two submitted Pacific housing initiatives from the Treasury draft package.
8. In Budget 2021, three initiatives were funded in Vote Pacific Peoples:
 - Two cost pressure initiatives were supported in response to increased demand volumes in the Tupu Aotearoa programme, aimed at Employment, Training and Education opportunities (\$30.3 million), and Economic Development for Pacific Communities (\$16.2 million).
 - The All-of-Government Pacific Wellbeing Strategy was also funded in Budget 2021, resourcing the creation of the strategy and a Pacific wellbeing outcomes framework. This will enable better targeting of policies across government agencies to lift Pacific wellbeing. The final strategy is expected to be considered by Cabinet in March 2022.

Our understanding of Minister Sio's priorities

9. The Minister for Pacific Peoples is leading the development of the All-of-Government Pacific Wellbeing Strategy. We understand that this remains a priority for him and he may wish to update you on its progress.
10. In addition to that Strategy, we understand that Minister Sio has three other priorities in Vote Pacific Peoples:
 - Transitioning *Toioa STEAM* to a flagship programme
 - Progressing the Dawn Raids reconciliation process
 - Addressing departmental funding cliffs for the Ministry
11. Outside Vote Pacific Peoples, we understand that Minister Sio has wider priorities linked to his roles as associate Minister for Pacific Health and for Pacific Education within the respective Votes:
12. Health:
 - Securing an equitable Health System Reform with key system infrastructure
 - Addressing lifetime disease burden through co-designed public health services
 - Pacific targeted peoples in digital and data-focussed Health initiatives
 - Pacific targeted funding in the Consumer/whanau Voice Framework initiative

13. Education:

- Building Pacific bilingual and immersion education
- Supporting equitable teaching through Tāpasa
- Enhancing transitions to tertiary education

Initiatives submitted for Budget 2022

14. Minister Sio has submitted a package of initiatives in Vote Pacific Peoples seeking [33] This is substantially higher than the amount sought in Budget 2021 (\$111.8 million).
15. The total funding sought across Votes Health, Education and Pacific Peoples focused on supporting Pacific wellbeing is [33] including Education (\$70.191 million) and Health (\$134.886 million).
16. The table below lists the initiatives and amounts sought for Vote Pacific Peoples. We set out in Table 2 on page 10 the detail of the submitted Education and Health initiatives. Annex C contains further initiative information, analysis and recommendations.

Table 1: Submitted Vote Pacific Peoples initiatives and their status in the draft package

Budget 2022 initiatives	Funding sought (\$m)	FTE sought	Draft Package (\$m)
Pacific Economic Development – Accelerating Pacific businesses and social enterprises <i>Responds to demand volume pressure from the Pacific business community by investing in Pacific business networks, business capability, and providing capital grants.</i>	49.966	11.25	15.549
Maintaining the Pacific Work Connect programme <i>Addresses a funding cliff arising from a lack of Immigration Levy funding from MBIE, this will allow the continuation of the Tertiary Education Commission’s Pacific migrant support service.</i>	4.960	-	1.6
Delivering bespoke employment and training services through Tupu Aotearoa <i>Continues employment and training service, addressing cost pressures and baseline decrease due to time limited funding.</i>	17.943	-	8
Building Pacific STEAM futures through Toloa <i>Addresses a funding cliff in the Ministry’s Science, Technology, Engineering, Arts, and Mathematics education and employment programme, Toloa. The funding sought also expands the programme.</i>	71.716	23.25	18.276

[33]

Implementing Government's commitment to deliver a Dawn Raids Historical Account – Pacific reconciliation and education <i>Follows the Government's commitment to create a historical account following a formal apology for the events. The initiative funds the five streams of funding agreed by Cabinet late last year.</i>	26.794	14.25	13.646
Delivering Pacific Wellbeing Through Housing <i>Expands the Ministry's current housing programme, increasing Pacific housing provider capability and investing in affordable housing developments.</i>	53.824	13	-
Building homes for Pacific in Porirua <i>Establishes a new Pacific housing entity in Wellington and provides investment for a 300 home housing development. [33]</i>	[33]	-	-
Establishing Lalanga Fou Advisory Councils and Community Networks for Pacific wellbeing <i>Supports community networks to increase engagement between the Government and Pacific community.</i>	24.930	12	-
Totals	[33]	73.75	57.071

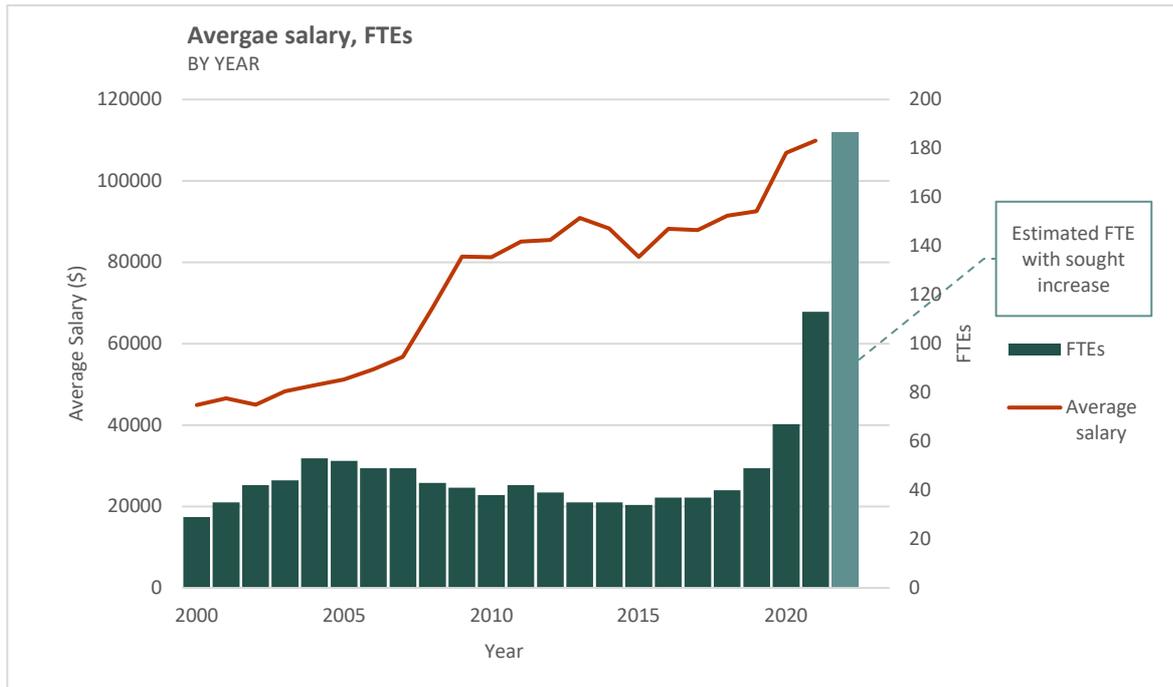
Constraints and trade-offs

17. The package of submitted initiatives has the potential to support improved wellbeing outcomes for Pacific peoples, in line with current Government and Ministry strategic goals for the sector. There are, however, a number of constraints which make delivery of the intended outcomes uncertain. We set out these considerations below.

The Ministry's staffing levels and costs have increased significantly in recent years, and continued expansion is unlikely to be sustainable

18. The high number of FTE sought is a major constraint for the delivery of some Vote Pacific Peoples initiatives (as set out in Table 1 above). The Minister's submitted package seeks 73.75 additional FTE, a 65% increase on the current workforce (see Figure 2 below). This would add to large FTE increases over the last two years, linked to increases in funding through the CRRF (in programmes such as Toloa, Tupu Aotearoa and Pacific Economic Development). The Ministry has also factored in high FTE overhead costs (60-80%), meaning that the real cost of additional FTE will be materially higher than headline salary costs.
19. The Ministry has provided a detailed breakdown of FTEs sought, which includes evidence of some mitigations for the risks associated with recruiting the required workforce, for example, designing initiatives to avoid sectors with particularly constrained labour markets. We do not, however, believe that these mitigations will be sufficient to make such a level of expansion sustainable.

Figure 2 – Vote Pacific Peoples FTE trends



The Ministry’s focus has evolved from policy development to supporting operations

20. Expansion through COVID-19 response initiatives has led to an increased operational focus from the Ministry, which has filled gaps where larger agencies may not have been able to target programmes for Pacific Peoples effectively. This has led to a shift from the Ministry’s traditional policy-based “system guidance” role. The move to an operational focus has also led to a significant shift from departmental to non-departmental spending, funding initiatives such as community and business grants or Education and Employment programmes.

21. [33], [34]

22.

There are a number of funding cliffs arising in 2022/23 without additional funding

23. Notwithstanding the need to critically assess the Ministry’s expansion, there are some initiatives led by the Ministry that we recommend are continued in order to meet ongoing levels of demand. The submitted initiatives in Vote Pacific Peoples include funding for the Pacific Economic Development, Tupu Aotearoa and Toloa. These programmes were provided time-limited funding increases though the CRRF, leading to upcoming baseline reductions in the next financial year.

24. These initiatives have strong wellbeing potential, and could contribute to the resilience of Pacific communities throughout COVID outbreaks. They also align strongly with Ministry and Government priorities in the sector. Although expansion was intended to be temporary, demand for these services has continued to increase, and the arising cost pressures would need to be funded for the programmes to continue to be delivered sustainably.
25. *Maintaining the Pacific Work Connect programme* also addresses a critical funding cliff. The Work connect programme has been funded through time-limited funding since Immigration Levy funding ceased.

A need for strong monitoring and reporting arrangements

26. Any funded initiatives will require strong monitoring and reporting arrangements. We suggest you highlight to the Minister the need to strengthen outcomes reporting so that Ministers and officials are able to better understand – and more quickly - the impact of current and new initiatives. This may be assisted by recent work to create a Pacific-focused wellbeing outcomes framework with underpinning indicators. You may wish to ask the Minister for an update on progress on that work.

Draft package

Table 1 outlines the Vote Pacific Peoples initiatives currently in the draft package

27. Our recommended package seeks to enable high value critical services to continue, and focus on initiatives that are deliverable, don't represent a significant expansion of the Ministry's scope, and fit within Budget allowances.
28. The draft package includes all cost pressures and critical initiatives in Vote Pacific Peoples. The Pacific Economic Development, Work Connect, Tupu Aotearoa and Toloa programmes all require some level of funding to continue planned service delivery and achieve the Ministry's priority outcomes.
29. Most initiatives have been substantially scaled from the sought funding amounts (see table 1 on page 5). The recommended scaling options are intended to address the FTE and agency expansion concerns raised above.
30. The Dawn Raids Historical account is also in the draft package, as this is a key Government commitment. Funding is required to progress the five streams of this initiative, agreed by Cabinet in late 2021.

Three Vote Pacific Peoples initiatives are not in the draft package

31. The Ministry's two submitted housing initiatives have not been included in the draft package due to high delivery risks and significant pressures on the overall Budget package:
 - *Delivering Pacific Wellbeing Through Housing*. Delivery has been slow on this initiative to date, primarily as a result of construction market capacity constraints and community engagement delays due to COVID-19.
 - *Building homes for Pacific in Porirua*. The project requires further business case development before being considered implementation ready.

32. Both housing initiatives were initially recommended by the Vote team, with scaled options to mitigate delivery risks. This view was based on the strong alignment with the Government’s Pacific housing objectives and the potential for high wellbeing outcomes. If Ministers wished to reprioritise some funding from the Pacific package to these initiatives, we recommend that any funding should be placed in a tagged contingency, given the delivery risks we have noted.
33. We note that any investment in the Ministry’s housing programme would require ongoing support from other housing agencies. You may wish to note, outside this Bilateral, to the Minister of Housing the importance of improving Pacific housing outcomes and the importance of officials proactively engaging with the Ministry of Pacific Peoples in its housing programme.
34. We recommend that *Establishing Lalanga Fou Advisory Councils and Community Networks for Pacific Wellbeing* is deferred. We recognise the role of strong communities in promoting Pacific wellbeing, but this initiative is not considered implementation ready. We recommend further policy design is completed before any further funding is sought.

Health and Education initiatives

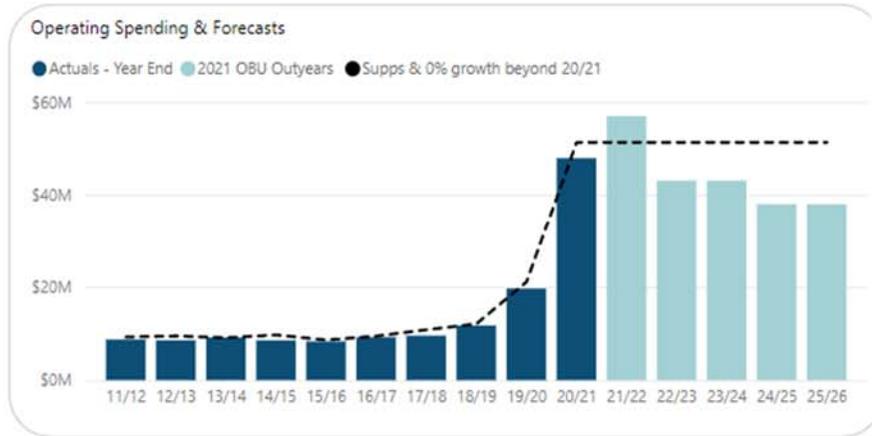
35. As Associate Minister for Health and for Education, we understand Minister Sio is also interested in discussing Pacific targeted initiatives in these Votes. Several of these initiatives were assessed by Vote teams as having strong value and alignment to government objectives, showing promising prospects for Pacific wellbeing outcomes from agencies outside the Ministry for Pacific Peoples. Table 2 below lists the submitted initiatives targeted for Pacific peoples in these Votes.

Table 2 – Health and Education Pacific targeted initiatives

Education	Sought (\$m)	Draft Package (\$m)
Pacific bilingual and immersion education- Growing and retaining workforce	42.764	-
Further delivery of sustained Professional Learning and Development to embed Tapasa	10.200	-
Better transitions for Pacific learners into tertiary education	7.400	-
Dawn Raids Apology: Maintain value of Tuli Takes Flight, Pacific Education Foundation and Tagaloa scholarships	2.065	-
Creating safe, inclusive schools – Targeted & Intensive supports for Maori & Pacific learners at risk of disengaging	7.762	7.77
Health		
Pacific provider development [33]		
Addressing the burden of diabetes for Pacific communities		
National Bowel Screening Programme – Age extension	36.141	36.141
Health Workforce Development (Pacific Component) [33]		3

36. There are currently four initiatives in the Vote Health draft package that are targeted for Pacific Peoples. We acknowledge, however, that the health package allowance is constrained, and there are competing priorities within the Vote that you have discussed with the Minister for Health.
37. One Pacific targeted Education initiative is currently included in the draft package. We understand, following your discussions with the Minister of Education, that this package is also very constrained, and that initiatives considered core to the Ministry of Education's function (and the urgent cost pressures that it faces) may need to take priority over targeted interventions such as the above Pacific initiatives. There are, however, three education initiatives that were recommended for funding by the Vote Education team. These could be considered for funding if further Pacific focussed education investment is desired:
- Pacific bilingual and immersion education - Growing and retaining workforce
 - Further delivery of sustained Professional Learning and Development to embed Tapasa
 - Better transitions for Pacific learners into tertiary education.

Annex A: Baseline Summary for Vote Pacific Peoples



Annex B: Talking Points

Pacific Portfolio

- Minister Sio submitted [33] in initiatives in Vote Pacific Peoples for this Budget.
- In addition, Pacific focussed initiatives totalling \$205.37 million were submitted across Votes Health and Education.
- The Ministry's work has had an important positive impact on Pacific people, especially during the pandemic.
- The package submitted for Pacific Peoples follows large baseline increases over the last two years in particular, and the baseline of the Ministry for Pacific Peoples has quadrupled since 2018/19, with FTEs increasing by over 180 percent in the same period. Given this context, what are the Minister's views on:
 - The implications of the increased operational focus from the Ministry, and the shift from the traditional policy-focussed role.
 - The risks associated with the Ministry taking on a wider operational role as implied by the Minister's submitted package. These risks include, for example, constraints on the Ministry's capacity due to the large number of FTE required, and difficulty delivering initiatives in specialist areas such as housing.
 - Whether the primary focus of Pacific-targeted service delivery should be continued through the Ministry for Pacific Peoples or if this should be delivered by larger, sector-specific agencies.
- The Treasury has designed its recommended package to enable high value critical services to continue, and focus on initiatives that are deliverable, don't represent a significant expansion of the Ministry's scope, and fit within Budget allowances.
- The current draft package supports \$57.07 million in Vote Pacific Peoples, focused on cost pressures and key Government commitments. The current draft package also supports \$142.656 million in Votes Education and Health for Pacific focussed initiatives.
- Does the Minister agree that the initiatives in the draft package are the most critical investments for Budget 2022 for Vote Pacific Peoples and through other Votes? If not, and if the current package levels were maintained, what would he prioritise instead?
- If the Minister wishes to discuss the two Housing initiatives he submitted, which are not included in the draft package, note that just over 1/3 of the \$41.3 million allocated via the CRRF at Budget 2020 to support Pacific housing remains in tagged contingency:
 - If he wished to prioritise them, what reassurance could he give that delivery of new housing initiatives would be more in line with expectations than for the earlier initiative?
- It would also be helpful to have an update from the Minister on the development of the All-of-Government Pacific Wellbeing Strategy.

General Budget 2022 talking points

- Pressure remains on the operating and capital allowances, meaning there will be a high bar for new spending and it is important that spending is prioritised effectively and is focused on achieving value for money.

- There are also significant public sector capacity and capability constraints – around 40 percent of initiatives are seeking additional FTEs or contractors.
- Without further prioritisation and scaling, it will be challenging to see the public sector deliver such large additional investment on top of the ongoing response to COVID-19, delivering past investments and keeping momentum on the key reform programmes underway.
- New spending is not the only lever for achieving the Government's objectives. You should consider all the levers available to you before requesting new funding, including examining baseline expenditure, ensuring that your agencies are delivering on the significant investments we have already made, and progressing non-spending initiatives such as regulatory reforms.

Annex D: Suggested Agenda

Suggested Agenda – Budget 2022 Bilateral – 2 March 2022

Section One – Context of the package	Recommendation
<ul style="list-style-type: none"> The Ministry for Pacific Peoples submitted a provisional package of [33]. You asked Minister Sio to prepare this package to focus on his priorities for Pacific Peoples. 	<p>Discuss the Minister’s priorities for Pacific people and whether these are the most critical investments for Budget 22.</p>
Section Two – Role of the Ministry for Pacific Peoples	Recommendation
<ul style="list-style-type: none"> Expansion through COVID-19 response initiatives has led to an increased operational focus from the Ministry and a shift from the Ministry’s traditional policy-based “system guidance” role. 	<p>Discuss the implications of a shift from the Ministry’s traditional role.</p>
Section Three – Risks and constraints	Recommendation
<ul style="list-style-type: none"> Key risks include the likelihood that the Ministry’s continued expansion is not sustainable; and funding cliffs in 2022/23 without additional funding. 	<p>Discuss risks and Minister Sio’s views on mitigations.</p>
Section Four –Pacific housing	Recommendation
<ul style="list-style-type: none"> The two housing initiatives submitted have not been included in the draft package. They are: <ul style="list-style-type: none"> <i>Delivering Pacific Wellbeing Through Housing.</i> <i>Building homes for Pacific in Porirua.</i> 	<p>Discuss the Pacific Housing initiatives and delivering Pacific wellbeing through housing.</p>
Section Five – Health and Education initiatives	Recommendation
<ul style="list-style-type: none"> As Associate Minister for Health and for Education, we understand Minister Sio is also interested in discussing Pacific-targeted initiatives in these Votes. 	<p>Discuss Pacific-focused Vote Health and Vote Education initiatives.</p>

Annex C: Submitted Initiatives

ID	Title	Description	Funding sought			Funding recommended (Vote team)			Funding recommended (draft package)			Treasury comments	Value	Alignment	Delivery
			Opex avg (\$m)	Opex total (\$m)	Capex total (\$m)	Opex avg (\$m)	Opex total (\$m)	Capex total (\$m)	Opex avg (\$m)	Opex total (\$m)	Capex total (\$m)				
13998	Pacific Economic Development Accelerating Pacific Businesses and Social Enterprises	This initiative aims to meet community demand for services to support 'niche' Pacific businesses and Pacific social enterprises (Pacific businesses and social enterprises) across New Zealand due to COVID-19. Capital investment is required to accelerate their recovery with localised regional partners to provide guidance and enable innovative ideas to operate and lead economic recovery, addressing specific needs of Pacific communities that are responsive to Pacific needs and values, and create wealth opportunities and improve social wellbeing.	12.49	49.97	-	5.55	22.21	-	3.89	15.55	-	There is a case for funding further targeted support for Pacific businesses. Growing Pacific business networks and increasing business capability aligns with Government objectives to enable opportunities for Pacific people. Positive outcomes are likely given the experience of similar services to date, but levels of demand are uncertain and it is unclear that the fully funded option is a critical cost pressure. We recommend a scaled option for initial investment and outcomes can be further evaluated. The benefits of capital components are unclear - this needs further work before funding is allocated. We recommend a contingency for these, linked to a requirement for a clear demonstration of need. If further scaling is required, they could be removed, reducing funding by \$8.5m.	3	4	3
14012	Maintaining the Pacific Work Connect programme	This initiative aims to support the continuation of a bespoke Pacific migrant support service delivered by TEC, addressing a funding gap arising from the exhaustion of funding from the Immigration levy from HBE.	1.24	4.96	-	0.40	1.60	-	0.40	1.60	-	The initiative seeks funding to continue to deliver Pacific Work Connect, a targeted Pacific migrant employment service, and for expansion of the service. The service is currently funded through time-limited funding. It is highly targeted and has been evaluated as successful. We support a scaled option to fund the service for two years, pending wider immigration setting decisions. Implementation and deliverability risks are low as the service is already in place. We do not support funding for proposed expansion of services at this time, as wider decisions about immigration supports are yet to be taken.	4	4	3
14014	Establishing Language For Advisory Councils and Community Networks Pacific wellbeing	This initiative will support the overall engagement and responsiveness of Government to Pacific communities through several projects including: The establishment of Language For Advisory Councils across the Language For Advisory Councils to support Pacific engagement and accountability of key policy and programmes across Government Support for Pacific community organisations to form regional networks in the four MMP-defined regions to support local commissioning and community-led services. Capability-building support for Pacific community organisations to be ready to partner with Government to deliver services and programmes, including support to establish social enterprises (funding for a pilot community hub supporting Pacific communities to engage with Government in a Pacific setting)	6.23	24.93	-	-	-	-	-	-	-	This initiative aims to establish regional Pacific Community Networks, 4 advisory councils and four Pacific language communication. Role of strong communities in promoting Pacific wellbeing is recognised and there could be value in investing in this, but recommended funding is delivered to enable further design and policy work. The initiative has significant infrastructure and FTE implications and we have not seen information to indicate that these are implementation ready. There would be delivery risk in the being funded at this time. Recent consultation on the Pacific Languages Strategy is currently being analysed. This will enable Pacific communities to inform Government of their language needs and enable future funding for language communications to be well targeted.	3	4	2
14024	Delivering bespoke employment and training services through Te Puni Kaitiaki	This initiative will ensure the continued delivery of personalised Pacific employment and training services. It will also support the delivery of pilot projects within the service to test enhancements to employment and training services that address barriers to employment and training faced by Pacific peoples.	4.49	17.94	-	2.00	8.00	-	2.00	8.00	-	Funding is sought to address volume and inflationary pressures affecting the core Te Puni Kaitiaki Active Labour Market Policy and to implement a new programme and services. The recommended funding will reduce pressures on the core Te Puni Kaitiaki programme, allowing continuation of current services. The proposed new programme and services include a new regional expansion, a digital platform and a new pilot for workforce learning for Pacific secondary school students. These programmes may have positive wellbeing outcomes, but we have not seen adequate analysis and costing to support funding them and do not recommend funding for them.	4	3	4
14025	Building Pacific STEAM futures through Te Puni Kaitiaki	This initiative will address a critical funding gap, and meet added demand for desired outcomes of the Te Puni Kaitiaki (Science, Technology, Engineering, Arts, and Mathematics) initiative that provides education and employment opportunities across Pacific peoples' journeys through education and employment. The initiative also contributes to supporting a robust long-term labour market recovery for Pacific communities.	****	-	-	-	-	-	4.57	18.28	-	Continue time-limited funding and expand the Ministry's STEAM education and employment programme. The initiative aligns well with the government's wellbeing objectives that provide education and opportunities. We support the scaled option in this initiative that addresses cost pressures and continues current services. We do not support the option to expand the programme, however, which presents delivery risks from a significant increase in operations, including a further 60% increase in FTE. These risks appear at the stage to outweigh the potential benefits of expansion. Some components of an expansion may also be better implemented by other agencies. Further scaling options may be available by finding better or scaling further components of the bid.	3	4	3
14028	Improving Government's commitment to provide recognition for communities impacted by the Dawn Raids and greater public understanding of the Dawn Raids Historical Account - Pacific reconciliation and education	This initiative is a package of initiatives to deliver the Government's commitment to provide recognition for communities impacted by the Dawn Raids and greater public understanding of the Dawn Raids Historical Account - Pacific reconciliation and education. 1. \$10 to 15 Community Fund: Approximately 73 grants of \$5,000 - \$50,000 for community-led multimedia history projects. 2. \$100 to 150 WFP-led oral history and multimedia stories in an official Dawn Raids Historical Account Report. 3. \$100 to 150 WFP-led oral history and multimedia stories in an official Dawn Raids Historical Account Report. 4. \$100 to 150 WFP-led oral history and multimedia stories in an official Dawn Raids Historical Account Report. 5. \$100 to 150 WFP-led oral history and multimedia stories in an official Dawn Raids Historical Account Report.	6.70	26.79	-	3.41	13.65	-	3.41	13.65	-	As part of the Dawn Raids Strategy, Cabinet agreed to develop a historical account of the events. A report back on progress on the Dawn Raids Historical Account in December 2021 outlined the progress in the initiative. Funding the initiative will have positive wellbeing outcomes associated with cultural wellbeing, subjective wellbeing, and engagement and voice. There are delivery risks for the fully funded option from the high FTE required (4) and potential community engagement delays due to COVID-19. We therefore recommend the HPP scaled option (at \$5M funding), which mitigates delivery risks but still gives scope to meet expected outputs and timelines. Another option is funding 75%, which would provide higher outputs, but bring greater delivery risks.	3	3	3
14029	Delivering Pacific Wellbeing Through Housing	This initiative will support the development of housing for Pacific peoples. It will support the development of housing for Pacific peoples through: Pacific housing providers, housing advice services, 12 sets of Pacific-owned land, and investment in developments for up to 200 new homes for Pacific families.	13.46	53.82	-	7.54	30.18	-	-	-	-	This initiative aligns with the Government's wellbeing objectives of providing stable housing and has high potential wellbeing outcomes for Pacific peoples. There are delivery risks, however, and stronger monitoring and reporting is required along with stronger collaboration with housing agencies to mitigate future risk. Funding for housing development specifically should be held in tagged contingency until stronger business cases are developed. We support the scaled option in the bid. The Ministry has been slow to use previous housing development funding, so we are not confident that the full funding option is a reasonable cost. Compared to full funding, the scaled option provides the same stability and housing services, but with decreased investment in Pacific housing development.	4	3	3
14293	Building homes for Pacific in Porirua	This initiative will provide funding over 10 years to support the establishment and resourcing of a new housing entity to deliver improved housing outcomes for Pacific in the Wellington region. It will also provide funding to support the development of up to 300 homes for Pacific families in Eastern Normal.	11.58	46.33	-	11.58	46.33	-	-	-	-	[3]	4	3	3
Vote Health															
13876	Pacific provider development	Funding uplift to the Pacific Provider Development Fund, and dedicated funding for Pacific providers to shift models of care, implement digital enabled services, and undertake improved service planning and reporting in support of the locally approach rollout.	****	-	-	-	-	-	-	-	-	Support in full. This provides an uplift for an existing fund to support Pacific providers.	4	3	3
13884	Addressing the burden of diabetes for Pacific communities	Funding would go towards a dedicated diabetes prevention and management programme in South Auckland. The programme is targeted primarily for Auckland, where 45% of the population reside. It will incorporate a continuous improvement framework and an evaluation component, so that lessons learned are embedded in the bid phases and translated back into service improvements and also adapted for an expansion of services to other high-risk regions and in other Pacific regions in the country.	****	-	-	-	-	-	-	-	-	Support in full. This initiative funds a diabetes prevention and management programme in South Auckland. Diabetes is a major contributor to the health burden gap between Pacific and other New Zealanders, and also drives high public health costs. The initiative of successful will support a good value-for-money preventative investment. The bid includes funding for continuous improvement and evaluation so that effectiveness is tested early and lessons learned to inform ongoing design.	3	3	3
14026	National Bowel Screening Programme - Age extension	This initiative provides funding for the National Bowel Screening Programme to enable the implementation of age extension for Maori and Pacific peoples from 60 to 74 years of age to 75 to 79 years. The service delivery model will be based on the evidence of the evidence of implementation in select district health boards (DHBs) to test alternative service delivery models to achieve equitable outcomes.	9.04	36.14	-	9.04	36.14	-	9.04	36.14	-	Support in full, in contingency. Extending bowel cancer screening to Maori and Pacific peoples aged 50-59 is likely to produce significant public and private value through early identification and treatment. Maori and Pacific people experience approximately twice the relative risk of developing bowel cancers when aged 50-59, making age extension compelling from an equity perspective. Drawdown for a full national rollout would be contingent on the findings of an evaluation implementation to test alternative service delivery models designed to reach a 60% participation rate. The approach would manage the risk of additional costs arising from a more intensive delivery model.	5	5	4
13863	Health workforce development	This investment is targeted to transform the health workforce's capacity and capability and adjust its composition, to ensure it delivers on the promise of health reforms. Over four years it includes funding for at-risk professions and priority areas, with historic programmes of investment to grow Maori and Pacific workforces, the public health workforce, and to grow and train the workforce to deliver on expansion to primary and community care while maintaining specialist services. Investment is included to establish novel approaches to interprofessional and distance training, expand apprenticeship models, increase placement capacity, redesign and expand the Volunteer Bonding Scheme, trial a digital literacy programme, and a national campaign to improve recruitment.	****	-	-	(Pacific Component: 3.00)	-	****	(Pacific Component: 3.00)	-	Support - scaled, with a partial contingency. The Treasury recommends funding the low package quantum requested for primary and community care teams (\$4m) and Hauora Maori (\$30m), as well as \$3m from the Pacific workforce component to support the implementation of the 'Health reform: delivering equitable local health services' omnibus primary care initiative (13871/13860/13861). In addition, we recommend providing an arbitrary scaled amount of **** in contingency to be accessed for further workforce development initiatives, given a lack of implementation detail in the bid. Drawdown on the contingency should demonstrate a clear link to areas of greatest workforce need in the health system.	5	5	4	
Vote Education															
14176	Creating safe, inclusive schools - Targeted & intensive supports for Maori & Pacific learners at risk of disengaging	This initiative supports attendance and engagement using Kaupapa Maori approaches. There are two components: 1. A Hanga Kōwhiri & Connect uses trained mentors to monitor attendance, achievement, and pastoral care to support problem solving, build skills, and enhance learner engagement for Yrs 8-11. 2. Mana Takahi supports Maori learners Yrs 4-8 experiencing behavioural and wellbeing challenges. Trained facilitators use kōwhiri and to re-engage to build mana, self-confidence, improve learning and achievement. This is the MVG and delivers to Te Mana Takahi.	7.75	0.02	-	7.75	0.02	-	7.75	0.02	-	Attendance and engagement at school have strong links to student wellbeing and attainment. Alongside Maori are particularly at risk of disengaging from school, and existing barriers to attendance have been exacerbated by the ongoing effects of COVID-19. There is a strong case for investment in the pilot programmes have demonstrated clear positive effects on student attendance and learning. The programmes have been improved based on feedback from students, whānau, schools and the community. They are provided in a range of schools, connect schools and communities, and provide the additional wraparound and resources needed to continue the development of quality Pacific bilingual and immersion education. The initiative has clear potential to improve social and educational outcomes, and aligns with Government objectives to lift opportunities for Pacific peoples and improve child wellbeing. We made good progress with implementing the actions supported by B21 Pacific curriculum funding and developed a strong pilot case for further investment. No funding risks delaying the further implementation of	3	3	4
14165	Pacific bilingual and immersion education - Growing and retaining workforce	This initiative will support the growth of the Pacific bilingual and immersion schooling workforce and the retention of the current workforce, to support Pacific learners and families to access quality Pacific bilingual and immersion education. It purchases support to meet English language requirements, the development and delivery of a quality pathway for trained teachers and further curriculum resource development. This will ensure there is a growing, quality workforce for Pacific bilingual and immersion education.	43.09	0.09	-	43.09	0.09	-	-	-	-	The funding will provide the additional wraparound and resources needed to continue the development of quality Pacific bilingual and immersion education. The initiative has clear potential to improve social and educational outcomes, and aligns with Government objectives to lift opportunities for Pacific peoples and improve child wellbeing. We made good progress with implementing the actions supported by B21 Pacific curriculum funding and developed a strong pilot case for further investment. No funding risks delaying the further implementation of	3	4	3
14162	Further delivery of isolated Professional Learning and Development to embed Tapaea	This initiative will provide additional funding for Professional Learning and Development (PLD) focussed on Tapaea: cultural competence for teachers and leaders across a further 10 early learning services and 20 schools.	10.20	-	-	10.20	-	-	-	-	-	Establishment of the Tapaea programme to address the needs of schools targeted towards Maori, indicates this initiative is likely to have positive impacts on achievement for Pacific learners. Tapaea has previously received funding through Budget 2019 and Budget 2021. The Budget 2021 initiative is well progressed and is expected to begin service delivery from term 1 2022. Based on this experience, the Ministry of Education has indicated that an expansion can be implemented on a shorter timeframe. Scaling options are available if Ministers wish to fund	3	4	4
14209	Dawn Raids Apology: Maori values and Pacific Education Foundation and Tapika scholarships	This initiative will make Pacific education scholarships, add additional career manager scholarships and provide administrative and other support for the Tuhi Takes Flight scholarships including an award ceremony.	2.05	0.02	-	-	-	-	-	-	-	It is not clear this is a critical cost pressure. Existing scholarships are still being delivered without further funding and the department resource sought should be able to be met within current baseline. Although increasing Pacific scholarships would maintain their value and means, no other Maori scholarships are indeed in this way, therefore the approach would lead to equitable treatment across scholarships. The Tuhi Takes Flight scholarship, as part of the Dawn Raids apology good-will gestures, was only recently established for the 2022 study year, therefore should not be a high priority for funding. The Ministry of Education should not be a high priority for funding in the first year of delivery as competing and well-evidenced. Deliverability is strong: universities are expected to consent for funding through TEC. TEC has established connections with universities, and universities have experience delivering these types of programmes - although they lack sufficient funding to further develop programmes of this scope, creating a need for interventions. A TEC stocktake of existing programmes will be released in early 2022, which will inform the development of the programmes. There	2	2	3
14169	Better transitions for Pacific learners into tertiary education	This funding will provide support to Pacific learners as they transition from school into degree level study, to take effect from the start of 2023. The initiative will focus on transitions for Pacific learners in secondary schools through partnerships between schools and tertiary providers, and support Pacific learners in first and second year. Flexible support, for example subject advice, additional tutoring, mentoring and targeted navigation to help access other relevant supports, will be provided to around 500 Pacific learners each year, approximately 17% of Pacific learners in their first and	7.40	-	-	7.40	-	-	-	-	-	It is not clear this is a critical cost pressure. Existing scholarships are still being delivered without further funding and the department resource sought should be able to be met within current baseline. Although increasing Pacific scholarships would maintain their value and means, no other Maori scholarships are indeed in this way, therefore the approach would lead to equitable treatment across scholarships. The Tuhi Takes Flight scholarship, as part of the Dawn Raids apology good-will gestures, was only recently established for the 2022 study year, therefore should not be a high priority for funding. The Ministry of Education should not be a high priority for funding in the first year of delivery as competing and well-evidenced. Deliverability is strong: universities are expected to consent for funding through TEC. TEC has established connections with universities, and universities have experience delivering these types of programmes - although they lack sufficient funding to further develop programmes of this scope, creating a need for interventions. A TEC stocktake of existing programmes will be released in early 2022, which will inform the development of the programmes. There	4	3	3