

The Treasury

Budget 2024 Information Release

September 2024

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Treasury Report: Baseline Reductions - Report back from Phase 1 of the Assurance Process

Date:	19 January 2024	Report No:	T2024/25
		File Number:	BM-2-15-3-4-8

Action Sought

	Action Sought	Deadline
Minister of Finance (Hon Nicola Willis)	<p>Agree to follow up with your colleagues as recommended in Annex A.</p> <p>Agree to take an oral item to Cabinet on 30 January to provide an update on the Assurance Process.</p> <p>Refer report to the Associate Ministers of Finance.</p>	23 January 2024

Contact for Telephone Discussion (if required)

Name	Position	Telephone	1st Contact
Amanda Wilson	Senior Analyst, Spending Review ^[35]		✓
Bonar Robertson	Principal Advisor, Public Finance Policy		
Keiran Kennedy	Manager		

Minister of Finance's Office Actions (if required)

Return the signed report to Treasury.

Arrange follow up meetings and engagements as set out in Annex A (if agreed by the Minister).

Note any feedback on the quality of the report

Enclosure: Yes - Annex A and Annex B (attached)

Treasury Report: Baseline reductions - report back from phase 1 of the Assurance Process

Executive Summary

To support the Government to deliver on its policy commitments while maintaining fiscal discipline in the current fiscal and economic environment, Budget 2024 includes an Initial Baseline Exercise intended to deliver an overall baseline reduction of at least \$1.5 billion per annum from 2024/25. In addition, several agencies are expected to provide additional targeted savings and/or revenue options.

Given the importance of achieving the savings target, and after engagement with you, Treasury designed an assurance process to provide due challenge and visibility of progress in the lead up to the submission of savings initiatives due on 16 February 2024. An Assurance Panel comprised of senior staff from Central Agencies met with all agencies required to deliver savings to assess their progress on developing sufficient and credible savings options.

This report updates you on the results of the first phase of this process where:

- Over half (20 out of 39) of the agencies were assessed as “Green”, with no indications that the agency is not on track to deliver savings options to be considered as part of the formation of the Budget package.
- 10 agencies were assessed as “Amber” meaning that while successful provision of savings options appears feasible, some risks were noted.
- 1. The remaining 9 agencies were assessed as “Red” with significant challenges or risks to achieving options for their savings targets. These agencies also make up 54% (\$885 million) of the savings target.

While agencies are taking the Initial Baseline Exercise seriously, it is clear that prioritisation and clear Ministerial direction will be essential to making the challenging trade-offs required to realise savings. Challenges were identified for non-departmental activities, particularly where savings need to come from Crown entities, policy decisions and changes to third party services.

Next steps

We have recommended in some cases that you follow up with your Ministerial colleagues on issues identified through this process to ensure their agencies are on track to delivering savings options. We believe this will be important in increasing the overall success of the programme.

We also recommend that you take an oral item to Cabinet on 30 January 2024, providing an outline of the findings from the first phase of the assurance process, and in particular reinforcing the need for Ministers to engage with their agencies on the savings plans as a priority.

Central agencies are following with agencies on specific issues that arose during engagements where we were able to offer clarification or extra support.

A second phase of the Assurance panel is planned before savings submissions are due (on 16 February 2024) where all agencies will update the Panel on progress – with the highest risk and largest agencies having a second Panel engagement. We intend to report to you by 9 February 2024 on the results of this second phase.

Recommended Action

We recommend that you:

- a **note** that the Treasury convened an Assurance Panel (consisting of senior staff from the Treasury, Public Service Commission and the Department of the Prime Minister and Cabinet) that met with all agencies to understand progress on developing their baseline reduction submissions (due 16 February 2024);
- b **refer** to Annex A that provides the assurance panel's summary for each agency, including its risk rating and proposed next steps;
- c **agree** to engage with the following Ministers to expedite discussions required to ensure the successful delivery of sufficient and credible savings options as further detailed in Annex A:

[34]

Agree/disagree.

- d **agree** to take an oral item to Cabinet on 30 January 2024 providing an outline of the findings from the first phase of the assurance process, and in particular reinforcing the need for Ministers to engage with their agencies on savings options and have engagement with Crown entities on their role in meeting the savings targets as a priority.

Agree/Disagree

- e **note** that Annex B provides further information reflecting the Treasury's summary of the conversations between the assurance panel and agencies;
- f **note** that organisational restructure is an emerging theme from the assurance panel's summary and the Public Service Commission is providing system support to agencies as they progress work on savings proposals related to organisational restructures;

- g **note** that there are a number of other processes running parallel to the Assurance Panel that may impact on the overall impact of savings options; and
- h **agree** to refer this report to the Associate Ministers of Finance.

Agree/disagree.

Keiran Kennedy
Manager, Spending Review

Hon Nicola Willis
Minister of Finance

_____/_____/_____

Treasury Report: Baseline reductions - report back from phase 1 of the Assurance Process

Purpose of Report

2. This report:
 - provides a report back from Phase 1 of the Assurance Process to support delivery of baseline reduction and targeted savings options for Budget 2024;
 - outlines the process undertaken by the Treasury and the Baseline Reduction Assurance Panel;
 - outlines the themes from the engagements with agencies; and
 - gives an overview of the next steps required to support agencies and Ministers to provide credible and sufficient savings options by 16 February 2024.

Background - Fiscal Sustainability Programme

3. On 11 December 2023, as part of its decisions on Budget 2024 and the Initial Baseline Exercise process, Cabinet agreed that the public sector and Ministers deliver an overall baseline reduction of at least \$1.5 billion per annum from 2024/25. In addition, several agencies are expected to provide additional targeted savings and/or revenue options [CAB-23-MIN-0490].
4. Delivery of these savings is an important factor in:
 - ensuring Budget 2024 can deliver the Government's priorities in a fiscally responsible way;
 - shifting the public sector to focus on expenditure restraint and fiscal discipline through the fiscal sustainability programme; and
 - implementing a fiscal strategy designed to return to operating surplus through a steadily improving OBEGAL trajectory which is key to supporting long-term fiscal sustainability.
5. The Budget 2024 allowance is under significant pressure. Even with limited invitations for new spending and cost pressure initiatives, difficult trade-offs will be required. Savings secured through the baseline reduction and targeted savings/revenue options are an important factor in balancing the Budget package.
6. These fiscal pressures are not temporary; pre-existing challenges such as demographic shifts and climate change will increase pressure on spending over the medium-term. Budget 2024 is a critical opportunity to set expectations of strong fiscal discipline and sustainable, well-planned spending across the public sector. The difficult choices required of agencies and Ministers to identify and secure the savings sought through the Initial Baseline Exercise reflect the broader shift required to operate in a fiscally constrained environment.
7. From a fiscal strategy perspective, it is important both to improve the fiscal position, and to do so in a way that will be sustainable. Savings secured through the Initial Baseline Exercise need to be enduring – avoiding temporary solutions that create cost pressures or fiscal risks in future years. The Initial Baseline Exercise also represents an opportunity to improve the structure of government expenditure, shifting resources from low-value programmes to those which represent value for money.

8. Delivering these baseline reductions and targeted savings options will require significant commitment and effort from departments and Ministers in a short period of time.

Assurance Process

9. Given the importance of achieving the savings target, and after engagement with you, we designed an Assurance Process to provide due challenge and visibility of progress in the lead up to the submission of savings initiatives by agencies and Ministers as part of the Initial Baseline Exercise, which is due on 16 February 2024 [T2023/2090 refers].
10. This assurance is part of the broader fiscal sustainability programme to support the Government in the delivery of its fiscal strategy and a sustainable reduction in public sector expenditure. The Treasury has convened a Baseline Reduction Assurance Panel (the Panel), made up of senior staff from the Treasury, the Public Service Commission, and the Department of the Prime Minister and Cabinet.
11. There are two phases to the process:
 - Phase One (Complete) – The Panel met with all agencies in scope of the Initial Baseline Exercise to assess their progress on developing their baseline reduction submissions to deliver sufficient and credible savings options by 16 February 2024.
 - Phase Two (Underway) – The Panel has select(ed) agencies they will have second engagements with focusing on agencies with the largest savings targets and risks levels. All agencies will provide written updates to the Panel detailing their progress on savings options.
12. The outputs from the Assurance Process will:
 - provide early visibility of any risks to achieving baseline reduction target \$1.5 billion per annum, which is central to your fiscal sustainability programme;
 - provide targeted focus areas for development of your Budget 2024 package; and
 - feed into agency Spending and Performance plans and the wider savings review programme.
13. You will be receiving advice on the overall Budget 2024 timelines in the week of 22 January 2024 [T2024/45 refers]. Further advice on the Savings Review programme, including savings and performance plans, will be provided in the coming months.

Phase one of the Assurance Process

14. Between 9-16 January 2024, the Panel met with 34 individual departments and departmental agencies, and held a joint meeting of the five Justice cluster departments. Department's chief executives (or their delegates where the chief executive was unavailable) attended these sessions.
15. The focus of the Panel in Phase one was on assessing the progress made by agencies in the development of their baseline reduction submissions to deliver sufficient and credible savings options by 16 February 2024. This was to enable action to be taken where agencies are not progressing as expected.

16. The role of the Panel is not to assess the quality of the savings options which are still being developed and will be assessed through the Budget 24 process. It is critical agencies work through detailed options with their Ministers in advance of initiative submissions on 16 February 2024, to ensure credible plans are in place to meet the baseline reduction targets.
17. Beyond visibility of progress, the assurance process reinforced the importance of achieving the savings targets. Requiring all agencies to front the Panel and provide an update on progress before the submission date has emphasised that they need to be proactive and engaged in the savings process. This will support the culture change we need to embed fiscal sustainability across the public sector.
18. A cluster approach was piloted for the Justice sector as part of Budget 2022. To maintain this approach, the Panel met with the five Justice Cluster agencies (Police, Ministry of Justice, Department of Corrections, Crown Law Office and Serious Fraud Office) collectively to consider progress towards the savings expected from this baseline reduction (Justice Cluster target: \$315 million per annum).
 - The Justice Cluster informed us that, due to the timing and guidance related to the exercise, they would be approaching the savings as individual agencies, while remaining cognisant of the interconnections within the criminal justice system.
 - The Panel was able to assess the Justice Cluster as a whole for this first assurance process and this information is provided to you in Annex A and B. The Panel has also offered to meet with the Justice Cluster agencies before the second assurance process if needed.
 - For the second assurance process, the Panel will engage with the Justice Cluster agencies individually, as appropriate. This will include an invite for discussion for the Police, the Ministry of Justice and the Department of Corrections.
19. The Panel has assigned a risk rating on the progress being made by each agency using a “Red Amber Green” (RAG) rating approach. Assessments have been made based on the information provided to the Panel during the session only. The assessment criteria used was:

RAG Rating	Rating Description
Green	No indications that the agency is not on track to deliver savings options by 16 February 2024. Successful delivery of sufficient and credible savings options to meet the baseline reduction target appears likely.
Amber	Successful delivery of sufficient and credible savings options to meet the baseline reduction target appears feasible – but some risks were noted.
Red	Successful delivery of sufficient and credible savings options to meet the baseline reduction target appears in doubt and unachievable without intervention and/or support.

Key findings from the Panel

RAG rating	Number of agencies	% of total savings target
Green	20	17%
Amber	10	29%
Red	9	54%

20. Overall, most agencies have indicated they are progressing well on their savings plans and have developed useful options and material to engage with their Ministers. A number of agencies are identifying additional options above the savings target to provide for possible cost pressures they may face and/or to fund other ministerial priorities. While the savings proposals are generally progressing well, there will be challenging decisions and trade-offs that will need to be made. In most cases, Ministerial engagement on the options and choices is yet to occur.
21. Over half (20 out of 39) have been assessed as “Green”, meaning the Panel’s assessment is that that the agency is on track to deliver savings options.
22. 10 agencies have been assessed as “Amber” meaning that while successful provision of savings options appears feasible, some risks were noted. In some cases, there are challenging policy decisions or trade-offs required to achieve targets or significant policy or legislative change processes required before savings can be realised. Agencies are noting that outside of the 100-day plan, government priorities are less clear.
23. The remaining 9 agencies have been assessed as “Red” with significant challenges or risks to achieving options for their savings targets. This is largely as a result of either:
 - Large savings being required from non-departmental activities, including from Crown entities. ^[34]

or

 - Being added to the savings programme in December 2023 (e.g. The New Zealand Defence Force) and so have not had the same amount of time to develop savings plans.
24. While less than a quarter of the agencies have been assessed as “Red”, these make up 54% (\$885 million) of the total savings target. This means the follow up actions and interventions required for these agencies is key to the delivery of the overall savings programme. These agencies ^[34] will all be subject to phase 2 of the assurance process in early February 2024.
25. **Annex A** provides the Panel’s summary for each agency. This includes:
 - The RAG rating.
 - The savings target.
 - A short description providing an overview of the agencies progress, programme details, and any risks and challenges to delivery.
 - Further action and next steps (where applicable) in relation to each agency, including recommendations that we require your decisions on.

Individual agency themes identified through the Panel

26. In summary, we recommend that you, or your office, look to engage with the following Ministers as soon as possible to discuss difficult trade-offs, policy decisions and/or engagement requirements:

[34]

- 27. These meetings provided the Panel with information on each agency’s approach to savings, engagement, and common themes and risks. For your information, the Treasury has captured further detailed information on each agencies’ progress and savings package in **Annex B**. This information reflects Treasury’s summary of the conversations between the assurance panel and the departments. Given time constraints the information in **Annex B** has not been consulted on or checked with agencies, so there is some risk that this information does not fully reflect their approach and progress in developing its savings proposal. It also may contain details not yet shared with the relevant portfolio Minister.
- 28. The ratings and information contained in this report were accurate assessments as at 16 January 2024 when the final panel sessions were held. Some agencies may have had engagements with their Minister or made further progress since their panel session.

Major themes identified through the Panel

- 29. Several overarching themes have emerged through the assurance process which are outlined below. We have used these overarching themes to inform the actions we recommend you take with specific Ministers outlined in **Annex A** and recommendation C.
- 30. The actions noted in the table below, are those that central agencies are undertaking to try and address these challenges and are presented for your information only. Where there are no actions listed, these have formed part of our recommendations to you and your engagement with other Ministers.

Theme	Description	Central Agency action
Themes relating to the process of identifying savings options		
Prioritisation	<p>To realise in time for 1 July 2024 and embed savings across the forecast period, resources need to be prioritised across organisations in a way that ensure delivery on Government policy and retains critical skill sets.</p> <p>For most agencies, in-depth engagement with Ministers on these priorities (other than the 100-day commitments) and the savings plans is yet to occur. Many agencies are looking at organisational redesign to meet savings targets. Delays in agreement on prioritisation risks agencies not retaining resources in the right places and delays in realising the savings. Making staffing changes requires significant lead time, so it is important Ministers/Cabinet have agreement on these priorities as soon as possible.</p>	<p>Treasury will provide you with a high-level overview of the make-up of draft savings packages in early-February 2024 as part of the second phase engagement to enable more targeted discussions with Ministers on policy trade-offs.</p>
Engagement with staff	<p>Most agencies have only had limited engagement with their staff on savings proposals at this stage due to the early stage of the process. This includes getting staff input to support the identification of savings options. Agencies indicated discussions with unions were underway. The majority of agencies indicated further engagement with staff was planned for the coming weeks.</p>	<p>The Public Service Commission is engaging weekly with the primary public service union (the PSA) to support early engagement of issues and to support consistent messaging.</p>

Themes relating to savings options		
<p>Non-departmental savings options</p>	<p>Agencies generally described good plans for delivering savings options from their departmental activities. However, they are experiencing challenges finding savings from non-departmental activities, particularly where savings need to come from:</p> <ul style="list-style-type: none"> • Crown entities - formal engagement with Crown entities is mixed. Some agencies have not yet engaged with them and others are experiencing push back from Crown entities on identifying required savings.. • Policy options resulting in organisation change are very challenging to implement by 1 July 2024 due to staff engagement lead in times. • Services being delivered by third parties through contract require more complex negotiations. <p>In general, the Panel found that agencies who need to identify a large amount of savings from non-departmental activities are less advanced in this process.</p>	<p>Majority of the agencies experiencing these challenges will be called back for a second Assurance Panel session.</p>
<p>Personnel savings options</p>	<p>Most agencies are proposing savings through reduction in FTEs and similar cost savings measures (such as reduction in consultants and contractors, travel, and office accommodation costs).</p> <p>Most agencies are relying on FTE attrition (i.e. not employing replacements when staff leave the agency) to contribute towards their savings target. There are benefits from this approach as it does not require significant consultation or incur additional costs such as termination payments, which are associated with processes requiring restructuring. However, there is a risk a focus on attrition may see retention of personnel out of line with priority areas. Prioritisation of resources will still be required to address this challenge in the long-term.</p> <p>The cumulative impact of FTE reductions on the overall public sector workforce will need to be considered.</p>	<p>The Public Service Commission will provide cross-system support to agencies to help mitigate the workforce risks identified.</p>
<p>Organisational restructures</p>	<p>Where restructuring is required to deliver savings for 2024/25, the change management process for most agencies would need to begin in February or March. Most agencies signalled a need to fund transition in the 2023/24 year to achieve the required savings for 2024/25.</p> <p>Agencies will need to work through the decision-making and timing issues connected with organisational restructures if taken ahead of Budget 2024 decisions in April 2024.</p>	<p>See paragraph 30-33 below.</p>

Cost recovery	Several agencies identified areas where cost recovery could be increased to deliver savings. This includes where fees, levies or charges have not kept up with increased costs, particularly in the recent inflationary environment. However, approaches to cost recovery will need to be considered in light of the priority to reduce costs to business (and cost of living for individuals). In addition, being able to deliver increased cost recovery in a timely way is challenging given consultation and review process requirements.	The Treasury is considering cost recovery as part of the wider fiscal sustainability programme on the Government's appetite for increased recovery .
Themes relating to broader risks associated with delivery of savings options		
Increasing cost pressures -	While options are being developed for the short-to medium-term (3-4 years) savings target, longer-term costs of delaying, stopping or phasing programmes with resulting staffing changes is not yet known. Agencies noted that while decreases, especially in personnel costs, enable savings options to be progressed, an ongoing programme of aligning resources to priorities and reviews of performance will be essential to embed the savings beyond this and reduce the risk of future cost pressure blowouts.	Treasury's work on the next phase of savings and performance plans will support continued achievement and management of savings.
Cross-portfolio or sector impacts	<p>Some agencies are proposing savings options that may create increased costs in other parts of the system that the agency is not responsible for. This means some options being proposed will require consultation across agencies, and this consultation is yet to happen.</p> <p>A number of agencies raised risks with managing sector engagement and expectations where savings proposals may impact on direct funding or service level changes to sectors.</p>	Treasury will remind agencies to consult with affected agencies in time for phase 2 of the assurance process and to raise any sector risks directly with their Ministers as part of options discussions.
Broader Crown obligations	Individual agencies have identified some risks with their savings plans on the Crown's enduring obligations or commitments, particularly in relation to climate change and the Treaty of Waitangi/Te Tiriti, which will need to be considered as the agencies finalise their savings proposals. Consideration may need to be given to the aggregate impact of all savings on these obligations as the full package of savings is finalised.	Treasury has asked agencies to highlight the impact of savings options on Crown obligations through the Budget process.

Organisational restructures - Staff and Union engagement

31. As indicated in the table above, organisational restructure is an emerging theme for many agencies in their savings proposals work. We are aware that a number of agencies have, or will soon, commence engagement with their staff on policies that may lead to a reduction in staff numbers, including through asking for voluntary redundancies or consulting on proposals that may result in staff redundancies. Chief executives are responsible for running appropriate employment processes within their department and for the outcomes of those processes. Agencies are not required to seek Ministerial or Public Service Commission permission to undertake or conclude a change process, although it is the Public Service Commission's expectation that chief executives would notify their Minister of significant planned change.
32. The Public Service Commission is engaging with agencies through this process to support delivery on Government expectations and help mitigate risks where possible. This includes regular engagement with all chief executives and heads of human resources and weekly meetings between the Commission and the main public service union, the Public Service Association (PSA), to allow for early identification of issues and to support consistent messaging to public servants.
33. Draft principles regarding the management of change have been developed with agency and union input. The high-level principles aim to establish minimum expectations on the parties involved in restructures and change processes, but they do not replace chief executive autonomy on the best process or approach for their agency. The Public Service Commission has shared these principles with your office.
34. As identified in the Panel's findings, a wide variety of approaches will be applied across agencies including using attrition, seeking voluntary redundancies and targeted or agency wide programmes of staff reductions or redeployments. The Public Service Commission is providing system support to agencies as they develop their savings proposals.

How the assurance process fits in with other processes

35. In addition to the assurance process, there are other workstreams or reviews underway which may put pressure on the wider fiscal sustainability programme:
 36. Health: Whilst the Ministry of Health was rated on track to provide credible departmental savings options through the assurance process, the broader landscape of Vote Health remains challenging. Existing cost pressures exist and difficult trade-offs will have to be made to strike the right balance between addressing existing health cost pressures, funding new Budget 2024 initiatives and not compromising front line health services and delivery. It is important that the other health entities, particularly Te Whatu Ora, continue to be held to account on their broader savings targets and reprioritisation options to help support the Government's long-term fiscal sustainability goals, rather than just expenditure on existing priorities/capital programmes. You and the Minister of Health will receive an update on Vote Health in a meeting with officials on 31 January 2023. For this meeting, Te Whatu Ora has been commissioned to provide an update on its year-to-date expenditure, savings, and key delivery metrics, as well as detail on the implications and trade-offs of managing within the Budget 2024 planning parameters and reprioritisation scenarios.

37. NZDF: ^[34] The NZDF have set up an external steering group to support the NZDF savings work to meet their savings target while ensuring the NZDF is a credible, effective and sustainable defence force. The Treasury is providing advisory support to the co-chairs in this process. A report to the Minister of Defence is expected in February 2024. In addition, a new Defence Capability Plan, outlining intended investments over the next 15 years, is being developed for Cabinet consideration. ^[33]

The Treasury will provide further advice to you on the development of this plan to align with Cabinet considerations.

38. Cabinet recently agreed to an independent review of Kainga Ora to assess the financial viability of Kainga Ora and in particular, identify and manage the ongoing impacts of Kainga Ora on fiscal indicators. The review report is expected to be sent to Ministers in March 2024 and Treasury will support you with any recommendations arising from this. We expect The Ministry of Housing and Urban Development to continue to explore savings options, including with Kainga Ora, irrespective of this review. Any risks or challenges to this, should be raised with the relevant Minister.
- Revision of the Government Policy Statement on Land Transport and resulting impacts on the National Land Transport Fund. You have recently received advice from the Treasury on this matter [T2024/29 refers]
39. These reviews are happening in parallel to the Panel process, all agencies are still engaged with the Panel process.

Phase 2 of the Assurance Process

40. The Panel will have a second engagement with select agencies to provide further assurance that sufficient and credible options will be submitted into the Budget process on 16 February 2024.
41. All 39 agencies in scope of the savings exercise will be asked to provide information on their savings options, including the overall quantum, phasing and categorisation of where savings will come from (e.g. FTE, Policy area, Crown entity). The Panel will review this information to form a view of whether there will be sufficient and credible options at an individual agency level. The Treasury will assess at the aggregate level whether the options are likely to enable a \$1.5 billion permanent baseline reduction from 2024/25.
42. The Panel will conduct a second round of engagements with select agencies that are required to provide the most significant amount of savings, which include those identified as high risk in the first Panel engagement. These engagements will seek further information on the development of the savings programme and target any specific risk areas identified in the first panel session.
43. The Panel will also focus its efforts on agencies that were invited to submit targeted policy savings in addition to their baseline reduction target to give you early visibility of progress in this space. This more focused engagement will involve around 12 agencies with engagements to take place over 1 and 2 February 2024.
44. We intend to report to you by 9 February 2024 on the results of this second phase. We note that there is very little time between the second engagement, our reporting to you, and the deadline for agencies and Ministers to make their Initial Baseline Exercise submissions on 16 February 2024. The report will likely provide information that will support you throughout Budget 2024 assessments and package development.

Next Steps

45. Where escalation is required at a higher level, we are seeking your agreement to the suggested next steps for each agency as outlined in Annex A.
 - For several agencies, we are not recommending any further action from the Panel as they appear on track to deliver a submission on 16 February 2024.
 - We are recommending targeted Ministerial engagement for some agencies, particularly where the responsible Minister could significantly influence the savings options or where there may be challenges engaging with Crown entities on savings.
 - In addition, further central agency and vote team engagement will be used to follow up on progress in some areas where this can be closed off without further Ministerial or assurance panel engagement.
46. We also recommend that you take an oral item to Cabinet on 30 January 2024, providing an outline of the findings from the first phase of the assurance process, and in particular reinforcing the need for Ministers to engage with their departments on the savings plans as a priority. We can provide speaking notes to support this.
47. Central agencies are following up with agencies after their first Panel meeting where there is a need to provide specific directions to support them with their saving submission or follow up on any pressing risks.
48. A second phase of the Assurance panel is planned before savings submissions are due where all agencies will update the Panel on progress – with the highest risk and largest agencies having a second engagement.
49. We intend to report to you by 9 February 2024 on the results of this second phase.