

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 Karen Chhour
Minister for Children
Parliament Buildings

Dear Karen

Budget 2024 decisions – Vote Oranga Tamariki

Following our discussions over the past weeks, this letter confirms the decisions made as part of Budget 2024. I have been assured that the savings proposed for Oranga Tamariki will not put frontline services at risk. In fact, many of these operational efficiencies have been long planned as part of Oranga Tamariki's drive to optimise its performance. On this basis, I have approved the savings proposals going ahead.

Officials have raised with me that the current package includes capital savings from several initiatives (IDs 15444, 15443 and 15442), [33]

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.

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'.

Hon Nicola Willis
Minister of Finance

Cc Chappie Te Kani, Secretary for Children / Chief Executive – Oranga Tamariki – Ministry for Children

Vote Oranga Tamariki

Budget 2024 Package as at 15 April

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

| New Spending | Savings and Revenue Initiatives |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Cost Pressures</p> <p>Total Operating: ^[38] Capital: -</p> <ul style="list-style-type: none"> • ID 15454: Remuneration cost pressures for frontline staff <i>Operating: ^[38]</i> • ID 15532: Abuse in Care – Crown Response Unit* <i>Operating: \$2.6m</i> • ID 15455: Costs for services to high needs children <i>Operating: \$24.9m</i> <p>Government Policy Commitments</p> <ul style="list-style-type: none"> • ID 15456: Addressing Serious Youth Offending <i>Operating: \$8.8m, Capital: \$2.0m</i> • ID 15446: Frontline Technology Systems Upgrade <i>Operating: \$15.6m</i> • ID 15457: Fast Track Youth Offending Programme <i>Operating: \$7.7m</i> | <p>Baseline Savings</p> <p>Total Operating: (\$79.9m), Total Capital: (\$42.2m)</p> <ul style="list-style-type: none"> • ID 15448: Efficiencies in administration costs <i>Operating: (\$15.0m)</i> • ID 15449: Efficiencies in how we contract for services <i>Operating: (\$30.0m)</i> • ID 15450: FTE reduction as result of organisation design <i>Operating: (\$34.9m)</i> • ID 15444: Specialist Group Homes – capital expenditure savings <i>Capital: (\$16.3m)</i> • ID 15443: Frontline workplaces (Spaces and Places) – capital expenditure savings <i>Capital: (\$25.9m)</i> <p>Capital Pipeline Review</p> <ul style="list-style-type: none"> • ID 15442: Youth Justice Community Based New Builds – capital expenditure savings <i>Capital: (\$72.0m)</i> |
| <p>Total New Spending Initiatives</p> <p>Operating ^[38] Total Capital: \$2.0m</p> | <p>Total Savings and Revenue Initiatives</p> <p>Operating: (\$79.9m), Total Capital: (\$114.2m)</p> |
| <p>Net Total: Operating ^[38] Total Capital: (\$112.2m)</p> | |

*Denotes no outyears funding (time-limited)