

The Treasury

Budget 2016 Information Release

Release Document July 2016

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Key to sections of the Official Information Act 1982 under which information has been withheld.

Certain information in this document has been withheld under one or more of the following sections of the Official Information Act, as applicable:

[1]	to prevent prejudice to the security or defence of New Zealand or the international relations of the government	6(a)
[4]	to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial	6(c)
[11]	to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.	6(e)(vi)
[23]	to protect the privacy of natural persons, including deceased people	9(2)(a)
[25]	to protect the commercial position of the person who supplied the information or who is the subject of the information	9(2)(b)(ii)
[26]	to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied	9(2)(ba)(i)
[27]	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	9(2)(ba)(ii)
[29]	to avoid prejudice to the substantial economic interests of New Zealand	9(2)(d)
[31]	to maintain the current constitutional conventions protecting collective and individual ministerial responsibility	9(2)(f)(ii)
[33]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
[34]	to maintain the effective conduct of public affairs through the free and frank expression of opinions	9(2)(g)(i)
[36]	to maintain legal professional privilege	9(2)(h)
[37]	to enable the Crown to carry out commercial activities without disadvantages or prejudice	9(2)(i)
[38]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
[39]	to prevent the disclosure of official information for improper gain or improper advantage	9(2)(k)
[s18(c)(i)]	that the making available of the information requested would be contrary to the provisions of a specified enactment	
[40]	Not in scope	

Where information has been withheld, a numbered reference to the applicable section of the Official Information 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).

In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) and section 18 of the Official Information Act.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

2016 Budget Package: Vote Prime Minister and Cabinet

On 25 April 2016, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2016 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
9473	Christchurch Justice and Emergency Services Precinct	-	0.040	0.040	-	-
9431	New Zealand Intelligence Community – Additional Funding	-	1.200	1.700	2.500	3.300
9163	Ministry of Civil Defence and Emergency Management Capability and Capacity	-	0.730	1.800	1.800	1.800
9155	Computer Emergency Response Team - Establishment	-	5.128	4.977	4.934	4.934
Total Operating		-	7.098	8.517	9.234	10.034

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
9431	New Zealand Intelligence Community – Additional Funding	-	0.100	0.200	0.300	-
9163	Ministry of Civil Defence and Emergency Management: Capability and Capacity	-	0.063	-	-	-
9155	Computer Emergency Response Team - Establishment	-	2.187	-	-	-
Total Capital		-	2.350	0.200	0.300	-

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** changes to appropriations and the capital injections to the administering department to implement the initiatives, as set out in the attached initiative documents;
- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 5 **authorised** the Minister of Finance and the Appropriation Minister (Joint Ministers) to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2015/16 Supplementary Estimates, the 2016/17 Estimates and the fiscal forecasts;
- 6 **noted** that all communications relating to the 2016 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

[33]

[33]

Michael Webster
Secretary of the Cabinet

Vote: Prime Minister and Cabinet

Title: Christchurch Justice and Emergency Services Precinct

Description: This funding will cover the first two years of operating costs of the multi-agency Christchurch Justice and Emergency Services Precinct.

Appropriation Changes

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	0.040	0.040	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.040	0.040	-	-

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Multi-Category Expenses and Capital Expenditure					
Emergency Management					
Departmental Output Expense:					
Emergency Sector and Support and Development (funded by revenue Crown)	-	0.040	0.040	-	-
Total Operating	-	0.040	0.040	-	-
Total Capital	-	-	-	-	-

Vote: Prime Minister and Cabinet

Title: New Zealand Intelligence Community – Additional Funding

Description: This funding will provide for the operating and investing activities of the New Zealand Intelligence Community.

Appropriation Changes

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	1.200	1.700	2.500	3.300
Debt Impact	-	0.100	0.200	0.300	-
No Impact	-	-	-	-	-
Total	-	1.300	1.900	2.800	3.300

	Sm - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.100	0.200	0.300	-
Multi-Category Expenses and Capital Expenditure					
Policy Advice and Support Services					
Departmental Output Expense:					
National Security Priorities and Intelligence Coordination (funded by revenue Crown)	-	1.200	1.700	2.500	3.300
Total Operating	-	1.200	1.700	2.500	3.300
Total Capital	-	0.100	0.200	0.300	-

Initiative No: 9163

Vote: Prime Minister and Cabinet

Title: Ministry of Civil Defence and Emergency Management Capability and Capacity

Description: This funding will enable progression of necessary work with central and local government, businesses and communities to increase New Zealanders' national resilience to emergencies. This funding will also enable development of stronger frameworks and systems for managing risks and responding to and recovering from emergencies.

Appropriation Changes

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	0.730	1.800	1.800	1.800
Debt Impact	-	0.063	-	-	-
No Impact	-	-	-	-	-
Total	-	0.793	1.800	1.800	1.800

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	0.063	-	-	-
Multi-Category Expenses and Capital Expenditure					
Emergency Management					
Departmental Output Expense:					
Emergency Sector and Support and Development (funded by revenue Crown)	-	0.730	1.800	1.800	1.800
Total Operating	-	0.730	1.800	1.800	1.800
Total Capital	-	0.063	-	-	-

Vote: Prime Minister and Cabinet

Title: Computer Emergency Response Team – Establishment

Description: This funding will provide for the establishment of a national Computer Emergency Response Team (CERT) to improve cyber resilience and help reduce cybercrime. The CERT will receive reports of cyber incidents, triage incidents, gather information, and provide trusted advice and information to business, government and individuals about cyber threats, and steps to take to prevent or respond to them.

New Appropriation Approval

Name	Period	Type	Category Name	Scope
Cyber Security Services	Annual	Departmental Output Expense	N/A	This appropriation is limited to carrying out the functions and services of a national CERT (a New Zealand computer emergency response organisation).

Appropriation Changes

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Operating Balance Impact	-	5.128	4.977	4.934	4.934
Debt Impact	-	2.187	-	-	-
No Impact	-	-	-	-	-
Total	-	7.315	4.977	4.934	4.934

	\$m - increase/(decrease)				
	2015/16	2016/17	2017/18	2018/19	2019/20 & Outyears
Departmental Output Expense:					
Cyber Security Services (funded by revenue Crown)	-	5.128	4.977	4.934	4.934
Capital Injection:					
Department of the Prime Minister and Cabinet - Capital Injection	-	2.187	-	-	-
Total Operating	-	5.128	4.977	4.934	4.934
Total Capital	-	2.187	-	-	-

Additional recommendations

- 10 **noted** that the amounts above represent the necessary new operating and capital funding required to implement the preferred option from the single stage business case that was developed in support of this initiative;
- 11 **noted** that the final business case will be presented to the Cabinet Economic Growth and Infrastructure Committee (EGI), and will include options on the CERT organisational form;
- 12 **authorised** EGI to have Power to Act at its meeting on 4 May 2016 to take decisions on CERT organisational form and business case endorsement;
- 13 **noted** that the Prime Minister is attending the Cyber Security Summit (the Summit) hosted by the Minister of Communications on 5 May 2016 and that the Minister for Communications' Office has been working with the Minister of Finance's Office on arrangements for a pre-Budget announcement on CERT funding;
- 14 **noted** that the Prime Minister and the Minister for Communications may wish to announce matters relating to the CERT, including funding and organisational form, at the Summit.