

# The Treasury

## Budget 2024 Information Release

### September 2024

This document has been proactively released and is available on:

- The Budget website from September 2024 to May 2025 only at: <https://budget.govt.nz/information-release/2024>, and on
- The Treasury website from later in 2024 at: <https://www.treasury.govt.nz/publications/information-release/budget-2024-information-release>

#### 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
- [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
- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [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] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

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).

## **Copyright and Licensing**

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

## **Accessibility**

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to [information@treasury.govt.nz](mailto:information@treasury.govt.nz).



# Cabinet

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Budget 2024 Package: Vote Defence Force

On 29 April 2024, Cabinet:

#### Appropriation Administrator: New Zealand Defence Force

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2024 Budget package, as listed in the summary tables below and detailed in the attached initiative documents:

#### Summary of initiatives:

##### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15548	Defence Force Remuneration	-	40.750	40.750	40.750	40.750
15553	Depreciation Expense Arising from Asset Revaluation	-	31.903	31.903	31.903	31.903
15509	Homes for Families (Part Two)	-	1.000	2.000	2.000	2.000
15544	Reduction in Back-Office Functions - New Zealand Defence Force	-	(18.200)	(23.150)	(24.150)	(24.150)
15545	Return of Funding for Lower Value Programmes and Activities	-	(2.385)	(2.385)	(2.385)	(2.385)
16086	Services to Veterans' - Ensuring Effective and Timely Delivery	-	1.000	1.000	1.000	1.000
<b>Total Operating</b>		-	<b>54.068</b>	<b>50.118</b>	<b>49.118</b>	<b>49.118</b>

**Summary of contingency initiatives:****Operating Contingency**

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15508	Improving Protection Against Maritime Threats – Tagged Contingency	[38]				
15557	Military Operational Vehicles – Tagged Contingency					
15556	Modernising Devices and Productivity Tools – Tagged Contingency					
15505	NH90 Helicopter Upgrade: Navigation and Secure Radios – Tagged Contingency					
15507	Upgrading the Regional Supply Facility and Logistics Model at Linton Military Camp – Tagged Contingency					
15542	Upgrading [1] Digital Services – Tagged Contingency					
<b>Total Operating</b>		-	<b>13.828</b>	<b>26.039</b>	<b>33.663</b>	<b>46.050</b>

^ Denotes irregular outyears funding profile

**Capital Contingency**

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15557	Military Operational Vehicles – Tagged Contingency	[38]				
15505	NH90 Helicopter Upgrade: Navigation and Secure Radios – Tagged Contingency					
15507	Upgrading the Regional Supply Facility and Logistics Model at Linton Military Camp – Tagged Contingency					
15542	Upgrading [1] Digital Services – Tagged Contingency					
<b>Total Capital</b>		-	<b>79.506</b>	<b>119.976</b>	<b>49.258</b>	<b>13.199</b>

^ Denotes irregular outyears funding profile

Note: Throughout the document, “total operating” refers to funding over five years (2023/24 to 2027/28) and “total capital” refers to funding over 10 years (2023/24 to 2032/33).

Rachel Hayward  
Secretary of the Cabinet

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Defence Force Remuneration

**Description:** This initiative provides an increase to Military Factor and the sustainment allowance for military personnel when they are deployed.

### Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	40.750	40.750	40.750	40.750
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>40.750</b>	<b>40.750</b>	<b>40.750</b>	<b>40.750</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Departmental Output Expenses:</b>					
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	11.003	11.003	11.003	11.003
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	16.704	16.704	16.704	16.704
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	6.928	6.928	6.928	6.928
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Advice to the Government (MCA)					
<i>Departmental Output Expenses:</i>					
Situational Awareness (funded by revenue Crown)	-	0.408	0.408	0.408	0.408
Total Multi-Category Expenses and Capital Expenditure: Advice to the Government (MCA)	-	0.408	0.408	0.408	0.408

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Protection of New Zealand and New Zealanders (MCA)					
<i>Departmental Output Expenses:</i>					
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations (funded by revenue Crown)	-	1.223	1.223	1.223	1.223
Defence International Engagement (funded by revenue Crown)	-	1.223	1.223	1.223	1.223
Defence Support to the Community (funded by revenue Crown)	-	0.815	0.815	0.815	0.815
Military Assistance to Civil Authorities in Non-Emergency Situations (funded by revenue Crown)	-	0.408	0.408	0.408	0.408
Resource and Border Protection Operations (funded by revenue Crown)	-	2.038	2.038	2.038	2.038
Total Multi-Category Expenses and Capital Expenditure: Protection of New Zealand and New Zealanders (MCA)	-	5.707	5.707	5.707	5.707
<b>Total Operating</b>	-	<b>40.750</b>	<b>40.750</b>	<b>40.750</b>	<b>40.750</b>

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Depreciation Expense Arising from Asset Revaluation

**Description:** This initiative funds the increase in the annual depreciation expense resulting from the upward revaluation of the New Zealand Defence Force’s (NZDF) land, buildings and infrastructure. The revaluation increase of \$601 million as at 30 June 2023 is primarily driven by market increases in the value of properties.

**Appropriation Changes**

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	31.903	31.903	31.903	31.903
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>31.903</b>	<b>31.903</b>	<b>31.903</b>	<b>31.903</b>

\* Unless non-cash, will also impact net core Crown debt.

**Additional Recommendations**

- 2 **noted** that as part of the October 2023 Baseline Update, the Minister of Finance and Minister of Defence (joint Ministers) as authorised by Cabinet Office Circular CO(18)2 approved a non cash increase of \$31.903 million for 2023/24 and outyears to reflect the increased depreciation expense on the increase in value of NZDF's land, buildings and infrastructure following a revaluation as at 30 June 2023, with no corresponding increase in revenue Crown;
- 3 **noted** that this increase in appropriations had an impact on the operating balance but no impact on net core Crown debt;
- 4 **agreed** to increase revenue Crown by \$31.903 million for 2024/25 and outyears with a corresponding impact on net core Crown debt but no change to the amount of this appropriation;

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Homes for Families (Part Two)

**Description:** This initiative provides funding to deliver 35 leased homes to support the operation of Devonport Naval Base. This investment will replace the housing at Devonport and the North Shore as it is progressively transferred to iwi groups under Treaty settlement legislation.

### Appropriation Changes

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	1.000	2.000	2.000	2.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.000</b>	<b>2.000</b>	<b>2.000</b>	<b>2.000</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Departmental Output Expenses:</b>					
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	0.760	1.520	1.520	1.520
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Protection of New Zealand and New Zealanders (MCA)					
<i>Departmental Output Expenses:</i>					
Resource and Border Protection Operations (funded by revenue Crown)	-	0.240	0.480	0.480	0.480
Total Multi-Category Expenses and Capital Expenditure: Protection of New Zealand and New Zealanders (MCA)	-	0.240	0.480	0.480	0.480
<b>Total Operating</b>	-	<b>1.000</b>	<b>2.000</b>	<b>2.000</b>	<b>2.000</b>



**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Improving Protection Against Maritime Threats – Tagged Contingency

**Description:** This initiative establishes a tagged contingency for a subscription to a cloud-based computer application that provides a real time picture of what is happening in New Zealand’s maritime domain. This will be operated by the National Maritime Coordination Centre and accessible to government agencies.

**Note this initiative is commercially sensitive.**

**Tagged Contingency**

	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

**Additional Recommendations**

- 5 **authorised** the Minister of Finance and the Minister of Defence to jointly draw down the tagged operating contingency above (establishing any new appropriations as necessary), subject to Cabinet approval of an Implementation Business Case;
- 6 **agreed** that the expiry date for the above tagged operating contingency be 30 June 2026;

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Military Operational Vehicles - Tagged Contingency

**Description:** This initiative establishes a tagged contingency to purchase a first tranche of new Utility vehicles and modern military communications systems for the New Zealand Defence Force to support deployments overseas, respond to disaster events, and support domestic and training needs in New Zealand.

**Note this initiative is commercially sensitive.**

### Tagged Contingency

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

	\$m - increase/(decrease)			
	2028/29	2029/30	2030/31	2031/32 & Outyears
Operating Contingency	[38]			
Capital Contingency				
<b>Total</b>				

### Additional Recommendations

- 7 **authorised** the Minister of Finance and the Minister of Defence to jointly draw down the tagged operating contingency and capital contingency above (establishing any new appropriations as necessary), subject to Cabinet approval of an Implementation Business Case;
- 8 **agreed** that the expiry date for the above tagged operating and capital contingencies be 30 June 2026;

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Modernising Devices and Productivity Tools - Tagged Contingency

**Description:** This initiative establishes a tagged contingency to fund the replacement of outdated desktop terminals with mobile devices to improve productivity, provide new meeting room technology, and an ability to collaborate anywhere, anytime, to support mobile ways of working.

**Note this initiative is commercially sensitive.**

**Tagged Contingency**

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

**Additional Recommendations**

- 9 **authorised** the Minister of Finance and the Minister of Defence (Joint Ministers) to jointly draw down the tagged operating contingency above (establishing any new appropriations as necessary), subject to Joint Ministers’ approval of an Implementation Business Case;
- 10 **agreed** that the expiry date for the above tagged operating contingency be 30 June 2026;

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Reduction in Back-Office Functions – New Zealand Defence Force

**Description:** This initiative reduces spending on non-operational (back-office) functions where delivery risks can be managed by New Zealand Defence Force. The initiative includes reductions in contractors, consultants and travel.

### Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(18.200)	(23.150)	(24.150)	(24.150)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>(18.200)</b>	<b>(23.150)</b>	<b>(24.150)</b>	<b>(24.150)</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Departmental Output Expenses:</b>					
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(5.096)	(6.482)	(6.482)	(6.482)
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(6.552)	(8.332)	(8.332)	(8.332)
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(2.912)	(3.704)	(3.704)	(3.704)
<b>Non-Departmental Other Expenses:</b>					
Service Cost - Veterans' Entitlements	-	-	-	(1.000)	(1.000)

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Advice to the Government (MCA)					
<i>Departmental Output Expenses:</i>					
Situational Awareness (funded by revenue Crown)	-	(0.182)	(0.232)	(0.232)	(0.232)
Total Multi-Category Expenses and Capital Expenditure: Advice to the Government (MCA)	-	(0.182)	(0.232)	(0.232)	(0.232)
Protection of New Zealand and New Zealanders (MCA)					
<i>Departmental Output Expenses:</i>					
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations (funded by revenue Crown)	-	(0.546)	(0.695)	(0.695)	(0.695)
Defence International Engagement (funded by revenue Crown)	-	(0.910)	(1.158)	(1.158)	(1.158)
Defence Support to the Community (funded by revenue Crown)	-	(0.546)	(0.695)	(0.695)	(0.695)
Military Assistance to Civil Authorities in Non-Emergency Situations (funded by revenue Crown)	-	(0.364)	(0.463)	(0.463)	(0.463)
Resource and Border Protection Operations (funded by revenue Crown)	-	(1.092)	(1.389)	(1.389)	(1.389)
Total Multi-Category Expenses and Capital Expenditure: Protection of New Zealand and New Zealanders (MCA)	-	(3.458)	(4.400)	(4.400)	(4.400)
<b>Total Operating</b>	-	<b>(18.200)</b>	<b>(23.150)</b>	<b>(24.150)</b>	<b>(24.150)</b>

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Return of Funding for Lower Value Programmes and Activities

**Description:** This initiative reduces spending on lower value programmes and activities including insurance, commercial vehicle fleets and further reductions in local travel.

### Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(2.385)	(2.385)	(2.385)	(2.385)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>(2.385)</b>	<b>(2.385)</b>	<b>(2.385)</b>	<b>(2.385)</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Departmental Output Expenses:</b>					
Air Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(0.525)	(0.525)	(0.525)	(0.525)
Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(0.976)	(0.976)	(0.976)	(0.976)
Navy Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	(0.310)	(0.310)	(0.310)	(0.310)
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Advice to the Government (MCA)					
<i>Departmental Output Expenses:</i>					
Policy Advice (funded by revenue Crown)	-	(0.048)	(0.048)	(0.048)	(0.048)
Supporting Ministers (funded by revenue Crown)	-	(0.072)	(0.072)	(0.072)	(0.072)
<b>Total Multi-Category Expenses and Capital Expenditure: Advice to the Government (MCA)</b>	-	<b>(0.120)</b>	<b>(0.120)</b>	<b>(0.120)</b>	<b>(0.120)</b>

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Protection of New Zealand and New Zealanders (MCA)					
<i>Departmental Output Expenses:</i>					
Assistance to the Civil Power and Provision of a Public Service in Emergency Situations (funded by revenue Crown)	-	(0.072)	(0.072)	(0.072)	(0.072)
Defence International Engagement (funded by revenue Crown)	-	(0.167)	(0.167)	(0.167)	(0.167)
Defence Support to the Community (funded by revenue Crown)	-	(0.048)	(0.048)	(0.048)	(0.048)
Military Assistance to Civil Authorities in Non-Emergency Situations (funded by revenue Crown)	-	(0.072)	(0.072)	(0.072)	(0.072)
Resource and Border Protection Operations (funded by revenue Crown)	-	(0.095)	(0.095)	(0.095)	(0.095)
Total Multi-Category Expenses and Capital Expenditure: Protection of New Zealand and New Zealanders (MCA)	-	(0.454)	(0.454)	(0.454)	(0.454)
<b>Total Operating</b>	-	<b>(2.385)</b>	<b>(2.385)</b>	<b>(2.385)</b>	<b>(2.385)</b>

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** NH90 Helicopter Upgrade: Navigation and Secure Radios – Tagged Contingency

**Description:** This initiative establishes a tagged contingency to procure and install new navigation and communication equipment on the eight Royal New Zealand Air Force NH90 Helicopters. This initiative is part of the Operational Regulatory Compliance Systems Project.

**Note this initiative is commercially sensitive.**

### Tagged Contingency

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

	\$m - increase/(decrease)		
	2028/29	2029/30	2030/31 & Outyears
Operating Contingency	[38]		
Capital Contingency			
<b>Total</b>			

### Additional Recommendations

- 11 **authorised** the Minister of Finance and the Minister of Defence to jointly draw down the tagged operating contingency and capital contingency above (establishing any new appropriations as necessary), subject to Cabinet approval of an Implementation Business Case;
- 12 **agreed** that the expiry date for the above tagged operating and capital contingencies be 30 June 2026;



**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Services to Veterans - Ensuring Effective and Timely Delivery

**Description:** This initiative provides funding to enable Veterans' Affairs to reduce the average waiting time for claims from 12 months to 11 months by 30 June 2025. Additionally, this initiative targets the clearance of 10 percent of the existing claims backlog, and would also enable reinstatement of discretionary Veterans' Independence Programme services for veterans over 80 years old and those with terminal illness.

### Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	1.000	1.000	1.000	1.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

\* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Policy Advice And Other Services For Veterans (MCA)					
<i>Departmental Output Expenses:</i>					
Administration Services (funded by revenue Crown)	-	0.200	0.200	0.200	0.200
Services and Payments to Veterans (funded by revenue Crown)	-	0.800	0.800	0.800	0.800
Total Multi-Category Expenses and Capital Expenditure: Policy Advice And Other Services For Veterans (MCA)	-	1.000	1.000	1.000	1.000
<b>Total Operating</b>	-	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>	<b>1.000</b>

**Vote:** Defence Force

**Appropriation Administrator:** New Zealand Defence Force

**Title:** Upgrading the Regional Supply Facility and Logistics Model at Linton Military Camp – Tagged Contingency

**Description:** This initiative establishes a tagged contingency to construct the third building within the Consolidated Logistics Project. This funding will deliver the Linton Regional Supply Facility, a centralised warehouse to house the deployable supply company, regional equipment pool, camp quartermaster store and goods distribution function for Linton Camp.

**Note this initiative is commercially sensitive.**

**Tagged Contingency**

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

**Additional Recommendations**

- 13 **authorised** the Minister of Finance and the Minister of Defence (Joint Ministers) to jointly draw down the tagged operating contingency and capital contingency above (establishing any new appropriations as necessary), subject to Joint Ministers’ approval of an Implementation Business Case;
- 14 **agreed** that the expiry date for the above tagged operating and capital contingencies be 30 June 2026;

<b>Vote:</b>	Defence Force
<b>Appropriation Administrator:</b>	New Zealand Defence Force
<b>Title:</b>	Upgrading <sup>[1]</sup> Digital Services – Tagged Contingency
<b>Description:</b>	This initiative establishes a tagged contingency funding for the first phase of a two-phase initiative <sup>[1]</sup>

**Note this initiative is commercially sensitive.**

### Tagged Contingency

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

	\$m - increase/(decrease)				
	2028/29	2029/30	2030/31	2031/32	2032/33
Operating Contingency	[38]				
Capital Contingency					
<b>Total</b>					

	\$m - increase/(decrease)		
	2033/34	2034/25	2035/36 & Outyears
Operating Contingency	[38]		
Capital Contingency			
<b>Total</b>			

### Additional Recommendations

- 15 **authorised** the Minister of Finance and the Minister of Defence (joint Ministers) to jointly draw down the tagged operating contingency and capital contingency above (establishing any new appropriations as necessary), subject to Cabinet approval of a Single Stage Business Case and the approval of an Implementation Business Case by Joint Ministers;
- 16 **agreed** that the expiry date for the above tagged operating and capital contingencies be 30 June 2026.