

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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Treasury Report: Finalising the Budget 2024 Documents

| | | | |
|--------------|-------------|---------------------|-----------------------|
| Date: | 23 May 2024 | Report No: | T2024/1387 |
| | | File Number: | BM-2-8-2024-2-M105564 |

Action sought

| | Action sought | Deadline |
|---|--|------------------|
| Hon Nicola Willis Minister of Finance | Approve the 2024 Child Poverty Report, 2024 Fiscal Strategy Report and Tax at a Glance. Provide feedback on the Summary of Initiatives and Budget at a Glance | 12pm 24 May 2024 |

Contact for telephone discussion (if required)

| Name | Position | Telephone | 1st Contact |
|----------------|--|-----------------|-------------|
| Emma Harris | Analyst, Budget ^[39] | ^[35] | ✓ |
| Keiran Kennedy | Manager, Welfare & Oranga Tamariki, Budget | | |

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: Final Budget 2024 Documents

Purpose of Report

1. Attached to this report are the final drafts of the following documents **(in order of priority for your review)**.
 - a Annex A: Fiscal Strategy Report
 - b Annex B: Child Poverty Report
 - c Annex C: Tax at a Glance
2. We are seeking your approval of the Fiscal Strategy Report, Child Poverty Report and Tax at a Glance by 12pm Friday 24 May, subject to incorporating any final feedback. Following your approval and incorporation of final feedback, these documents will go through final formatting and quality assurance checks and be printed before Budget Day.
3. The following documents are also attached for your review. We will work with you and your Office over the weekend to incorporate any final feedback you have on these documents:
 - d Annex D: Budget at a Glance
 - e Annex E: Summary of Initiatives
4. The deadlines for your final sign-out of the Budget 2024 documents are set out in the table at paragraph 11.

Final Budget 2024 Documents for Approval

5. Attached to this report are the final drafts of the Child Poverty Report, Fiscal Strategy Report and Tax at a Glance. They reflect your feedback on the previous two versions and input from your Office.

Child Poverty Report

6. Your Office asked for the draft to include a small number of highlighted changes for you to consider. These changes are highlighted in the draft. We are seeking your feedback on whether you want to make these final changes.

Outstanding Documents for Feedback

7. You have given some direction on the Summary of Initiatives and feedback on the Budget at a Glance, which we have incorporated. The latest version of these documents are attached to this report. They are subject to final formatting and quality assurance from the Treasury.

Summary of Initiatives

8. At Budget Matters on 15 May you requested that where possible baseline savings initiatives included the rationale for the saving and detail of the impact of the reduction in funding. Our vote teams have worked with their relevant agencies to provide that detail where possible.
9. In this version of the Summary of Initiatives we have highlighted the initiatives we consider you may wish to prioritise reviewing based on discussions with your Office. A number of these are baseline savings initiatives.
10. Annex A sets out the list of sensitive initiatives that have been withheld or partially withheld from the Summary of Initiatives with the detail of what is being withheld/disclosed. You previously indicated at Budget Matters on 15 May that you were comfortable with this disclosure approach to these initiatives in the Summary of Initiatives [T2024/1228 refers].

Sign-out Deadlines for Budget Documents

11. The sign-out deadline for each document varies slightly due to the sequencing of printing, and are set out in the below table. It is essential that these deadlines are met in order to minimise the risk of error and ensure all documents can be professionally printed and published on the website in time for Budget Day.

| Document | Deadline for final sign-out |
|------------------------|------------------------------------|
| Child Poverty Report | 12pm Friday 24 May |
| Fiscal Strategy Report | 12pm Friday 24 May |
| Tax at a Glance | 12pm Friday 24 May |
| Summary of Initiatives | 5pm Sunday 26 May |
| Budget at a Glance | 2pm Monday 27 May |
| Press Releases | 12pm Monday 27 May |
| Budget Speech | 3pm Monday 27 May |

Risks and Interdependencies

12. There is significant content overlap between the Budget documents, which means that changes made to one document may affect other documents.
13. If you make substantive edits to the Summary of Initiatives and/or the Budget at a Glance over the weekend, these edits cannot be reflected in the documents you have already signed out, as they will have already entered the printing process. This means the Budget documents may be inconsistent with one another. However the necessary staggering of sign-out and printing deadlines means this risk cannot be avoided.

14. As highlighted in last week's report (T2024/1359 refers), the deadlines set out at paragraph 11 are tight. Timelines have already been pushed back from Treasury's preferred timelines to the 'fallback timeline' set out in last week's report.
15. If these deadlines are missed (or feedback on the Child Poverty Report, Fiscal Strategy Report and/or Tax at a Glance is more than minor) there is an increasing risk that the printed quality of the documents will be impacted. It is also unlikely that the documents will be able to be both professionally printed and published on the website in time for Budget Day.

Next Steps

16. We request your final approval of the Fiscal Strategy Report, Child Poverty Report and Tax at a Glance by 12pm on Friday 24 May (subject to any final feedback being incorporated) so that these documents can be printed Friday afternoon.
17. We will work with you and your Office to finalise the Budget at a Glance and Summary of Initiatives in order to begin the printing process on Monday 27 May. As previously noted, if the sign-out deadlines set out in paragraph 9 are not met there is an increasing risk to printing and publishing.
18. Following your sign-out of the Budget documents, we will complete final formatting and begin work with the external printers to complete final quality assurance and produce the required material for Budget Day.

Recommended actions

We recommend that you:

- a **approve** the Fiscal Strategy Report, subject to any final feedback you provide being incorporated.

Approve/Do not approve

- b **approve** the Child Poverty Report, subject to any final feedback you provide being incorporated.

Approve/Do not approve

- c **approve** the Tax at a Glance, subject to any final feedback you provide being incorporated.

Approve/Do not approve

- d **provide feedback** on the Budget at a Glance and the Summary of Initiatives, noting that we will work with your Office to finalise these documents for printing on Monday 27 May.

e **note** that any slippage from the deadlines set out in paragraph 5 of this report risks errors in the documents, and the documents not being printed or uploaded to the website ahead of Budget Day.

f **indicate** if you have any feedback on the approach to the initiatives being withheld from Budget communications in Annex A.

Yes/No

Keiran Kennedy
Manager, Budget Management

Hon Nicola Willis
Minister of Finance

_____/_____/_____

Annex A – List of Withheld Initiatives from Budget 2024 Communications

| ID | Vote | Title | Total Operating (\$m) | Total Capital (\$m) | Treatment in Vote Summary Table | Disclosure of Initiative Specific Details (title, description and \$) | Comment | MoF feedback |
|-------|----------------------------------|--|-----------------------|--|--|--|---|--------------|
| [25] | | | | | | | | |
| 16157 | Business, Science and Innovation | [33] | | | | | | |
| | | Wellington Office Accommodation Reduction for the Public Service – Spending | 8.747 | - | Total amount included in “Government Commitments” line in Vote Summary table | Disclosed | Spending has been disclosed as this funding has been appropriated. | |
| 15632 | [38] | | | | | | | |
| [38] | | | | | | | | |
| 15508 | Defence Force | Improving Protection Against Maritime Threats | [38] | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | Included in Vote Summary table and title and description included as multiple NZDF initiatives have withheld amounts so public would not be able to attribute funding to a specific initiative. | |
| 15557 | Defence Force | Military Operational Vehicles | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | | | |
| 15556 | Defence Force | Modernising Devices and Productivity Tools | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | | | |
| 15505 | Defence Force | NH90 Helicopter Upgrade: Navigation and Secure Radios | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | | | |
| 15507 | Defence Force | Upgrading the Regional Supply Facility and Logistics Model at Linton Military Camp | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | | | |
| 15542 | Defence Force | Upgrading [1] Digital Services | | Total amount included in “Government Commitments” line in Vote Summary table | Title and description disclosed. Amount in tagged contingency not disclosed. | | | |

| ID | Vote | Title | Total Operating (\$m) | Total Capital (\$m) | Treatment in Vote Summary Table | Disclosure of Initiative Specific Details (title, description and \$) | Comment | MoF feedback |
|--------------|----------------------------|--|-----------------------|---------------------|---|---|--|--------------|
| 15716 | [38] | | | | | | | |
| 16115 | | | | | | | | |
| [33] | | | | | | | | |
| 15704 | [38] | | | | | | | |
| [38] | | | | | | | | |
| [38] | Prime Minister and Cabinet | Whenua Māori and Marae Pathway Cost Pressures | [38] | | Total amount included in "Cost Pressures and Capital Cost Escalations" line in Vote Summary table | Fully withheld | Included in Vote Summary table as public would not be able to attribute funding to a specific initiative. | |
| [38] | | | | | | | | |
| 15728 | Tertiary Education | Te Pūkenga Disestablishment and Transition - Operating Contingency | [38] | | Not included in Vote Summary table. | Title and description disclosed but funding amount not disclosed. | The Ministry of Education would like to disclose the title and description so that the initiative can be used in Budget communications. However, they have asked that the amounts not be disclosed as the funding is still commercially sensitive. | |
| [25] | | | | | | | | |
| Total | | | [33] | | | | | |