

The Treasury

Budget 2024 Information Release

September 2024

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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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Reference: T2024/995

Date: 11 April 2024

To: Minister of Finance (Hon Nicola Willis)

Deadline: None

Aide Memoire: Summary of Police Budget 2024 package

This aide-memoire provides a summary of the Police Budget 2024 package to support discussions with Ministerial colleagues.

<i>Summary of Police Budget 2024 package</i>	Operating (\$m)		Total capital (\$m)
	Total	Per Annum	
<i>New spending and cost pressures</i>			
Investing in Core Policing (500 additional Police)	191.037	47.759	34.630
[38]			
Police Fleet Renewal Programme	28.740	7.185	33.970
Cost Pressure Funding	120.000	30.000	-
Total new spending and cost pressures	[38]		68.600
<i>Savings</i>			
Corporate FTE Reduction	(55.111)	(13.778)	-
Total savings	(55.111)	(13.778)	-
Net new Budget 2024 funding	[38]		68.600

Funding for 500 new Police officers (\$191.037 million total operating and \$34.630 million capital funding)

Funding is provided to meet the costs of 500 new Police officers over two years. The funding requirement is calculated using the actual number of constabulary full-time equivalents (FTE) as at the date that Cabinet was sworn in on 27 November 2023 as the baseline for the increase (10,211 FTE).

Police already have funding for 207 of the proposed 500 additional officers – 167 from existing vacancies and 40 from repurposing funding previously provided for 40 new constabulary positions in 2024/25 and 2025/26 that will now be absorbed into the 500 additional officers.

Additional funding in Budget 2024 is therefore required for 293 officers to reach the 500 new officer commitment.

Funding provided is based on Police costings for the additional officers as well as 79 additional non-sworn support staff. In addition to remuneration costs, funding is provided for Police's costings of recruitment and training, ICT, property, vehicle, and other operating costs.

Capital funding is based on Police's costings for vehicles, body armour and weaponry (\$9.5 million). Police sought ^[33] of capital funding for property associated with the increase in officers. Property funding has been scaled to \$25.2 million, with any funding for larger property investments being subject to appropriate business cases being developed to justify the investment. Depreciation and capital charge funding sought by Police has been scaled in line with the reduced capital funding for property.

Funding for Police constabulary remuneration (^[38] total operating funding)

Additional funding was agreed by Ministers to meet the costs of Police constabulary remuneration bargaining. Given the bargaining timelines, the funding was agreed as a pre-commitment against the Budget 2024 operating allowance and is now reflected in the Budget 2024 package. This funding will be used to meet the costs of the improved offer made to unions by Police on 27 March 2024, which remains subject to ratification by staff over the coming weeks. ^[38]

Fleet Renewal Programme (\$28.740 million total operating and \$33.970 million capital funding)

This funding will enable Police to implement its planned replacement programme for vehicles and vessels. The costs include fit-out and on-road costs for vehicles.

Other Police cost pressures (\$120.000 million operating funding for 2024/25)

Budget 2024 provides \$120 million operating funding for 2024/25 only for a range of Police cost pressures, primarily for property, vehicle fuel and maintenance, ICT, travel, training, and asset related costs. Funding is limited to 2024/25 to allow further work to be undertaken on Police's operating model and roles and functions following the completion of the Independent Rapid Review commissioned by the Ministers of Finance and Police and completed by Martyn Dunne. This further work could inform funding or savings decisions in Budget 2025.

Savings through reduction of Police corporate FTEs (\$55.111 million total operating funding)

The Minister of Police submitted four initiatives totalling \$176.772 million of operating savings. The package includes only one initiative, providing \$55.111 million of operating savings through a 175 FTE reduction in corporate support employees, ^[33]

The remaining three savings initiatives are not included in the package. The savings in the package represent 0.76% of the Police eligible base, compared with the 6.5% target it was provided.

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