

# The Treasury

## Budget 2014 Information Release

### Release Document

### July 2014

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

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

- [1] 6(a) - to prevent prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [3] 9(2)(a) - to protect the privacy of natural persons, including deceased people
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- [6] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [7] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [8] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [9] 9(2)(h) - to maintain legal professional privilege
- [10] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [11] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [12] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [13] Not in scope
- [14] 6(e)(iv) - to damage seriously the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the entering into of overseas trade agreements.

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 [3] appearing where information has been withheld in a release document refers to section 9(2)(a).

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

Hon Hekia Parata  
Minister of Education  
Parliament Buildings  
WELLINGTON

Dear Minister

Thank you for your submission of Budget initiatives in Vote Education for consideration by Budget Ministers as part of the Budget 2014 process.

### **Budget 2014 initiatives**

Budget Ministers have considered your Budget initiatives and have reached the following decisions:

The following initiatives are supported in full:

- Investing in Educational Success
- October Baseline Update (OBU) 2013 Forecast Changes
- March Baseline Update (MBU) Forecast Changes
- Cost Adjustment to Operational Grants for Schools
- Early Childhood Education Cost Adjustment
- [7]
- Greater Christchurch Education Renewal Programme: Property Components
- Asset Management Change Programme
- Support for Students with High Health Needs to Safely Attend School
- Expansion of Reading Together
- Te Aho o Te Kura Pounamu Partnership Pilot
- Public Private Partnership - Hobsonville Point
- School Property Expansion
- Savings from Temporary Return of Insurance Recoveries to the Crown
- Computers in Homes
- [7]
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- Blind and Low Vision Support Changes
- Canterbury Renewal Early Childhood Education Consultation Underspend
- Savings in Interest Rate Subsidy for Schools
- Property Procurement Efficiencies
- Relieving Teachers – Underspend
- Top Teacher Awards Reprioritisation

- School Accommodation Business Case (State School Property Maintenance Grant)
- Deferring Early Childhood Education Outcomes-based Purchase Agreements
- Targeted Assistance for Participation Savings
- Improved cost effectiveness of Professional Learning and Development
- Reduction in School Classification, Integration and Closure Contingency Funding
- Savings - Boarding Allowances and Bursaries Underspend

The following initiative is supported, but at lower levels of funding:

- Increased Insurance Premiums Post-Christchurch Earthquakes: see table below for agreed funding level

The following initiatives are supported, but are to be funded from baselines:

- Leaky Buildings Rectification: this initiative is to be funded from baselines from Revenue Other received in Vote Education

**Summary of supported Budget 2014 initiatives:**

\$millions		Operating					Capital
ID	Initiative Name	2013/14	2014/15	2015/16	2016/17	2017/18	Total
8172	Investing in Educational Success	0.000	5.513	74.637	124.265	154.831	0.000
8041	October Baseline Update (OBU) 2013 Forecast Changes	10.466	38.113	37.392	31.005	65.589	0.000
8372	MBU Forecast Changes	16.090	27.150	0.000	0.000	0.000	0.000
8042	Cost Adjustment to Operational Grants for Schools	0.000	12.113	24.431	24.370	24.403	0.000
8043	Early Childhood Education Cost Adjustment	0.000	12.915	13.309	13.564	13.821	0.000
	[7]		[7]				
8054	Greater Christchurch Education Renewal Programme: Property Components	0.000	2.200	5.270	5.560	3.860	0.000
8044	Increased Insurance Premiums Post-Christchurch Earthquakes	0.000	8.500	0.000	0.000	0.000	0.000
8046	Asset Management Change Programme	0.000	1.410	2.180	2.080	2.080	0.000
8051	Support for Students with High Health Needs to Safely Attend School	0.000	1.170	1.170	1.170	1.170	0.000
8385	Expansion of Reading Together	0.000	0.665	0.343	0.681	0.681	0.000
8384	Te Aho o Te Kura Pounamu Partnership Pilot	0.000	0.000	0.000	0.648	0.689	0.000
8050	Public Private Partnership – Hobsonville Point	0.000	7.639	7.576	7.388	7.209	0.000
8048	School Property Expansion	0.000	0.801	4.414	13.088	19.830	172.463
8373	Savings from Temporary Return of Insurance Recoveries to the Crown	0.000	(7.400)	(2.500)	0.000	0.000	0.000

\$millions		Operating					Capital
ID	Initiative Name	2013/14	2014/15	2015/16	2016/17	2017/18	Total
8047	Leaky Building Rectification	0.000	0.000	0.000	0.000	0.000	0.000
8444	Computers in Homes	(4.900)	3.040				0.000
[7]							
8067	Blind and Low Vision Support Changes	(0.038)	(0.038)	(0.038)	(0.038)	(0.038)	0.000
8063	Canterbury Renewal Early Childhood Education Consultation Underspend	(0.463)	(0.210)	0.000	0.000	0.000	0.000
8374	Savings in Interest Rate Subsidy for Schools	0.000	(0.121)	(0.118)	(0.117)	(0.117)	0.000
8069	Property Procurement Efficiencies	0.000	(0.615)	(0.615)	(0.615)	(0.615)	0.000
8064	Relieving Teachers - Underspend	0.000	(0.500)	(1.000)	(1.000)	(1.000)	0.000
8386	Top Teacher Awards Reprioritisation	0.000	(1.000)	(1.000)	(1.000)	(1.000)	0.000
8065	School Accommodation Business Case (State School Property Maintenance Grant)	0.000	(0.572)	(1.145)	(1.145)	(1.145)	0.000
8376	Deferring Early Childhood Education Outcomes-based Purchase Agreements	(4.000)	(4.000)	(2.740)	(1.360)	0.000	0.000
8377	Targeted Assistance for Participation Savings	(0.900)	(1.700)	(2.500)	(4.300)	0.000	0.000
8375	Improved Cost Effectiveness of Professional Learning and Development	0.000	0.000	0.000	(3.000)	(6.000)	0.000
8066	Reduction in School Classification, Integration and Closure Contingency Funding	(2.020)	(4.000)	(5.000)	(5.000)	(5.000)	0.000
8460	Savings - Boarding Allowances and Bursaries Underspend	(1.180)	0.000	0.000	0.000	0.000	0.000

Budget Ministers have also agreed to place the following condition around the funding of this initiative agreed above:

- Investing in Educational Success – funding for this initiative will be placed in a tagged contingency;
- [7]
- [7]

The following initiatives are not supported:

- [7]
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Please note that final decisions on all Budget initiatives will be made by Cabinet on 14 April 2014.

Yours sincerely

Hon Bill English  
**Minister of Finance**