

The Treasury

Budget 2024 Information Release

September 2024

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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

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Annex 2: Budget 2024 Savings Template

Section 1: Overview

Section 1A: Basic initiative information										
Initiative title (max 120 characters)	Titles should be clear, concise, informative, and self-explanatory. They should not start with generic words such as “returning”, “discontinuing”, and “rephasing”. Initiatives are listed alphabetically so it is important that the first word in the title distinguishes the initiative from others. For example, “Hosting a virtual APEC in 2021 – return of funding”. Refer to the Annex of the Budget 2024 Guidance for best practice on titles.									
Lead Minister	Portfolio of the Lead Minister submitting the initiative.	Agency	Name of the Agency submitting the initiative.							
Initiative description (max 800 characters)	Descriptions must succinctly outline in plain language what is being stopped, scaled down or rephased. For example, “This initiative returns funding for the Wellington Accommodation Project (WAP) – Tranche 2 for reallocation as part of Budget 2024, as this funding is no longer required.” Refer to Annex A of the Budget 2024 Guidance for best practice on descriptions.									
Type of saving (PA objective in CFISnet)	<input type="checkbox"/> Baseline reduction	<input type="checkbox"/> Targeted policy savings	<input type="checkbox"/> Capital pipeline review							
Is this a cross-Vote initiative?	Y/N	If yes, indicate which other Votes are affected.								
Is this a revenue initiative?	Y/N									
Agency contact	Name: Phone: Email:	Treasury contact (Vote Analyst)	Name: Phone: Email:							
Section 1B: Summary of savings profile										
Operating funding available for return (\$m)										
2023/24	2024/25	2025/26	2026/27	2027/28 & outyears*	Total					
[•]	[•]	[•]	[•]	[•]	[•]					
*For irregular outyears, add additional rows above to display the full profile of the initiative. Delete “& outyears” for time-limited funding. See the Guide to Submitting Initiatives on CFISnet for Budget 2024 for more information on entering outyears into CFISnet.										
Capital funding available for return (\$m)										
23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33*	Total
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
*Extend the profile above if funding is needed beyond 2032/33.										

Section 2: Alignment and options analysis

Section 2A: Alignment				
The answer to each question must not exceed 1-2 paragraphs				
Does this savings initiative have consequences for the Budget priorities? (if there are implications for multiple Priorities, select the most relevant)	<input type="checkbox"/>	Addressing the rising cost of living	<input type="checkbox"/>	Delivering effective and fiscally sustainable public services
	<input type="checkbox"/>	Building for growth and enabling private enterprise	<input type="checkbox"/>	No consequences
	<i>How does this activity or asset/investment deliver on the Government's priorities? Are there linkages or dependencies with other priorities?</i>			
Section 2B: Options analysis				
The answer to each question must not exceed 1-2 paragraphs				
What was the process used to select the preferred option?	<p><i>This section should detail the process for determining the proposed savings or revenue option. Describe:</i></p> <ul style="list-style-type: none"> <i>How engagement/consultation with partners/stakeholders/customers (including iwi and Māori) informed the identification and quantification of costs and risks.</i> <i>Does this saving constitute all or part of a programme? If only part, are there are options to return more funding from this programme and why is that not recommended.</i> 			

Section 3: Costs and benefits analysis

Section 3A: Benefits and non-fiscal costs	
The answer to each question must not exceed 1-2 paragraphs. The primary benefit of savings is fiscal. Therefore, the primary purpose of this section is to highlight any risks or impacts of the savings initiative.	
The Risks and Impacts section below is required for all initiatives invited into the capital pipeline review, regardless of whether there are any changes are proposed to this initiative.	
Where do the savings or revenue arise from?	<p><i>Describe what will be stopped or no longer happen if the proposed savings were to be returned to the centre (e.g., is a particular programme or investment being stopped, rescope, rephased, or is there less expenditure on non-essential functions? What is the real world impact?)</i></p> <p><i>For investments, please outline here what your proposal is for the initiative – for example, to rephase, rescope or to withdraw, as well as provide detail on what the proposal is (e.g. for rescoping, what deliverables are being rescope and what does that mean for overall delivery).</i></p> <p><i>For revenue options, describe the outputs or services that would be subject to revenue.</i></p>
Risks and impacts	<p><i>Explain the implications and risks if this activity is stopped or scaled, or investment delayed or rescope, other than assuming reprioritisation of existing funding. Please set out how the risks identified would be managed or mitigated.</i></p> <p><i>You may wish to describe:</i></p>

	<ul style="list-style-type: none"> - What are the consequences of stopping or scaling this programme for outputs and outcomes? - Are there dependencies with other initiatives and programmes? - Will it create future cost pressures or create costs for other Agencies? Is this a cost which will need to be incurred again regardless? - How will the initiative impact service delivery (including any impacts from workforce changes)? - Any regulatory risks (e.g., regulatory failure)? - Are there any contractual arrangements or agreements that are required/risk breaking (note, any associated legal advice should be marked 'legally privileged')? - Are there other relationship risks that could impact on the ability to work with communities, iwi and other groups outside of government? - Would this result in any revenue-related risks, or be identified as a specific fiscal risk? - Long term risks and key trade-offs made. <p>For subsidies, transfers, and targeted assistance: what are the trade-offs of adjusting policy settings for it to be more targeted? For example:</p> <ul style="list-style-type: none"> • Will this make the programme/service more efficient and effective, and how will that be assessed? • How would this change the outcomes achieved? • How would this change the costs of administering this programme? <p>For investments, you should also describe:</p> <ul style="list-style-type: none"> • What impacts stopping or scaling will have on your agency's overall service delivery? • What are the specific contractual agreements and parties impacted by this initiative? • What approaches have/will be taken to manage the reduction in outcomes and benefits? <p>For revenue options, you may wish to refer to the Treasury's Guidelines for Setting Charges in the Public Sector, the Office of the Auditor-General's cost recovery guidance, and the Legislation Design and Advisory Committee's cost recovery guidelines.</p>			
Impact on frontline services	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;"><input type="checkbox"/> High</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Medium</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Low</td> </tr> </table> <p>What is the level of risk to your Agency's service delivery expected from the proposed savings?</p>	<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low
<input type="checkbox"/> High	<input type="checkbox"/> Medium	<input type="checkbox"/> Low		
Climate impact	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Yes - positive</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> Yes - negative</td> <td style="width: 33%; text-align: center;"><input type="checkbox"/> No impact</td> </tr> </table> <p>Please identify any impacts that making these savings might have on resilience to climate change or greenhouse gas emissions. This should include (where appropriate) implications for meeting our emissions budgets, impact on sub sector emissions targets outlined in the first Emissions Reduction Plan, and should point out any impact on quantified emissions abatement that may occur.</p>	<input type="checkbox"/> Yes - positive	<input type="checkbox"/> Yes - negative	<input type="checkbox"/> No impact
<input type="checkbox"/> Yes - positive	<input type="checkbox"/> Yes - negative	<input type="checkbox"/> No impact		
Section 3B: Status quo				
The answer to each question must not exceed 1-2 paragraphs.				

Status quo	<i>Describe how the programme/service is being delivered at present including planned expenditure and new FTEs (including contractors/consultants) over the forecast period (or beyond if funding into outyears is irregular).</i>
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Existing operating funding for programme/service (\$m)

2023/24	2024/25	2025/26	2026/27	2027/28 & outyears*	Total
[•]	[•]	[•]	[•]	[•]	[•]

*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

Existing capital funding for programme/service (\$m)

23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33*	Total
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]

*Extend the profile above if funding is needed beyond 2032/33.

Section 3C: Savings profile and cost breakdown

The answer to each question must not exceed 1-2 paragraphs.

Formula and assumptions underlying costings	<p><i>What assumptions have been used to identify available savings from this programme, activity, or investment? E.g. for FTE, this may include salary assumptions, role/seniority, associated overheads.</i></p> <p><i>Provide any formula that has been used to support the calculation of the costings. Alternatively, a spreadsheet of the costing that demonstrates the formula used to calculate the costing can be attached.</i></p>
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Provide a breakdown of total initiative expenditure by individual expense category. Total operating and capital expenses in this section must match the totals in Section 1B: Summary of funding profile. Insert additional rows as appropriate for additional expense categories.

Recommended operating savings (\$m)

Operating expense category	2023/24	2024/25	2025/26	2026/27	2027/28 & outyears*	Total
<i>[Name of Departmental operating expense category]</i>	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of Non-Departmental operating expense category]</i>	[•]	[•]	[•]	[•]	[•]	[•]
Depreciation and/or capital charge (if relevant)	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE funding	[•]	[•]	[•]	[•]	[•]	[•]
Net contractor/consultant funding	[•]	[•]	[•]	[•]	[•]	[•]
Net FTE and contractor/consultant overhead funding	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name/type of contingency]</i>	[•]	[•]	[•]	[•]	[•]	[•]

Total (\$m)	[●]	[●]	[●]	[●]	[●]	[●]
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*Extend the profile above to a “steady state” if funding into outyears is irregular. Delete “& outyears” for time-limited funding.

Headcount Change	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Total # of net FTEs (employees)	[●]	[●]	[●]	[●]	[●]	[●]
Total # of net FTEs (contractors/consultants)	[●]	[●]	[●]	[●]	[●]	[●]
Total # of net FTEs (employees and contractors/consultants)	[●]	[●]	[●]	[●]	[●]	[●]

Additional occupation breakdown of FTE changes (count and funding) over the forecast period

Occupation	Net count changed	Net funding changed (\$m)	Net amount overheads changed (\$m)
Managers	[●]	[●]	[●]
Policy Analyst	[●]	[●]	[●]
Information Professionals	[●]	[●]	[●]
Social, Health and Education Workers	[●]	[●]	[●]
ICT Professionals and Technicians	[●]	[●]	[●]
Legal, HR and Finance Professionals	[●]	[●]	[●]
Other Professionals not included elsewhere	[●]	[●]	[●]
Inspectors and Regulatory Officers	[●]	[●]	[●]
Contact Centre Workers	[●]	[●]	[●]
Clerical and Administrative Workers	[●]	[●]	[●]
Other Occupations	[●]	[●]	[●]

Recommended capital savings (\$m)

Capital expense category	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33*	Total
<i>[Name of Departmental capital expense category]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<i>[Name of Non-Departmental capital expense category]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
<i>[Name/type of contingency]</i>	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total (\$m)	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]

*Extend the profile above if funding is needed beyond 2032/33.

Section 4: Delivery

Implementation of savings

The answer to each question must not exceed 1-2 paragraphs

Implementation of savings from this programme, activity or investment	Describe the steps that are required in order to implement the initiative, including their timeframes.				
	<p>For example, does it require</p> <ul style="list-style-type: none"> - a reduction to FTE - policy decisions to stop the delivery of programmes or services - regulatory or legislative changes (including for revenue options) - changing or terminating existing contractual agreements? <p>What are the stages to stop this programme and are specific steps contingent on dependencies? Are there any transition costs (e.g., redundancy costs) associated to this savings initiative? When will savings be realised?</p>				
Transition costs associated with the savings initiative (\$m)					
2023/24	2024/25	2025/26	2026/27	2027/28 & outyears*	Total
[•]	[•]	[•]	[•]	[•]	[•]
Was this activity funded from the Climate Emergency Response Fund?	Y/N	If yes, please provide the Cabinet minute reference for this initiative, and the Budget initiative ID (if applicable).			

Section 5: Equity

The answer to each question must not exceed 1-2 paragraphs.

Timing of costs and benefits	Indicate if the key risks and costs will accrue over the short term (<5 years), medium term (5-10 years), long term (>10 years) or inter-generationally. Indicate whether, and why, risks and costs vary across different timeframes.	
Specific implications regarding the Crown's obligations under the Treaty of Waitangi	Y/N	Are there any Treaty-related risks or legislative risks in relation to Treaty settlements, including Treaty settlements relevant to your Agency? Briefly describe any specific implications – guidance on applying the Treaty to policy work can be found here and here .
Distributional Impacts	Possible distributional impacts (positive and negative) should be considered for all initiatives. Identify if there are different or disproportionate impacts from this savings initiative on different types of New Zealanders. You might consider differential ethnic, gender, income/wealth distribution and/or spatial impacts. Distinguish between direct and indirect impacts, and whether these are intended impacts; e.g. from a more targeted policy, or an unintended consequence.	

Section 6: Capital pipeline review - Project detail

For initiatives being considered as part of the Capital Pipeline Review:

For initiatives that are being reported as a programme, please list all the individual projects in that programme with a capital value of over \$50m for Infrastructure, or \$15m for Data and Digital and Organisational Change investments, and provide the additional details noted below. For initiatives that refer to a single project, please complete a single line for your project.

Please ensure that details and figures in this table align to your capital pipeline summary in Annex Five.

Project name	Region of delivery	Planning start date	Expected delivery start date	Expected delivery end date	Total capex (\$m)	Total opex (\$m)
<i>[Name of project]</i>	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of project]</i>	[•]	[•]	[•]	[•]	[•]	[•]
<i>[Name of project]</i>	[•]	[•]	[•]	[•]	[•]	[•]