

The Treasury

Briefing for Incoming Ministers

Information Release

Release Document

February 2017

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 protect the privacy of natural persons, including deceased people	9(2)(a)
[2]	to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials	9(2)(f)(iv)
[3]	to maintain the effective conduct of public affairs through the free and frank expression of opinions	9(2)(g)(i)
[4]	to enable the Crown to carry out commercial activities without disadvantages or prejudice	9(2)(i)
[5]	to enable the Crown to negotiate without disadvantage or prejudice	9(2)(j)
[6]	to maintain the current constitutional conventions protecting collective and individual ministerial responsibility	9(2)(f)(ii)
[7]	that the information requested is or will soon be publicly available	18(d)
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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 [1] 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, section 6 and section 18 of the Official Information Act.



Briefing for the Incoming Minister

December 2016



Gabriel Makhoul
Secretary to the Treasury

13 December 2016

Hon Steven Joyce
Acting Minister of Finance
Private Bag 18041
Parliament Buildings
Wellington

Congratulations on your (imminent) appointment. We look forward to supporting you as Minister of Finance.

You are starting your new role with New Zealand's economy in a relatively strong position: good levels of growth, price stability, low unemployment and high participation rates are complimented by a return to fiscal surpluses and debt that is under control.

The global economy, on the other hand, poses a number of downside risks. Global growth has slowed, some countries continue to face challenging fiscal positions and, in some important economies, monetary policy appears to have reached its limits. Moreover, the debate on protectionism (seen largely in the US and parts of Europe) is creating uncertainty in international markets and represents a threat to New Zealand's prosperity if it leads to reductions in global trade. In the Treasury's view, this threat needs to be addressed proactively while New Zealand also seizes the opportunities presented by Asia's ongoing growth.

Attached to this letter are suggested topics that we consider suitable for early conversations with you, some background information (including on the Treasury) and briefing on issues that need to be addressed before Christmas. We are, of course, keen to meet with you to better understand your priorities and how we can best support you.

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Recommendations on possible discussion topics for early engagement

We have identified the following key issues that we believe it would be useful to engage with you through a 'chew' session over the next couple of months. Chew sessions are designed to foster an exchange of ideas at an early stage and to inform future directions. Early discussions on the following topics would also help us understand and deliver effectively on your priorities and allow a mutual discussion on what this means in the context of your new role. These issues are:

Pre-Christmas

- 1 Budget process

New Year

- 2 Tax
- 3 Housing affordability
- 4 Social housing
- 5 Investment approach and social investment
- 6 Changing global economic environment and implications
- 7 Macroeconomic issues (eg, Policy Targets Agreement)
- 8 Business Growth Agenda
- 9 New Zealand Superannuation and the New Zealand Superannuation Fund

Please also let us know if there are any additional issues that you think would add value at an early 'chew' discussion.

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The Treasury: who we are, what we do and how we do it

We are the Government's lead economic and financial adviser. We provide advice to the Government on its overarching economic framework, on its fiscal strategy and on achieving value for money from its investments. We implement government decisions and are also responsible for the Financial Statements of the Government, for ensuring effective management of the assets and liabilities on the Crown's balance sheet and for publishing economic and fiscal forecasts.

Our vision is to be a world-leading Treasury working towards higher living standards for New Zealanders. We want to grow wellbeing through improving the country's human, social, natural and physical/financial capital. We work with others – across the government and non-government sectors, in New Zealand and overseas – to turn our vision into reality. We believe in applying rigorous analysis to the best available evidence, using our Living Standards Framework to guide us.

We embrace diversity and inclusion as they strengthen us, as individuals and as an organisation. Our values reflect our aspirations, for ourselves and for New Zealanders:

- *bold and innovative*, so that we understand how and when to take risks, learn from failures and build on successes
- *collaborative and challenging*, so that we work with others, collaborating but also challenging them and ourselves
- *adaptable and focused*, so that when the facts change, or ministerial priorities change, we don't delay and we maintain our standards, and
- *passionate and ambitious*, for our performance, for our people and for New Zealand.

We believe in the importance of a trusted, professional, public service: our stewardship responsibilities embody kaitiakitanga; we work to support the Treaty partnership between the Crown and Māori; and we are transparent, objective, impartial and free and frank in our advice.



Our core business

- **Economic policy advice.** We are the lead adviser to Ministers on economic performance, concentrating on policy areas that have a significant impact on the economy. This includes advice on measures to improve the quality of regulation, removing barriers to growth and enhancing productivity.
- **Financial management and advice.** We manage the financial affairs of the Crown and provide advice on fiscal strategy, policy and performance. As Head of the Government Finance Profession we also work to support learning, professionalism and skills development in financial management across the State sector.
- **Performance management and advice.** We monitor the performance of departments and other entities the Crown owns, including working with them to improve performance as required. Our focus is getting value for money for taxpayers.
- **Commercial policy advice and operations.** We provide commercial policy advice, execute commercial transactions, and provide financial operational services through the Treasury's Debt Management Office (NZDMO) and the Export Credit Office (NZECCO).
- **State sector leadership.** With the Department of the Prime Minister and Cabinet (DPMC) and the State Services Commission (SSC), we collectively lead the State sector with the aim of delivering results for New Zealanders. We assist the Government to develop its overall strategy for the State services, provide advice on how to improve the system and manage significant issues.

Our work programme

Our work programme is organised around a number of key initiatives that we call our strategic intentions. Each strategic intention sets out a range of priority, core business-as-usual and medium-term work programmes.

New Zealand has an internationally connected and competitive business environment	There is a faster improvement in Māori living standards
<ul style="list-style-type: none"> • An internationalisation lens is being systematically applied to significant policy and regulatory work programmes and government interactions with business, households and international stakeholders. • Government agencies work together to ensure policy and regulatory programmes support a strong domestic business environment with greater levels of productivity and sustainable use of natural resources. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> • reduced barriers to the flow of trade, capital, people and ideas • government activity provides the foundations for a strong business environment that raises productivity and ensures the sustainability of our natural resources • more responsive housing supply, and • revenue to fund government services is maintained at levels that biases economic decisions as little as possible. 	<ul style="list-style-type: none"> • The Crown and Māori (iwi, hapū and whanau) are partnering positively together to improve Māori outcomes, including: <ul style="list-style-type: none"> ◦ public sector agencies successfully working with Māori on ideas and actions to support Māori economic development, particularly with regard to regional development, and ◦ public sector agencies successfully working with Māori on ideas and actions to support social and educational outcomes for Māori. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> • shared social and economic objectives for Māori and New Zealand are advanced through effective partnerships between the Crown and Māori (including iwi, hapū, and other Māori communities), and • Treasury advice is informed by strong understanding of Māori experiences and perspectives to ensure policy and services enable people to contribute to a prosperous, sustainable and inclusive society and the economy.



<p>People have the capability and opportunities to participate in society and the economy</p> <ul style="list-style-type: none"> Public service agencies work together to lift their performance and this is demonstrated by the relevant Better Public Services (BPS) results. Data and information tools are being delivered progressively and applied systematically to substantially lift performance, following a social investment approach. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> social service systems are effective in enabling people to contribute to a prosperous, sustainable and inclusive society and the economy the costs of social service are rebalanced away from support towards enabling interventions, and public sector leadership, management and innovation provides services and support that people need, when they need it. 	<p>The State sector efficiently and effectively delivers results for New Zealanders</p> <ul style="list-style-type: none"> Improved performance of the State sector system, sectors and agencies through greater cross-agency leadership and collaboration, and the use of results-focused goals, and integrated fiscal management. Implementing an investment approach that starts by implementing the Government's reforms of the social sector. Better information is generated and used by the State sector to drive performance improvements and changes to State sector institutions and systems. State sector management and reform is informed through a customer- and population-based focus. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> results-focused goals and cross-agency leadership and collaboration, leading to a more inclusive society improved value for money of expenditure and agency interventions and steadily rising productivity improved strategic financial management agencies keep to agreed spending paths and future liabilities are reduced in major expenditure areas, and long-term fiscal pressures are reduced and the Crown pre-funds satisfactorily for future expenditure pressures.
<p>The Crown balance sheet is managed effectively and efficiently</p> <ul style="list-style-type: none"> The Crown balance sheet is managed effectively and efficiently with the overall composition, performance and risk profile of assets and liabilities supporting an increase in living standards for New Zealanders. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> the core Crown debt portfolio is well managed the composition of the Crown's balance sheet is aligned with government priorities appropriate financial, commercial and social returns, risks and long-term value are achieved from the assets that the Crown owns, and risks to the Crown's balance sheet are managed consistent with government risk appetite and tolerance, and the Crown's balance sheet provides a buffer to shocks. 	<p>The economic cycle is managed in a way that supports sustainable growth</p> <ul style="list-style-type: none"> Tax, product, financial and labour market policy settings and the operation of fiscal policy do not unnecessarily amplify the business cycle. This will minimise the degree to which interest rates and the exchange rate have to move to keep the economy operating close to full employment, thus promoting higher trend growth. <p><i>Specific intentions include:</i></p> <ul style="list-style-type: none"> the operating balance is returned to surplus and fiscal policy does not exacerbate the economic cycle long-term fiscal pressures are reduced and the Crown pre-funds satisfactorily for future expenditure pressures macro-prudential tools are used appropriately to increase the resilience of the domestic financial system, and policy settings ensure banking crises can be well managed.



The Treasury is a high-performing organisation

- We intend to achieve a level of excellence needed to achieve what matters most for raising living standards for New Zealanders.

Specific intentions include:

- effectively and efficiently do the job the country and Ministers need us to do
- our staff are good listeners, learners and doers, with the strategic agility to join the dots, and the practical ability to get the job done
- working in partnership with others to provide the best possible advice and services, we make significant shifts in some of the biggest long-term issues for New Zealanders
- we challenge, and at the same time look for opportunities to collaborate and learn from, others
- ensuring that our advice is more citizen-focused in its design and delivery, and reflects a deep and sophisticated understanding of the environment and the real-world challenges that affect New Zealanders
- creating a work culture that is inclusive and harnesses diversity of thought, and
- ensuring that the Treasury is fit to meet future expectations.



Decision making, governance and assurance

Executive Leadership Team

The Executive Leadership Team is made up of the Secretary and Chief Executive and five Deputy Secretaries and is our top-tier decision-making body. They are accountable for the strategic leadership of the Treasury with a focus on outward-facing and cross-cutting issues, where decisions are more likely to have a material impact on the outcomes, functions or reputation of the Treasury as a whole. The Executive Leadership Team members are accountable for the delivery of the Treasury's organisational strategy.

Kaiurungi – 'The people who steer'

The Treasury's Chief Operating Officer (Deputy Secretary, Strategy, Performance and Engagement) chairs Kaiurungi, which consists of our seven Directors and Chief Financial Officer. They are responsible to the Executive Leadership Team for delivering on the agreed organisational strategy and for ensuring the programme of work across all directorates will deliver on the Treasury's objectives and is well-aligned with strategy.

Assurance

Each month the Directors meet with the responsible managers and staff to discuss progress against the agreed objectives. The Executive Leadership Team and Kaiurungi also meet together regularly to discuss performance and prioritisation.

The Executive Leadership Team and Kaiurungi also undertake performance reviews three times a year to assess progress against our objectives. This information flows through to Trimester performance conversations with our Minister. It also supports our incremental 'rolling' approach to planning – where adjustments are made to take into account any changes in priorities.

The Treasury also receives additional support from:

- **The Treasury Board.** This is an advisory group that supports the Treasury's Chief Executive and Executive Leadership Team in ensuring that its organisational strategy, capability and performance make the best possible contribution to the achievement of its goals.
- **The Risk and Assurance Committee.** This is a sub-committee of the Board with an independent chair and three additional external members. It provides assurance and advice to the Chief Executive relating to the effectiveness and adequacy of internal control and risk management systems, processes and activities across the Treasury.
- **FSG Audit Committee.** This is an advisory committee that provides advice and observations to the Secretary relating to key issues and risks that affect the production and audit of the Financial Statements of the Government (FSG). The Committee is chaired by an independent chair and with two additional external members.
- **Commercial Operations Advisory Board.** The Board supports the Deputy Secretary, Financial and Commercial Operations through providing guidance on the strategic approach and work programme priorities of Treasury's commercial operations portfolio and Debt Management Office.
- **New Zealand Export Credit Office Technical Advisory Committee.** The Committee supports the Secretary to the Treasury with advice on a range of strategic and operational matters relating to the New Zealand Export Credit Office (NZECO). This includes assessing and advising on the risk and pricing of most NZECO transactions. The Technical Advisory Committee consists of four members.



How we organise ourselves

Our Teams and key contact information

DS Macro Economics and Growth (151 FTEs*)	
Deputy Secretary, Cath Atkins (until 23 December 2016, Tim Ng from 24 December 2016)	[1]
Director Growth and Public Services, David Mackay Team Information Economic Performance & Strategy, Matthew Gilbert, Manager Earthquake Recovery Strategy, Simon McLoughlin, Manager Education & Welfare, Grace Campbell-Macdonald, Manager Natural Resources, Libby Masterton, Manager	
Director Economic System, Tim Ng (until 23 December 2016) Team information Macroeconomic & Fiscal Policy, Renee Philip, Manager Forecasting, Angela Mellish, Manager Modelling & Research, Peter Gardiner, Manager Analytics & Insights, Andrew Hunter, Manager Housing, Nick McNabb, Acting Manager Financial Markets, Tax & International, James Beard, Manager	
Chief Economic Adviser (4 FTEs)	
Oversees the Treasury's research and advice on broad economic policy issues, embedding the Living Standards Framework and developing economics capability at the Treasury.	
Chief Economic Adviser, Tony Burton (acting)	[1]
DS Budget and Public Services (100 FTEs)	
Deputy Secretary, Struan Little	[1]
Director Budget and Public Investment, Andrew Blazey Team Information Justice, Security & Government Services, Colin Hall, Manager Investment Management Asset Performance, Ricky Utting, Manager National Infrastructure Unit, David Taylor, Manager Health, Ben McBride, Manager Fiscal & State Sector Management, Fiona Whiteridge, Manager	
Head of Government Finance Profession and Chief Government Accountant, Paul Helm Team Information Office of the Government Accountant, Paul Helm Government Finance Profession & Ministry of Finance Function, Sarah Hardy, Manager Fiscal Reporting, Nicola Haslam, Manager	

* These FTE numbers include fixed-term and permanent staff, secondees into the Treasury and vacancies. The Chief Executive is not included in these numbers.



DS Financial and Commercial Operations (103 FTEs)	
Deputy Secretary, Brendan Doyle	[1]
Director Commercial Operations, Chris White Team Information Commercial Advice, Angela Graham, Manager Governance & Performance, Chris Gregory, Manager Strategy & Policy, Craig Weise, Manager Transactions Unit – Social Housing, Tom Hall, Acting Head	
Director Financial Operations and Head of NZDMO, Sarah Vrede Team Information Accounting & Transactional Services, Charles England, Head Business Information, Dan Clayton, Head Portfolio Management, Murray Jones, Head Risk Policy & Balance Sheet, Andrew Hagan, Manager NZ Export Credit Office (NZECO), Chris Chapman, Manager	
DS Strategy, Performance & Engagement, and Chief Operating Officer (178 FTEs)	
Deputy Secretary and Chief Operating Officer, Fiona Ross (on secondment until February 2017) Karen Jones Acting until February 2017	[1] Landline: 04 917 6122
Team Information Chief People Officer, Fiona Foster Chief Financial Officer, Glenn McStay Chief Information Officer, Tom Byrne Treasury Solicitor and Chief Security Officer, Manager Legal, Facilities, Administration & Ministerial Advisory Services, Jeremy Salmond	[1]
Director, Amy Allison Team Information Office of the Executive & Communications, Vicki Plater, Chief of Staff/Manager of Engagement	[1]



Crown entities monitored by the Treasury

The entities monitored by the Treasury are listed below in alphabetical order.

Accident Compensation Corporation	Meridian Energy Ltd
AgResearch Ltd	Meteorological Service of New Zealand Ltd
Air New Zealand Ltd	Mighty River Power Ltd
Airways Corporation of New Zealand Ltd	National Institute of Water & Atmospheric Research Ltd
Animal Control Products Ltd	National Provident Fund
AsureQuality Ltd	Network for Learning Ltd
Christchurch International Airport Ltd	New Zealand Forest Research Institute Ltd
Crown Asset Management Ltd	The New Zealand Local Government Funding Agency
Crown Fibre Holdings Ltd	New Zealand Lotteries Commission
Crown Irrigation Investments Ltd	New Zealand Post Group
Dunedin International Airport Ltd	New Zealand Railways Corporation
Earthquake Commission	New Zealand Venture Investment Fund Ltd
Electricity Corporation of New Zealand Ltd	Ōtākaro Limited
FairWay Resolution Ltd	Public Trust
Genesis Energy Ltd (Genesis)	Quotable Value Ltd
Government Superannuation Fund Authority	Radio New Zealand Ltd
Guardians of New Zealand Superannuation	Research and Education Advanced Network New Zealand Ltd
Hawke's Bay Airport Ltd	Solid Energy New Zealand Ltd
Housing New Zealand Corporation	Southern Response Earthquake Services Ltd
Institute of Environmental Science & Research Ltd	Tamaki Redevelopment Company Ltd
Institute of Geological & Nuclear Sciences Ltd	Television New Zealand Ltd
Kiwirail Holdings Ltd	The New Zealand Institute for Plant & Food Research Ltd
Kordia Group Ltd	Transpower New Zealand Ltd
Landcare Research New Zealand Ltd	
Landcorp Farming Ltd	



The Treasury Leadership Team

Gabriel Makhlouf

Secretary and Chief Executive



Gabriel Makhlouf is the Treasury Secretary and Chief Executive. He is the Government's chief economic and financial adviser, and leads the Treasury's work to help raise living standards for New Zealanders through a stable, growing economy, and a high performing public service.

Gabriel's career was previously in the United Kingdom civil service where his responsibilities ranged from policy development on domestic and international tax and welfare policy issues through to large-scale, customer-focused, operational delivery. He was Chair of the world's main tax rule-making body – the Committee on Fiscal Affairs – at the OECD in Paris between 2000 and 2004, and was also responsible for the UK's Government Banking Service. He led the UK team that negotiated the current US/UK double tax treaty and served as Principal Private Secretary to the Chancellor of the Exchequer.

Gabriel has a Bachelor's degree in economics from the University of Bath, and is an alumnus of international business school INSEAD's Advanced Management Programme. The son of United Nations diplomats, Gabriel grew up in the Pacific and speaks French and Greek. He is married with one adult son.



Fiona Ross

Deputy Secretary Strategy, Performance & Engagement and Chief Operating Officer

Currently on Secondment as Chief Executive to the Ministry for Women



Fiona re-joined the Treasury in 2011. She helps to raise living standards by ensuring the Treasury operates effectively as an organisation.

Fiona has over 20 years' experience in the public service, with particular expertise in State sector reform. After initial positions at the Ministry of Education and the Ministry of Women's Affairs, Fiona joined the Treasury as a senior policy analyst in 2000. In 2002 she moved to the United Kingdom where she held various roles in the civil service, including leading major change initiatives focused on efficiency gains and service improvements. Fiona returned to the Treasury to lead the Better Public Services Programme, the government's flagship programme to improve outcomes for New Zealanders.

Fiona holds an Honours degree in Arts and a Master's degree in Public Policy, both from Victoria University of Wellington. She has been actively involved with a number of not-for-profit groups focused on the issues of sexual abuse and women's sport and fitness.

Karen Jones

Acting Deputy Secretary Strategy, Performance & Engagement and Chief Operating Officer



Karen Jones has most recently been the Acting Chief Executive of the Ministry for Women since October 2016, where she was responsible for leading staff delivering a policy work programme aimed at improving the lives of New Zealand women.

Karen's substantive role is the Deputy Chief Executive Public Affairs for NZ Police. She is a member of the NZ Police executive leadership team and is the Police's principal adviser on communication and marketing matters, both internally and externally, and leads a nationwide team.

Before joining Police in February 2013, Karen was Head of Communications and Government Relations for NZ Lotteries, a senior executive-level position she held since 2007. She was previously Communications Manager for the State Services Commission for five years and also held a number of senior public affairs roles in private and public sector organisations. Karen has an Honours degree in Arts from Victoria University.



Struan Little

Deputy Secretary, Budget & Public Services



Struan is an economist with over 30 years of experience in finance and public sector management.

Struan first joined the Treasury in 1987, after completing his postgraduate diploma in economics at Otago University. Several years later he served as the head of a delegation that was sent to the International Monetary Fund and World Bank to represent New Zealand's economic interests and ensure these organisations took into account the interests of small countries.

Since then he has served in a range of leadership roles across government, including with the Ministry of Education and most recently serving as Inland Revenue's Deputy Commissioner of Policy & Strategy.

During his time at Inland Revenue, Struan worked with the senior management team to implement changes designed to modernise tax. This involved fundamental changes to both operations and technology. As part of this work, Struan was responsible for design of the future tax administration framework.

He has also held advisory roles in the Office of the Minister of Finance and at the World Bank in Washington DC.

Struan re-joined the Treasury in 2016 as Deputy Secretary Budget and Public Services. In this capacity he leads the Treasury's work to raise living standards by:

- helping ensure the Government's finances are well managed,
- overseeing advice in the areas of justice, security, health, earthquake coordination and public sector performance, and
- delivering the Government's annual Budget.

Struan is a tramping and fly fishing enthusiast who combines his love of travel with the opportunity to get into the outdoors.



Brendon Doyle

Deputy Secretary, Financial & Commercial Operations



Brendon is responsible for the Financial Operations and Commercial Operations Groups. Financial Operations includes the New Zealand Debt Management Office (NZDMO) and New Zealand Export Credit Office, as well as the Balance Sheet and Investment Management & Asset Performance teams, and helps to raise living standards by ensuring the Crown's balance sheet is managed in an efficient and effective manner.

The NZDMO plays a critical role in the economy, overseeing the Government's borrowing requirements in a way that minimises costs while keeping risk at an appropriate level. The New Zealand Export Credit Office provides financial guarantee products for New Zealand exporters and banks, helping exporters to manage risk and capitalise on trade opportunities around the world. The office has supported more than \$1 billion of total exports since it was established.

The Balance Sheet team was responsible for the production of the 2014 Investment Statement and will coordinate the subsequent execution of the areas of focus. The Investment Management & Asset Performance team is responsible for the government investment portfolio, better business cases and assurance.

Commercial Operations is responsible for policy and transactions relating to the Government's Social Housing Reform Programme, for the performance, board appointments, and governance of the Crown's portfolio of commercial and financial assets, for the government's programme of Public Private Partnerships (PPPs), and for commercial advice on other transactions including company restructurings.

Brendon first joined the Treasury in 1993, and was Head of Portfolio Management from 1999 to 2002. Prior to rejoining the Treasury in 2012, his most recent role was with Westpac in Australia as Managing Director of its Global Capital Markets business.



Tim Ng

Chief Economic Adviser and Director, Economic System



Tim Ng oversees the Treasury's research and advice on broad economic policy issues, embedding the Living Standards Framework and developing economics capability at the Treasury.

Tim is a macroeconomist by training. He has extensive international experience as an adviser and thought leader on monetary, fiscal and financial system policy, and has published in a range of professional and academic journals.

For much of his career prior to his Treasury position, Tim managed a range of functions at the Reserve Bank of New Zealand, covering domestic and international economic monitoring and forecasting, monetary policy conduct, banking regulation and payments system policy. During his time at the Reserve Bank he served as a member of the Reserve Bank's Monetary Policy Committee, Macro-Financial Committee and Financial System Oversight Committee.

Tim has also worked at the Bank for International Settlements, the Federal Reserve Bank of New York, the National Bank of New Zealand and in the Office of the New Zealand Deputy Prime Minister and Treasurer.

Tim was born and raised in Auckland. He has postgraduate degrees in economics from Victoria University of Wellington and in biochemistry from the University of Auckland.

Cath Atkins

Deputy Secretary, Macroeconomics and Growth



Cath Atkins is the Treasury's Deputy Secretary, Macroeconomics and Growth. She leads the Treasury's work to raise living standards through policy advice on settings to promote economic growth and a stable macroeconomic environment. Specific policy areas include education and skills, the labour market and welfare, infrastructure, natural resources, regulation, financial markets, international connections, housing affordability, macroeconomic policy and fiscal forecasting.

Cath has held a range of senior leadership positions since joining the Treasury in 1999, most recently including Deputy Secretary, Strategy, Change & Performance. Her work has spanned policy areas ranging from market intervention, growth, competition policy and regulation to labour markets, welfare and State sector performance. She was responsible for setting up the New Zealand Productivity Commission, and has represented New Zealand at APEC and the OECD. Cath was part of the team that led development of the Trans-Tasman Mutual Recognition Act, the legislation for mutual recognition of employment standards and occupations, supporting closer economic ties between New Zealand and Australia.

In 2014 she was seconded to MBIE as Deputy Chief Executive of Labour Environment, covering a range of areas including health and safety, financial markets, labour market issues and ACC policy.



With a background in economics and international trade, Cath holds Master's and Bachelor's degrees in commerce and management from Lincoln University. A sports enthusiast, in 2012 Cath completed the Oxfam non-stop 100 kilometre walk.

Tony Burton

Acting Chief Economic Adviser



As Acting Chief Economic Adviser, Tony oversees the Treasury's research and advice on broad economic policy issues, embedding the living standards framework and developing economics capability at the Treasury.

Tony joined the Treasury in 2007 and has had extensive experience leading policy development on welfare, poverty, labour market and the social sector issues. He was seconded to the Secretariat of the Welfare Working Group from 2010-2011.

His work now is focused on improving the knowledge base for policy; including, policy focused research, the use of 'big data' and improving our understanding of non-government social sector providers.

He worked as an academic researching game theory and perceptions of risk at the Universities of East Anglia, Newcastle and Leeds in the UK. Before joining the Treasury he was an Economic Adviser at the UK Ministry of Health and the New Zealand Ministry of Social Development.

Tony has a Bachelor's degree in economics and philosophy from the University of Southampton and a Master's and PhD in economics from the University of East Anglia.

His spare time is shared with his partner Liz, looking after their energetic 8-year-old daughter and extremely lazy cat.



Chris White

Director, Commercial Operations



Chris joined the Treasury in 2002 and has held a number of roles in the commercial area. As Director of Treasury's Commercial Operations, Chris has responsibility for the Social Housing Reform Programme asset transactions as well as the performance of the Crown's portfolio of commercial and financial assets. His directorate also oversees Public Private Partnerships (PPPs) and provides commercial advice on transactions and company restructurings.

In 2009 Chris was seconded to the Department of Prime Minister and Cabinet where he provided economic and fiscal policy advice to the Prime Minister, including on the Government's first three budgets, the 2010 tax reform package, the collapse of South Canterbury Finance and other finance companies, and the development of the Mixed Ownership Model policy. More recently Chris led the Initial Public Offerings (IPOs) of Meridian and Genesis and the sell-down of 20 percent of Air New Zealand: prior to these transactions he led a number of workstreams to enable the

programme to proceed, including advising the Finance and Expenditure Select Committee on the necessary legislation and working extensively with Māori to resolve opposition to the programme.

Chris holds a Master of Business Administration (with distinction) from Victoria University and a Bachelor of Arts (Honours) in English Literature from the University of Leeds. Early in his working life Chris was a professional actor, later merging his creative and business acumen in the world of advertising.

Amy Allison

Director, Strategy, Performance & Engagement



Amy first joined the Treasury in the 1990s as a Budget Team Analyst, returning some 15 years later as Director of Strategy, Performance and Engagement (SPE). This directorate is focused on ensuring the Treasury is a high-performing and world-leading organisation. As well as driving the day-to-day delivery of the organisational and workforce strategy, SPE also provides communications and engagement support to the executive and wider organisation. This encompasses both internal and external communication, strategic engagement, governance and executive support. She also leads work around the Crown-Māori relationship.

Amy's career began in community development and much of her career has been in the social sector across the Ministry of Social Development. Her senior roles have ranged from social policy and welfare reform to leading a nationwide wrap-around service to families of vulnerable children and strategies to deliver better services to beneficiaries. This has included the largest Lean Six Sigma implementation across the public

sector, resulting in lower wait times and 20 per cent more clients getting the help they needed each day. Amy also has a strong action, governance and accountability focus, leading four social sector-wide budget processes for Ministers, and rose to Deputy Chief Executive, Corporate and Governance.



Most recently, Amy set up and led seven corporate and policy functions in the Ministry of Business, Innovation and Employment through the merger of four separate agencies. She was responsible for Crown entity monitoring, corporate planning, Pasifika Strategy, governance, risk and assurance, organisational strategy and the Ministerial servicing of 14 Ministers.

Amy holds a Master of Business Administration from Victoria University, a Bachelor of Arts with Honours, Bachelor of Science from the University of Otago. In 2012 Amy was appointed a Leadership Fellow by the New Zealand Leadership Development Centre. Amy's new passion is Muay Thai and she goes to Thailand to learn more whenever she can.

Paul Helm

Head of Government Finance Profession and Chief Government Accountant



Paul has a passion for strategic financial management and has been CFO at four government entities. He has held his current role – Head of Government Finance Profession and Chief Government Accountant – since October 2014. In this role, he is focused on raising awareness, professionalism and skills development in strategic financial management across the public service.

He has significant experience in public sector financial management, covering strategic budget management, including managing significant cash flows and borrowing facilities. Paul is experienced at transforming finance functions, procurement and commercial decision-making, including working on large contracts for Public-Private-Partnerships (PPPs), property, and information technology to ensure the best outcomes for an organisation. He has worked across a range of government departments including the New Zealand Transport Agency, Ministry of Foreign Affairs and Trade, Ministry of Health and Audit New Zealand, and coached other senior finance executives in strategic financial management.

Paul is also responsible for the Financial Statements of the Government. These comprehensive financial statements include a full consolidation of all government agencies' statements. The team produces monthly as well as annual accounts.

The Treasury team focused on improving financial analytics and insights with departments (Ministry of Finance Function) is another responsibility of the Chief Government Accountant. This team looks across the system to provide reports on items such as agency balance sheet sustainability and accuracy of forecast spending.

Paul is a member of Chartered Accountants Australia New Zealand and a Fellow of both CPA Australia and the Institute of Chartered Accountants of England and Wales. Whilst Paul was CFO at NZTA its finance team was awarded "Finance Team of the Year" across all entities in New Zealand in 2014, and Paul was awarded "Public Sector CFO of the Year" in 2013 by the then Institute of Chartered Accountants of New Zealand.



David Mackay

Director, Growth & Public Services



David Mackay joined the Treasury in 2015, and heads the Growth & Public Services directorate. This group focusses on raising New Zealanders' living standards through policy advice on economic growth, natural resources, regulation, and social services. David's specific policy responsibilities include education and skills, economic performance and strategy, social investment, welfare, the labour market, immigration, Māori economic development, natural resources, and regulation.

Prior to joining the New Zealand Treasury, David held a number of senior executive positions in the Australian Public Service prior to joining the New Zealand Treasury in both economic and social policy areas. Most recently, he led the Budget policy and coordination team at the Department of Finance, responsible for the production of the Australian Federal Budget. Before joining the department of Finance, he was a senior executive with the Department of Health, where he had responsibility for policy reform and service delivery in the areas of mental health, primary health care, and health system funding.

David is an alumnus of the Australia and New Zealand School of Government's Executive Fellows Programme, and a graduate of Monash University (Master of Communications) and the University of Sydney (Bachelor of Arts). David originally trained as a conductor, and was awarded the Canberra Critics Circle award for Music in 2011.

Sarah Vrede

Director, Financial Operations and Head of the New Zealand Debt Management Office



Sarah has responsibility for the activities of the NZ Debt Management Office (NZDMO) and the New Zealand Export Credit Office, in addition to responsibility for Crown Balance Sheet strategy, development of the Treasury's international engagement strategy and developing the business case for a Treasury-wide programme that will deliver a transformation in Treasury's information, data and analytics capability.

The NZDMO plays a critical role in the efficient functioning of the economy. It oversees the Government's borrowing requirements and associated activities, with a goal of managing debt in a way that minimises costs over the long-term, while keeping risk at an appropriate level. NZDMO manages the largest single portion of the Crown balance sheet – approximately one-third of the Crown's liabilities and approximately one-tenth of the Crown's assets. Related accountabilities include provision of the front, middle, back office and Information Technology requirements to manage the NZDMO portion of the Crown

balance sheet, plus investor, intermediary and rating agency relationship management on behalf of the Crown.



Sarah joined Treasury in March 2013 as Head of Portfolio Management and from August 2014 has had responsibility for both the NZDMO and New Zealand Export Credit Office. In July 2015 Sarah was appointed Director, Financial Operations as part of Treasury's senior leadership team.

Sarah's background is predominantly in financial markets at Bank of New Zealand and DFC New Zealand. Previous roles have included: head of derivatives trading, head of treasury information and technology, and director – business delivery.

Sarah has Bachelor's and Master's degrees in accounting and finance from Victoria University of Wellington and the London School of Economics.

Andrew Blazey

Director, Budget & Public Investment



Andrew was appointed a Director in 2014 after working in progressively larger roles in the Treasury over an eleven-year period. The Budget & Public Investment Directorate focuses on increasing the efficiency and effectiveness of services in the State sector and the Crown balance sheet. An important part of the Directorate's function concerns the financial management of approximately 65 per cent of government expenditure. Comprised of 77 staff and with an operating budget of \$11 million per annum, the directorate includes the National Infrastructure Unit and the Treasury's coordination with Auckland City.

Andrew has been responsible for managing the development and first public listing as part of the government's Mixed Ownership Model programme as well as leading the negotiations on the investment chapters of free trade agreements. Following two years working at the International Monetary Fund in Washington DC, Andrew continues to act as an expert consultant to the Fund. Andrew has also worked at the Ministry of Justice.

Andrew holds a Bachelor of Management studies from the University of Waikato and a Master of Business Administration from the Chinese University of Hong Kong. He is a trustee of two investment trusts, including the Victoria University Students' Trust.



Responsibilities of the Minister of Finance

Overview

The Minister of Finance is responsible for managing the Government's economic and fiscal policy, including outlining the Government's overall fiscal strategy. Due to this central role, the Minister's powers and responsibilities are wide-ranging – while the Budget process is key to the Minister of Finance's role, there are a range of other matters in which the Minister has a role due to their potential fiscal or economic impact.

The key legislation outlining the Minister of Finance's role in relation to fiscal matters is the Public Finance Act 1989 (PFA). The PFA may be seen as a handbook for the Minister of Finance's responsibilities in running the Budget process throughout the year.

The PFA also gives the Minister certain financial powers on behalf of the Crown eg, the Minister of Finance is the only person authorised to borrow and lend money on behalf of the Crown, to give guarantees and indemnities and to enter into derivative transactions.

The Minister's responsibility for the Government's overall fiscal strategy and balance sheet extends to the Standing Orders, which give the Minister of Finance the 'financial veto': the Minister of Finance may veto any proposed bill, amendment or motion which would have more than a minor impact on the Government's fiscal aggregates. The Minister of Finance may also veto any proposed change to a Vote which would have more than a minor impact on the composition of the Vote.

Internationally, the Minister of Finance is New Zealand's Governor at the International Financial Institutions (the World Bank, International Monetary Fund, Asian Development Bank and Asian Infrastructure Investment Bank).

The Minister of Finance also has a range of statutory roles, powers and duties across a large number of other statutes. These wide-ranging provisions reflect the Minister of Finance's overall responsibility for fiscal and economic matters eg, the Minister of Finance will often be referenced in a statute if action under that statute could impact significantly on the Government's balance sheet. For example, under the State Owned Enterprises Act 1986 and the Crown Entities Act 2004, the Minister of Finance is joint shareholding Minister (together with the responsible Minister). However, some of those statutory provisions relate to obligations on other parties rather than on the Minister of Finance per se eg, obligations on other Ministers to consult with the Minister of Finance before undertaking a certain action.

The Minister of Finance and the Minister of State Services share responsibility for the Social Investment Unit (SIU). Your appropriation for this sits within Vote Social Development.

Organisations

The Minister of Finance is responsible for the following organisations:

Departments

The Treasury
Reserve Bank of New Zealand

Crown entities

Government Superannuation Fund Authority
Guardians of New Zealand Superannuation



	New Zealand Productivity Commission
PFA Schedule 4 organisations	New Zealand Government Property Corporation
Other organisations	Government Superannuation Appeals Board National Infrastructure Advisory Board Community Trusts

Legislation

The Minister of Finance is responsible for administering the following legislation:²

Administered by the Treasury

Appropriation Acts

Appropriation (Continuation of Interim Meaning of Funding for Parliamentary Purposes) Act 2007

Bank of New Zealand Act 1988

Crown Entities Act 2004 (Part 4)

Crown Forests Assets Act 1989

Crown Retail Deposit Guarantee Scheme Act 2009

Government Superannuation Fund Act 1956

Housing Act 1955

Housing Corporation Act 1974

Imprest Supply Acts

International Finance Agreements Act 1961

KiwiSaver Act 2006

National Provident Fund Restructuring Act 1990

New Zealand Government Property Corporation Act 1953

New Zealand Productivity Commission Act 2010

New Zealand Superannuation and Retirement Income Act 2001 (Parts 2 and 3 and Schedule 3)

Overseas Investment Act 2005

Post Office Bank Act 1987

Public Audit Act 2001

Public Finance Act 1989

Rural Banking and Finance Corporation of New Zealand Act 1989

Superannuation Schemes Act 1989

Utilities Access Act 2010

² This list does not include Acts that have been proposed for repeal in the Statutes Repeal Bill, which is currently in the House.



Reserve Bank of New Zealand

Decimal Currency Act 1964

Insurance (Prudential Supervision) Act 2010

Non-bank Deposit Takers Act 2013

Reserve Bank of New Zealand Act 1989

Department of Internal Affairs

Community Trusts Act 1999

Trustee Banks Restructuring Act Repeal Act 1999

Public Finance Act roles and responsibilities

Under the PFA, the Minister of Finance must/may:

- Present the Estimates and supporting information to the House of Representatives immediately after delivering the Budget (section 13)
- Present the Supplementary Estimates to the House of Representatives on the day after the introduction of an Appropriation Bill (section 16)
- Approve expenses or capital expenditure to be incurred to meet an emergency or disaster (section 25)
- Determine terms and conditions of capital injections (section 26)
- Approve expenses or capital expenditure to be incurred in excess of an existing appropriation (section 26B)
- Seek validation by Parliament of expenses or capital expenditure incurred without appropriation or other authority (section 26C)
- Present to the House of Representatives a fiscal strategy report after delivering the Budget (section 26I)
- Present to the House of Representatives annually a budget policy statement (section 26M)
- Present to the House of Representatives Treasury's statement on the long-term fiscal position (every 4 years) (section 26N)
- Present to the House of Representatives annually an economic and fiscal update (section 26O)
- Arrange the publication and presentation to the House of Representatives of a half-year economic and fiscal update (section 26S)
- Arrange the publication and presentation to the House of Representatives of a pre-election economic and fiscal update (section 26T)
- Sign a statement of responsibility for the annual financial statements of Government (section 29)
- Present the annual financial statements to the House of Representatives (section 31)
- Arrange for monthly financial statements to be published (section 31A)
- Borrow money on behalf of the Crown if necessary or expedient in the public interest (section 47)



- Appoint agents for the purpose of borrowing money (section 50)
- Borrow money on terms and conditions that the Minister of Finance thinks fit (section 54)
- Vary terms and conditions of Crown borrowing (section 57)
- Convert money borrowed by the Crown (section 58)
- Appoint underwriters, managers, dealers, trustees, registrars or paying, fiscal or other agent in connection with borrowing of the Crown (section 59)
- Issue securities for money borrowed by the Crown (section 63)
- Vary public securities, issue new public security, execute securities (sections 65A, 65B and 65C)
- Enter into derivative transactions if in the public interest (section 65G)
- Lend money to persons or organisations if in the public interest (section 65L)
- Lend money to a foreign government for the purposes of assisting economic development of that country or the welfare of inhabitants of that country (section 65M)
- Specify terms and conditions under which Crown Bank Accounts can be operated (section 65R)
- Give directions on the terms and conditions under which a Departmental Bank Account must be operated (section 65T)
- Give a guarantee or indemnity if necessary or expedient in the public interest (section 65ZD)
- Approve banks where Trust Bank Accounts will be operated and maintained (section 67)
- Pay money for the purpose of making payments on behalf of the government of any country, the United Nations or any other international organisation (section 71)
- Pay money required for the purpose of defraying any charges or expenditure incurred by or on behalf of any local authority (section 72)
- Exercise any power, function, right and obligation in connection with bona vacantia (ownerless property) (section 75)
- Issue instructions (section 80A)
- Recommend the making of regulations under the Public Finance Act 1989 (section 81)

Responsibilities under the Crown Entities Act 2004

The Minister of Finance has the following roles and responsibilities under the Crown Entities Act 2004:

- The Minister of Finance must be one of the shareholding Ministers of a Crown Entity company (section 79)
- The board of a Crown entity must supply to the Minister of Finance any information requested by the Minister in relation to Crown entities' reporting and financial obligations (section 133)
- Jointly approve a Crown entity acquiring securities, borrowing, giving guarantees and indemnities and entering into derivative transactions (section 160)
- The Minister of Finance must issue instructions to Crown entities (section 174)



Responsibilities under the State-Owned Enterprises Act 1986

The Minister of Finance has the following roles and responsibilities under the State-Owned Enterprise Act 1986:

- The Minister of Finance must be one of the shareholding Ministers of a State-Owned Enterprise (SOE) (section 10)
- The shareholding Ministers may direct the board of an SOE to include certain information in the SOE's statement of corporate intent and may by written notice determine the amount of dividend payable by an SOE (section 13)

Other statutory powers and roles

In addition to being responsible for the above legislation, the Minister of Finance has powers and responsibilities under a wide range of Acts. For example:

- To direct the Registrar of the Emissions Trading Register under the *Climate Change Response Act 2002*
- To transfer Crown forestry assets under the *Crown Forest Assets Act 1989*
- To remove (together with the other responsible Minister) a director of the New Zealand Railways Corporation (Kiwirail) under the *New Zealand Railways Corporation Act 1981*
- To agree the transfer of Crown assets and liabilities to the Auditor-General under the *Public Audit Act 2001*

International responsibilities

The Minister of Finance is New Zealand's Governor at the following International Financial Institutions:

- International Monetary Fund (IMF)
- International Bank for Reconstruction and Development (World Bank)
- Asian Development Bank (ADB)
- Asian Infrastructure Investment Bank (AIIB)

As Governor, the Minister is responsible for exercising governance decisions at each institution and may represent New Zealand at their Governors' Meetings held each year. The Minister of Finance will generally attend the Annual Meetings of the IMF and World Bank in October each year (but does not often attend the Spring Meetings held in April). The Minister has the choice of attending the Annual meetings of the other institutions – the ADB of Finance in May and the AIIB in June.

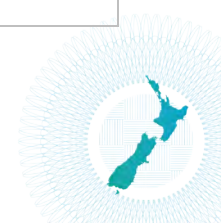
In addition to these international financial institutions, the New Zealand Governor of the European Bank for Reconstruction and Development (EBRD) is currently the Minister of Foreign Affairs.



Allocation of secondees responsibilities

MOF's office secondee roles & responsibilities (as at October 2016)

David K	Sam T	Samantha A (IRD)
<ul style="list-style-type: none"> • Social Development & Welfare <ul style="list-style-type: none"> ○ Investment approach ○ Poverty ○ Inequality ○ Youth Affairs • Health <ul style="list-style-type: none"> ○ NZ Health Partnerships Ltd. ○ DHBs • ACC • Social Investment <ul style="list-style-type: none"> ○ SIU • Employment Relations <ul style="list-style-type: none"> ○ Pay equity • Social Housing <ul style="list-style-type: none"> ○ Social Housing Reform Programme (SHRP) ○ Tāmaki Redevelopment Company ○ HNZC monitoring • Housing Affordability (with Matt) <ul style="list-style-type: none"> ○ Supply and demand measures ○ Vacant and underutilised Crown land (MBIE) • Project Tui • Data and Analytics (with Matt) • Justice Sector <ul style="list-style-type: none"> ○ Police ○ Corrections ○ Justice & Courts ○ Serious Fraud ○ Attorney-General • Security Intelligence (NZSIS, GCSB) • Climate Change • Broadcasting • Arts, Culture and Heritage • Women's Affairs • Pacific Island Affairs (with Amo) • Treaty (backup for Amo) • Senior Citizens 	<ul style="list-style-type: none"> • Budget & Fiscal Mgmt <ul style="list-style-type: none"> ○ Baseline updates ○ Budget legislation ○ Fiscal Issues • Balance sheet <ul style="list-style-type: none"> ○ CALM ○ Investment Statement ○ NZDMO • Canterbury <ul style="list-style-type: none"> ○ EQC, SRES, Ōtākaro • Vote Finance (general Treasury) • Fiscal Management • State Sector Management <ul style="list-style-type: none"> ○ Functional leadership ○ BPS Results ○ SSC/DPMC ○ Civil Defence • Macroeconomic policy <ul style="list-style-type: none"> ○ Monetary & fiscal policy ○ FSR, BPS • Forecasting • Office of Government Accountant • Ministry of Finance • Fiscal Reporting • Natural Resources <ul style="list-style-type: none"> ○ Environment/RMA ○ Conservation ○ Primary Industries ○ LINZ ○ Water (with Amo) ○ Energy & Resources • EPS <ul style="list-style-type: none"> ○ Business Growth Agenda ○ Commerce ○ Economic Dvlpmnt ○ Science & Innovation ○ Regional Policy ○ Tourism ○ Statistics • Immigration and Labour Markets • Productivity Commission • Education incl Tertiary • RBNZ (non-financial markets) • International <ul style="list-style-type: none"> ○ Overseas Investment ○ MoF travel/visits • Defence • Commercial Operations <ul style="list-style-type: none"> ○ SOEs (most) ○ Solid Energy • Modelling & research <ul style="list-style-type: none"> ○ Long-term fiscal statement 	<ul style="list-style-type: none"> • Tax <ul style="list-style-type: none"> ○ Domestic tax (income tax/GST) ○ International tax (treaties and OECD work) ○ Excise/sin taxes ○ Budget tax measures • Student Loans • Child Support • Working for Families • ICT <ul style="list-style-type: none"> ○ IRD's Business Transformation ○ RealMe ○ GCIO • Superannuation <ul style="list-style-type: none"> ○ KiwiSaver ○ NZ Super ○ Superannuation related CFIs (NZSF and Guardians, GSA, GSF, NPF, but not ACC). • Minimum wage • Paid Parental Leave • Customs • Local Government • Internal Affairs • IMAP <ul style="list-style-type: none"> ○ Major projects monitoring ○ Investor Confidence Ratings ○ Long-term Investment Plans ○ Investment Ministers • BGA Investment Ministers • Infrastructure <ul style="list-style-type: none"> ○ NIU and NIAB ○ Communications ○ Broadband/Chorus ○ Transport, incl CRL and MetService ○ KiwiRail ○ BGA Infrastructure • Financial Markets <ul style="list-style-type: none"> ○ Savings ○ Kiwibank ○ RBNZ regulation ○ Crisis governance/deposit protection ○ Macroprudential policy • AML • Regulation



Minister's Office responsibilities for Crown agents (December 2016)

Listed Companies	
Air New Zealand Limited	Samantha
Meridian Energy Limited	Sam T
Mighty River Power Limited	Sam T
Genesis Energy Limited	Sam T
State owned Enterprises	
Airways Corporation of New Zealand Limited	Samantha
Animal Control Products Limited	Sam T
AsureQuality Limited	Sam T
Corporatised Airports	Samantha
Electricity Corporation of New Zealand Limited	Sam T
KiwiRail Holdings Limited	Samantha
Kordia Group Limited	Samantha
Landcorp Farming Limited	Sam T
Learning Media Limited	Sam T
Meteorological Service of New Zealand Limited	Samantha
New Zealand Post Limited (Group)	Sam T
New Zealand Railways Corporation	Samantha
Kiwibank	Samantha
Quotable Value Limited	Sam T
Solid Energy New Zealand Limited	Sam T
Terralink NZ Limited	Sam T
Transpower New Zealand Limited	Sam T
Schedule 4A Companies	
Crown Asset Management Limited	Sam T
Crown Fibre Holdings Limited	Samantha
Education Payroll Limited	Sam T
Fairway Resolution Limited	David
Health Benefits Limited	David
Ōtākaro Limited	Sam T
REANNZ Limited	[Hon Bennett's Office]
Southern Response Earthquake Services	Sam T
Tāmaki Redevelopment Company Limited	David
The Network for Learning Limited	Sam T
Crown Entity Companies	
Crown Irrigation Investments Limited	Sam T
Crown Research Institutes	Sam T
New Zealand Venture Investment Fund Limited	Sam T
Radio New Zealand Limited	David
Television New Zealand Limited	David



Crown Agents	
Accident Compensation Corporation	David
Callaghan Innovation	Sam T
Earthquake Commission	Sam T
Housing New Zealand Corporation	David
Autonomous Crown Entities	
Government Superannuation Fund Authority	Samantha
Guardians of New Zealand Superannuation	Samantha
New Zealand Lotteries Commission	Samantha
Public Trust	Sam T
Independent Crown Entities	
New Zealand Productivity Commission	Sam T
Others	
National Provident Fund	Samantha
New Zealand Superannuation Fund	Samantha
Local Government Funding Agency Limited	Samantha
Reserve Bank of New Zealand	Sam T



Issues requiring decisions or action

This section outlines the decisions or actions required by you as the Minister of Finance by the end of February. The focus is on decisions/actions that are material and cannot be deferred or reasonably delegated. In some cases the outgoing Minister has previously agreed to the process/ approach set out by The Treasury but some further action may be required to finalise the decision.

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December

Section 1: Issues requiring an urgent decision

1.1 Budget 2017

Contact person: Kamlesh Patel, Team Leader, Fiscal and State Sector Management, 04 917 6094 or [1]

[2]



[2]

Budget date: The reason a decision on Budget Day is typically agreed in December is to allow instructions around the requirements and timetable for Budget to be communicated to agencies, and allow planning of key meetings (eg, Budget Ministers, Investment Ministers, external Budget panels and identify Budget package Cabinet meetings). In the event you prefer not to nominate a date at this point, Treasury will work with agencies to minimise and manage any process risks.

What further advice will be provided and when: We are intending to send a Treasury Report recommending a Budget Day to you early this week. We have identified the budget process as an item that warrants an early discussion with you.

[2]



1.2 Solid Energy sales process and wind-down

Contact person: Angela Graham, Manager, Commercial Advice [1] or Karl Strang, Principal Adviser, [1]

Urgent

- (1) Sign Deed of Commitment in relation to environmental liabilities (**before Christmas**)

To facilitate the sale of the Stockton export coal business, Ministers have agreed that the Crown will take long-term responsibility for the acid mine drainage rehabilitation liability. The Responsible Ministers (Hons English, Joyce and McClay) have previously agreed to the terms of the Deed, which is in agreed form but waiting approval by third parties.

Less Urgent

- (2) [2]

[2]

- (3) [2]

[2]

[4]

Brief context: This is a complex transaction. You have been part of the Ministerial decision-making group on this issue.

Consultation required: None

What further advice will be provided and when: We currently propose to send the Deed of Commitment to you for execution early next week.



1.3 Confirmation and Validation Bill

Contact person: Warwick White, Team Leader, Fiscal and State Sector Management, 04 917 6233

Decision/action required by Minister: Introduce the 2015/16 Confirmation and Validation Bill and table the *Report on Unappropriated Expenses and Capital Expenditure*.

Deadline: Before Friday 16 December.

Brief context: The Public Finance Act provides a range of remedies if expenses or capital expenditure are (or may be) incurred without being authorised by an appropriation or other authority, which includes the Confirmation and Validation Bills.

Consultation required: TBC.

What further advice will be provided and when: A Treasury Report was sent on Wednesday 7 December and the outgoing Minister of Finance signed the report on Friday 9 December.

[2]

Section 2: Issues that are less time-critical but where prompt attention is preferable

2.1 Government Response to the Productivity Commission Report on Social Services: Final Approval and Press Release

Contact person: Fiona Whiteridge, Manager, Fiscal and State Sector Management, 04 917 6304

Decision/action required by Minister: Joint approval with the Minister of State Services to release the Government's response to the Productivity Commission Report on More Effective Social Services and a joint press release.

Deadline: [2]

The Commission delivered its report in September 2015. There has been recent interest in when the Government will release its response.



Brief context: [2]

Consultation required: Consultation with agencies and Ministers has already taken place.

What further advice will be provided and when: If SOC approve the release of the response; a final, up-to-date version of the response will be provided [2] along with the draft press release for approval. [2]

2.2 International: Overseas Investment – Ministerial Directive Letter

Contact person: Chris Nees, Team Leader, International, 04 897 0753

Decision/action required by Minister: Agreement to new Ministerial Directive Letter

Deadline: December 2016 [2] and February 2017 (agreement to new Directive letter).

These deadlines were previously agreed with Ministers. It is not essential to get the advice on [2] out before Christmas, but our preference would be to proceed with advice towards the Directive letter in February to provide operational certainty to the Overseas Investment Office as soon as possible.

Brief context: We are drafting a new Ministerial Directive Letter for the Overseas Investment Office to support existing work to improve the operation of the Office. Ministers have already agreed to the scope of most of the changes to the current letter, [2]

Consultation required: Internal government consultation only at this stage.

What further advice will be provided and when:

- [2]
- New directive letter – February 2017

2.3 Reserve Bank of New Zealand: Commencement of Board Appointment Process and Fees Review

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister:

Agree to the recommended appointments process; **agree** to sign the letters to Caucus colleagues and support parties to begin consultation process; **agree** to the Treasury commencing consultation process with nominating agencies and list position on the online director candidate database; [2]

Deadline: December 2016.

Commencement of the appointment round is necessary to ensure that adequate time is allowed to follow the Cabinet approved appointments process. The Treasury anticipates that the identification of suitably qualified candidates will be difficult and recommends



starting the process as soon as possible. This includes calling for nominations from Caucus, Nominating Agencies and advertising through the Treasury appointments database. Adequate time needs to be provided to create a short-list for your consideration in February – March, due diligence interviews, further reporting to allow Ministerial decision making and consideration at APH, Cabinet and Caucus. This process should be completed before Dr Carr's term end date of 15 July 2017.

Brief context:

[3][4]

Consultation required:

APH, Cabinet and Caucus.

What further advice will be provided and when:

[3][4]



2.4 Government Superannuation Fund Authority: 2017 Appointment Round Update

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister:

Agree to the recommended appointments process; **agree** to sign the letters and arrange for them to be delivered to Government Caucus members and support parties, along with copies of the board position specification. **Advise** the Treasury when these have been sent to enable commencement of consultation with nominating agencies and listing of the position on the Treasury's online database. [2]

Deadline: December 2016.

Commencement of the appointment round is necessary to ensure that adequate time is allowed to follow the Cabinet approved appointments process prior to the completion of Mr Taylor's term end date of 30 April 2017. This process includes calling for nominations from Caucus, Nominating Agencies and advertising through the Treasury appointments database. Adequate time needs to be provided to create a short-list for the Minister's consideration in late January – early February, due diligence interviews in late February, further reporting to allow Ministerial decision making and consideration at APH, Cabinet and Caucus in March.

Brief context:

The Treasury reported to the former Minister of Finance on 6 December 2016 seeking authority to commence an appointment process to address the Minister's earlier decision not to reappoint Keith Taylor at the end of his term on 30 April 2017 [T2016/2086]. This was not actioned pending the appointment of the new Minister. We will resubmit this report to you. You will be asked to agree to a public call for nominations (16 December – 13 January) to identify a suitable replacement candidate. [2]
[T2016/2370].

Consultation required:

APH, Cabinet and Caucus.

What further advice will be provided and when:

We will resubmit the reports to you. The Treasury will report back to you in late January or early February, subject to the timing of the call for nominations, with a short-list of candidates for consideration.

[2]



2.5 Crown Company Board Fees

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1] or
Chris Gregory, Manager, Governance and Performance, 04 917 6064

Decision/action required by Minister:

[2][4]

Deadline: Before Christmas.

[2][4]

Brief context:

[2][4]

Consultation required: None.

What further advice will be provided and when: [2][4]

Section 3: Work other agencies are doing that requires an urgent decision

[2]



January

Section 1: Issues requiring an urgent decision

1.1 Legal: Approval of Legislation Programme for Finance Portfolio 2017

Contact person: Jeremy Salmond, Treasury Solicitor, 04 917 6155 or Adam Wood, Deputy Treasury Solicitor, 04 890 7212

Decision/action required by Minister:

Approve and sign the Treasury Report and covering letter detailing your proposals (bids) for the Finance Portfolio to include in the Legislation Programme for 2017.

Deadline: 27 January 2017.

Cabinet Office requires all legislation bids for all portfolios, including covering letters stating the proposed priority of bids to be received by the Legislation Coordinator by 10am Friday 27 January 2017.

Brief context:

Government Bills are managed through an annual Legislation Programme. Ministers have been invited to propose bids to include bills in the Legislation Programme for 2017. Bids must be received for all bills, whether new, being drafted, or already before the House or select committee. Bids must be ranked according to priority within the portfolio; this process will be done in consultation with your office. Bids are compiled by the Legislation Co-ordinator in Cabinet Office and submitted to the Cabinet Legislation Committee for a decision on which bills are to be included in the Legislation Programme and the priority they will be given.

Consultation required:

The Finance Portfolio will include bids from both the Treasury and RBNZ; consultation with RBNZ is on-going. We have been communicating with the previous Minister of Finance's office around prospective timelines and ranking decision for bid and will liaise with your office.

What further advice will be provided and when:

A Treasury Report with a covering letter and copies of the bids (approximately 10 including Budget legislation) will be sent to you in mid-January 2017.

1.2 [2]



[2][4]

1.3 Board appointment and fees

Crown Financial Institutions (CFIs): Process for Ministerial Approvals of Restricted Activities under the governing statutes of the CFIs. Final letters to CFI Boards to be signed and sent.

Contact person: Craig Weise, Manager, Strategy and Policy, Commercial Operations, 04 917 6149

Decision/action required by Minister: Final letters to CFI Boards to be signed and sent.

Deadline: January

Why this deadline? To bring quite a long-dated process to conclusion (the initial letter was submitted to the former Minister on 5 September) and to pre-empt two new approval requests which we know to be coming through the CFI pipeline.

Brief context: A draft letter was sent by the previous Minister to the CFI Boards on 26 October. This letter laid out a clear and consistent set of guidelines that each CFI is expected to follow when applying for any future Ministerial Approvals for those activities that would otherwise be restricted under their individual governing statutes e.g. borrowing or use of derivatives. Upon completion of consultation with each of the entities, the Treasury will be providing an amended letter for your review. You will be asked to note the changes to that letter and sign and send the final version to the Boards of the CFIs.

This action links into the broader programme of improving the consistency of governance across the CFIs and is a critical tool in delivering key messages around the Crown's role in assessing certain activities that are undertaken by the CFIs.

Consultation required: The Boards of the CFIs have been given the opportunity to respond to the initial letters. We understand that a letter may still be forthcoming from the Guardians of New Zealand Superannuation. This should reflect that the Treasury has engaged with the Super Fund in developing the final letter.

What further advice will be provided and when: We are targeting supply of the final letter and the supporting the Treasury Report prior to Christmas.

1.4 Crown Asset Management Ltd (CAML) and Torchlight litigation

Contact person: Angela Graham, Manager, Commercial Advice, 04 917 6115

Decisions/actions required by Minister

[4]

Deadline: January

Brief context:

CAML initiated and is currently engaged, with other Limited Partners, in a court action in the Cayman Islands for the winding up of the Torchlight Limited Partnership (Torchlight). The case will be heard in February 2017.



[4]

We consider that this is very much a routine decision.

Consultation required: None.

What further advice will be provided and when: We expect to be ready to provide a Treasury Report prior to Christmas.

1.5 Directors' Fees Letters

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister: Communication of the Cabinet decision regarding Directors' Fees for the 2017 calendar year.

Deadline: January

Brief context: [2][4]

Consultation required: Shareholding Ministers

What further advice will be provided and when: [2][4]

Section 2: Issues that are less time-critical but where prompt attention is preferable

2.1 NZ Post Statement of Corporate Intent (SCI)

Contact person: Chris Gregory, Manager, Governance and Performance, 04 917 6064

Decision/action required by Minister: To approve NZ Post's 2016 SCI.

Deadline: January

Brief context: NZ Post's 2016 SCI was delayed due to Project Tui (the partial sale of Kiwibank). [2]

Consultation required: [2]

What further advice will be provided and when: [2]

2.2 International: Overseas travel in early 2017

Contact person: Chris Nees, Team Leader, International, 917 6019

Decision/action required by Minister: Confirm overseas travel intentions for early 2017.



Deadline: January (for trips in the March – May period).

The earlier that international trips are confirmed and organisation can begin, the better value the trips will be, as more high-quality meetings with high-value individuals and organisations can be arranged.

Brief context: We send a travel report to the Minister of Finance every quarter asking for agreement on trips 3-6 months out. We will submit to you a report to confirm travel priorities for earlier 2017. For example, the previous Minister had indicated interest in a trip to Europe in March for the Economic and Financial Affairs Council Meeting in Brussels and a trip to the Asian Development Bank Annual Meeting in Tokyo in early May (with a potential side-trip to China).

Consultation required: Your office and MFAT.

What further advice will be provided and when: We will provide you with advice in mid-January 2017.

2.3 Financial Sector Assessment Programme (FSAP) – review of ‘response from authorities’

Contact person: Craig Fookes, Team Leader, Financial Markets, 04 917 6234

Decision/action required by Minister: To note the draft ‘response from authorities’ to be included in the IMF’s final FSAP report – which will be published in April/May 2017.

Deadline: 12 January 2017 (*Deadline set by IMF*).

Brief context: The IMF has undertaken an FSAP of New Zealand, which involved two missions (in August/September and November 2016). The review includes ‘Detailed Assessment Reports’ of New Zealand’s compliance with the Core Principles for Banking and Insurance Supervision. The IMF requires a formal ‘response from authorities’ to these assessments for inclusion in the final published report. The New Zealand authorities (the Treasury, the Ministry of Business, Innovation and Employment (MBIE), the Reserve Bank and the Financial Markets Authority (FMA)) are preparing the text for this response. Our intention is that the response will acknowledge the findings and recommendations without indicating any firm decisions.

Consultation required: Consultation at official level is underway now. The inter-agency Steering Group (Treasury, RBNZ, MBIE, FMA) has agreed that this briefing should be provided before Christmas, with a copy also sent to the Minister for Commerce and Consumer Affairs as some of the recommendations relate to the FMA.

What further advice will be provided and when:

A background note on the FSAP second mission (1-17 November) and draft text of ‘response from authorities’ will be provided by 16 December. Additional background material will also be provided on the FSAP process generally and the outcomes of the first mission (August/September).

More detailed advice on the full range of findings and recommendations of the FSAP as a whole will be provided in Q1 2017, with a view to providing an update for Cabinet and developing an agreed position in time for the publication of the FSAP report in April/May 2017.



2.4 Government Superannuation Fund (GSF)

Contact person: Craig Weise, Manager, Strategy and Policy, Commercial Operations, 04 917 6149

Decision/action required by Minister: Sign a letter to the Government Superannuation Fund Authority (GSFA) approving changes to employer contribution rates.

Deadline: Mid-January 2017.

Government departments/entities are required to complete their SOIs and SPEs in the first quarter of 2017. As part of this process they will be seeking confirmation in early January 2017 from the GSFA of the employer contribution rates to apply from 1 July 2017.

Brief context: Under the Government Superannuation Fund Act 1956, the Authority's Actuary is required to complete a statutory valuation of the Fund at least every three years. Following a request from a former Minister of Finance, statutory valuations of the Fund are completed annually. The results of the statutory valuation are used in part to recommend (to the Minister of Finance) the employer contribution rates for non funding employers (ie, Government departments and some schools) and certify the employer contribution rates payable by funding employers.

Following the statutory valuation of the GSF as at 30 June 2016, the Actuary has recommended changes to non-funding contribution rates as outlined below

[2]

Consultation required: The Authority and the Treasury are available to discuss the above in more detail if required.

What further advice will be provided and when: A Treasury Report and letter from you to GSFA will be provided by early January 2017.

2.5 Vote Finance: Proposed 2017 Budget Initiatives

Contact person: Ant Shaw, Finance Business Partner, 04 817 9160

Decision/Action Required: Support from the Minister of Finance to submit Vote Finance Budget initiatives into the 2017 Budget initiatives process.

Deadline: 14 December is the Budget deadline for Ministerial letters to be submitted in support of Budget bids. We will work with you to discuss our proposed bids so that, if you support, these can be submitted in a relatively timely way. Timing is also contingent on decisions on new Associate Ministers of Finance.



Brief context: A Treasury Report (T2016/2320) was sent to the previous Minister of Finance on Thursday 8 December seeking his support to submit Vote Finance initiatives under Vote Finance. This has not been actioned pending the appointment of the new Minister and associates. We will resubmit the report to you.

To manage conflicts of interest in line with the Cabinet Manual, the standard practice is for the Prime Minister, in the terms of the appointment of the Associate Minister of Finance, to delegate “responsibilities of the Minister of Finance relating to proposals made by the Minister in relation to those appropriations in Vote Finance for which he is responsible”.

Therefore, we will be seeking your support to submit Budget initiatives under Vote Finance to the Associate Minister of Finance (once named).

What further advice will be provided and when: Further advice on the [2] initiative will be provided in January if you indicate initial support for developing this bid further.

Section 3: Work other agencies are doing that requires an urgent decision

3.1 Ōtākaro Ltd – Metro Sports Facility procurement

Contact person: Angela Graham, Manager, [1] or David Stanley, Principal Adviser, [1]

Decisions/actions required by Minister:

- [4]
-
-
-

Deadlines: are driven by the Metro Sports procurement project plan. [2]

Consultation: [4]

Brief context: The Minister supporting Greater Christchurch Regeneration is the lead Minister on Christchurch issues, but the Minister of Finance is a shareholding Minister in Ōtākaro Ltd. To date Minister of Finance involvement in this portfolio has been focused on funding decisions.

What further advice will be provided and when: The Treasury is required to report to the Minister supporting Greater Christchurch Regeneration on Ōtākaro’s quarterly funding request before Christmas. This report will be copied to you for information, and could be used to signal the timing of upcoming decisions.



3.2 Legal: Approval to give the [2]

Contact person: Jeremy Salmond, Treasury Solicitor, 04 917 6155 or Adam Wood, Deputy Treasury Solicitor, 04 890 7212

Decision/action required by Minister:

Approval to give authority to the [2]

Deadline:

While there no fixed deadlines, we expect to be seeking your approval in January.

Brief context:

[2]

Consultation required: None.

What further advice will be provided and when:

A Treasury Report recommending that [2]

[2]

3.3 Tertiary Education: Endorsing the Lincoln Hub Stage 1 project business case

Contact person: Kristie Carter, Team Leader, Labour Market and Welfare, 04 890 7287

Decision/action required by Minister: Following the standard Cabinet protocols on papers with fiscal implications, the Lincoln Hub Stage 1 project business case and a Cabinet paper [2] will be provided to the Minister of Finance.

[2]



The timing of a complete IQA'd (Independent Quality Assurance) business case is uncertain. Lincoln University/AgResearch will be confirming a main contractor for early contractor involvement by the end of December 2016. [2]

Brief context: The Stage 1 Lincoln Hub project provides education and research facilities for Lincoln University, AgResearch and Dairy NZ. It is a key enabler for the Lincoln Hub, a change programme that will seek to create a globally significant education, research, innovation and business development cluster to contribute to New Zealand's land-based sectors.

Consultation required: The Minister for Tertiary Education will forward the business case to you.

What further advice will be provided and when: The Treasury will provide you with further advice on the project business case once the IQA is completed.

February

Section 1: Issues requiring an urgent decision

1.1 Tax Issues

Contact person: Suzy Morrissey, Team Leader, Tax Strategy, 04 917 6292 / [1]

Decision/action required by Minister:

[2]

Deadline:

[2]

Brief context: [2]



Consultation required:

[2]

What further advice will be provided and when?

[2]

1.2 Social Housing Reform Programme: Placement of encumbrances on properties in Christchurch (Minister for HNZN)

Contact person: Karen Mitchell, Transactions Lead, 04 917 6963

Decision/action required by Minister: Approve.

Deadline: 10 February.

Encumbrances (legal protection that attaches to a property's title) should be placed before releasing an Expression of Interest (EOI) to ensure they can be managed within Housing New Zealand's (HNZ) revaluation reserve and avoid impact on the operating balance before gains and losses (OBEGAL).

Brief context: The encumbrances will be similar to those used for the Tauranga Social Housing transfer and will therefore be relatively straightforward and familiar to the market. Following the placement of encumbrances, HNZ will be required to undertake a revaluation. It will be critical for officials to agree a valuation method before this.

Consultation required: Ministry for Social Development (MSD), HNZ, Minister for Social Housing, Minister Responsible for Housing New Zealand.

What further advice will be provided and when: A report to Joint Ministers will be provided in early February.

1.3 Social Housing Reform Programme: Release of EOI

Contact person: Karen Mitchell, Transactions Lead, 04 917 6963

Decision/action required by Minister: Approve/note.

Deadline: 17 February.

The EOI should be released at the earliest opportunity to maintain market interest in the transfer.

Brief context: The Treasury will provide a report asking Joint Ministers to note the outcomes of iwi consultation and market sounding for the Christchurch transfer, and to approve the release of an EOI.

Consultation required: MSD, HNZ, Minister for Social Housing, Minister Responsible for Housing New Zealand.

What further advice will be provided and when: A report will be provided in early February.



1.4 Letters of Expectation for Crown Entities

Contact person: Chris Gregory, Manager, Governance and Performance, 04 917 6064

Decision/action required by Minister: [2]

Deadline: [2]

Brief context: The Letters of Expectation (LOE) commence the business planning round for the Crown Entities which culminates in submission of draft business plans and Statements of Performance Expectations in May. The LOE is the primary means for shareholding Ministers to communicate their wishes for the companies' strategies.

Consultation required: Shareholding Ministers, Crown Entities, other monitoring agencies

What further advice will be provided and when: [2]

1.5 Government Superannuation Fund Authority (GSFA) – Response to the 2016 PwC Statutory Review. Minister to indicate agreement with the Authority's responses.

Contact person: Craig Weise, Manager, Strategy and Policy, Commercial Operations, 04 917 6149

Decision/action required by Minister: Indicate agreement with the Authority's responses to the recommendations made in the review.

Deadline: Mid-February.

Brief context: A five yearly statutory review of GSFA was completed and reported on by PwC in 2016. The review paints a generally positive picture of GSFA. However, PwC has identified areas for continued improvement and made a number of recommendations in relation to these. GSFA has welcomed PwC's report and most of the recommendations made. The Authority has delivered to the Minister of Finance a report outlining the recommendations and areas of development and the Authority's responses to each of these. The Authority will begin a number of work streams relevant to each of these recommendations that will enhance its operations.

Consultation required: The Treasury will track progress of the recommendations accepted by GSFA.

What further advice will be provided and when: A Treasury Report and letter for GSFA will be provided in early February.

Section 2: Issues that are less time-critical but where prompt attention is preferable

[2]

Contact person: [2]

Decision/action required by Minister: [2][4]



Deadline: [2][4]

Brief context: [2][4]

Consultation required: [2][4]

What further advice will be provided and when: [2][4]

2.2 Housing New Zealand Corporation: Appointment Decisions Required by a New Minister by end-February 2017

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister:

A decision needs to be made by responsible Ministers regarding the term end of one Board member on the Board of Housing New Zealand Corporation. The term of Jeff Meltzer is due to expire on 30 June 2017 and a decision needs to be made whether to reappoint or replace him. If a replacement member is sought, further decisions need to be made regarding a public call for nominations to identify potential replacement members.

Deadline:

The Treasury recommends commencing the process in February to ensure that final decisions are confirmed before the term end date on 30 June. An appointment process may take several months to complete, especially if a call for nominations is initiated to identify a new member.

What further advice will be provided and when:

The Treasury will provide a commencement report in early February.

2.3 Tāmaki Redevelopment Company Ltd: Appointment

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister:

Tāmaki Redevelopment Company (TRC) is a joint venture between Auckland Council and the Crown. One director is appointed by Auckland Council, one director is appointed by the Crown, and the remaining directors are jointly appointed by the Crown and the Council.



A decision needs to be made by responsible Ministers regarding the term end of one joint appointee on the Board of TRC. The term of Soana Pamaka is due to expire on 19 June 2017 and a decision needs to be made whether to reappoint or replace her. If a replacement member is sought, further decisions need to be made regarding a public call for nominations to identify potential replacement members.

Deadline:

The Treasury recommends commencing the process in February to ensure that final decisions are confirmed before the term end date on 19 June. An appointment process may take several months to complete, especially if a call for nominations is initiated to identify a new member. The appointment processes for TRC may take additional time due to the joint shareholding and consultation process with Auckland Council.

Consultation required:

As a joint shareholder Auckland Council is consulted throughout the appointments process.

What further advice will be provided and when:

The Treasury will provide a commencement report in early February.

2.4 Crown Finance Portfolio Board Appointments: Decisions or Actions Required by a New Minister by end-February 2017

Contact person: Ngaire Best, Team Leader, Governance and Performance, [1]

Decision/action required by Minister: The Minister needs to confirm the earlier appointment or reappointment decisions to the boards in the Crown Finance portfolio, and agree to sign the documentation giving effect to the appointments:

- [1][2][4][8]

-

-

-

Deadline:

[1][2][4][8]

Brief context:

These are standard decisions made within the cyclical board appointment process.



Consultation required:

APH, Cabinet and Caucus and, in the case of the Government Superannuation Appeals Board, completion of consultation with the requisite stakeholders (consultation letters have already gone out).

What further advice will be provided and when:

The Treasury will provide a report enclosing appointment documentation in early February.

2.5 International: International Monetary Fund (IMF) Bilateral Loan Agreement

Contact person: Chris Nees, Team Leader, International, 04 917 6019

Decision/action required by Minister: Sign off on bilateral loan agreement with the IMF.

Deadline: TBC, but likely by end of February 2017.

The exact timing will be determined by the speed of engagement with IMF. Our current loan agreement expires in April, so the new agreement needs to be in place ahead of time.

Brief context: Cabinet has agreed to renew New Zealand's bilateral loan agreement with the IMF. The new loan agreement will need to be signed by you once its terms have been finalised with the IMF.

Consultation required: IMF.

What further advice will be provided and when: Likely February 2017.

2.6 International: Overseas Investment – Further Exemptions to the Overseas Investment Act

Contact person: Chris Nees, Team Leader, International, 04 917 6019

Decision/action required by Minister: Agreement to further exemptions to the Overseas Investment Act

Deadline: February 2017.

- This deadline has been set in response to the former Minister of Finance's desire.

Brief context: Ministers have requested advice on further exemptions to the Overseas Investment Act. This will involve seeking new policy decisions.

Consultation required: Internal government consultation is only required at this stage.

What further advice will be provided and when: Advice on exemptions – February 2017.

2.7 Major Projects Monitoring: approval to exit projects from Monitoring

Contact person: Ricky Utting, Manager, Investment Management and Asset Performance, 04 890 7200

Decision/action required by Minister: Likely decision on reducing the number of Major Projects monitored (capacity constraints) and exiting projects from monitoring that are consistently performing well or are completed.

Deadline: Preferably February.

Before the production of the March Major Projects Performance Report.



Brief context: IMAP monitors a number of major projects. There is a regular process to review and exit projects if appropriate to do so. The number of projects monitored has risen in the past two years and capacity can't keep up. In addition to the regular process, we will likely look to reduce and cap the number of projects the team monitors.

Consultation required: Exiting projects will require consultation with the relevant agencies and Ministers if needed.

What further advice will be provided and when: Expect to produce a Treasury Report in mid-February

2.8 Investor confidence rating: Agree Tranche Three interim results and Round Two improvements

Contact person: Ricky Utting, Manager, Investment Management and Asset Performance, 04 890 7200

Decision/action required by Minister: As an Investment Minister (delegation for improvements and agreement to interim results are delegated by Cabinet):

- agree the interim Investor Confidence ratings (ICR) of nine agencies assessed in Tranche Three so they can proceed to Cabinet Committee, Cabinet, and release (April).
- agree the proposed enhancements to the ICR process for the second round of agency assessments (starting in the 2017/18 financial year).

Deadline: end of February at latest

- for the results, timing is to meet Cabinet and release timeframes in a timely manner.
- for the improvements, so that agencies can have certainty going into 2017/18 and we can build into communications.

Brief context: Investor confidence ratings were established in the Cabinet Circular CO(15)5 and are an incentive mechanisms for agencies to raise performance, a form of earned autonomy, and provides a system measure of improvement through longitudinal change.

Investment Intensive agencies are assessed in Tranches, and repeat assessments are done on two yearly cycles.

Consultation required: Moderated ICR Results are widely consulted on with agencies, and relevant Ministers.

What further advice will be provided and when: Papers will be provided for the February Investment Ministers meeting



2.9 [2]

[2][5]

[2]

[2][5]

[2]

2.10



[2]

2.11 Social Housing Reform Programme: Release of EOI

Contact person: Karen Mitchell, Transactions Lead, 04 917 6963

Decision/action required by Minister: Approve/note

Deadline: 17 February

An EOI should be released at the earliest opportunity to maintain market interest in the transfer.

Brief context: Treasury will provide a report asking Joint Ministers to note the outcomes of iwi consultation and market sounding for the Christchurch transfer of social housing stock, and to approve the release of an EOI.

Consultation required: MSD, HNZ, Minister for Social Housing, Minister Responsible for Housing New Zealand.

What further advice will be provided and when: Report will be provided early February.

2.12 Better Public Services (BPS) Seed Fund Round and Review: Making decisions on the November BPS Seed Fund round and determining the ongoing future of the Fund

Contact person: Zoe Wyatt, Team Leader, Fiscal and State Sector Management, 04 917 6201

Decision/action required by Minister: Getting joint agreement between the Minister of Finance and the Associate Ministers as to what will be funded through the November BPS Seed Fund round. [2]



2.13 [2]

2.14 [2][4][5]



Section 3: Work other agencies are doing that requires an urgent decision

3.1 [2][4][5]

3.2 [2]



[2]



