

The Treasury

Budget 2024 Information Release

September 2024

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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).

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15 April 2024

Hon Chris Bishop
Minister of Housing
Parliament Buildings
WELLINGTON 6011

Dear Chris

Budget 2024 decisions – Vote Housing and Urban Development

Following our discussions over the past weeks, this letter confirms the decisions made as part of Budget 2024. I would be grateful if you could direct your officials to work with the Treasury to complete the financial recommendations, as well as to prepare the necessary Estimates and Supplementary Estimates material for your sign off by 26 April.

I ask that you work with the Ministry of Housing and Urban Development (as the monitoring department) to inform Kāinga Ora in confidence of the Budget 2024 decisions that directly affect them. Please ensure this happens as soon as possible so that Kāinga Ora can submit their Budget Economic and Fiscal Update forecasts to the Treasury by 1pm 16 April 2024 (noting our recent letter to the Acting Chair of Kāinga Ora, which included our request to resubmit their fiscal forecasts to the Treasury).

A reminder that these decisions remain Budget Sensitive and should only be shared on a need-to-know basis. My office will provide further advice on the approach to Budget communications. Thank you again for your support towards the successful delivery of Budget 2024.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Hon Willis', with a stylized flourish at the end.

Hon Nicola Willis
Minister of Finance

Cc Hon Tama Potaka, Associate Minister of Housing (Social Housing)
Andrew Crisp, Chief Executive – Ministry of Housing and Urban Development

Vote Housing and Urban Development

Budget 2024 Package as at 12 April

All operating values are in average per annum and capital values are total figures may not sum to totals due to rounding. Initiatives are listed under lead portfolio.

New Spending	Savings and Revenue
<p>Cost Pressures and Capital Cost Escalations</p> <ul style="list-style-type: none"> ID 16087: Transfer of Shovel Ready Assets <i>Operating \$18.8m</i> <p>Government Policy Commitments Total Operating: (\$53.8m), Total Capital: -</p> <ul style="list-style-type: none"> ID 15499: Kāinga Ora Crown-Funded Programmes and Statutory Obligations – Continuation of Funding <i>Operating: \$18.8m</i> ID: 16099: Social Housing Supply – Additional 1,500 Social Housing Places (CHP) <i>Operating: \$35.0m</i> 	<p>Housing Savings Total Operating (\$386.0), Total Capital (\$285.0m)</p> <ul style="list-style-type: none"> ID 15489: Affordable Housing Fund: Return of Innovation Pathway Funding <i>Operating: (\$2.5m), Capital: (\$50.0m)</i> ID 15490: Emergency housing system and Homelessness Action Plan – Return of Tagged Contingency <i>Operating: (\$32.1m)</i> ID 15491: Emergency Housing Review and Homelessness Action Plan – Return of Funding <i>Operating: (\$11.5m)</i> ID 15492: Progressive Home Ownership – Return of Operating Funding <i>Operating: (\$4.3m)</i> ID 15493: Contracted Emergency Housing – Return of Underspends <i>Operating: (\$5.0m)</i> ID 15495: HUD Departmental Baseline reduction - 7.5% <i>Operating: (\$5.4m)</i> ID: 15496 Kāinga Ora led Large-Scale Projects – Rescoping Investments <i>Operating: (\$30.0m)</i> ID 15497: Māori Housing – Reducing Funding for New Supply and Capability <i>Operating: (\$10.0m)</i> ID 16073: Rangatahi Youth Transitional Housing – Return of Funding <i>Operating: (\$5.0m)</i> ID: 16089: Additional savings from Large Scale Projects <i>Operating: (\$20.0m) Capital: (\$235.0m)</i> Kāinga Ora – Personnel saving <i>Operating: (\$91.8m)</i> Kāinga Ora – Asset Maintenance <i>Operating: (\$168.5m)</i> <p>Targeted Policy Savings</p> <ul style="list-style-type: none"> ID 16072: First Home Grant – wind down of scheme <i>Operating: (\$61.3m)</i>
<p>Total New Spending Initiatives Operating: \$72.5m, Capital: -</p>	<p>Total Savings and Revenue Initiatives Operating: (\$447.3m), Capital: (\$285.0m)</p>
<p>Net Total: Operating: (\$374.7m), Total Capital: (\$285.0m)</p>	

*Denotes no outyears funding (time-limited)