

The Treasury

Budget 2014 Information Release

Release Document

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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.



Minute of Decision

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

Budget 2014: Vote Housing Technical Initiatives

On 7 April 2014, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2014 Budget package, as listed in the summary below and detailed in the attached initiative documents;

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
8279	Canterbury Recovery Response	-	(2.557)	(2.557)	-	-
8115	Savings from the Formation of the Ministry of Business, Innovation and Employment	-	(0.794)	(0.794)	(0.794)	(0.794)
8269	Vote Realignment to Reflect Implementation of One-Cost Allocation Methodology	(1.150)	-	-	-	-
Total Operating		(1.150)	(3.351)	(3.351)	(0.794)	(0.794)

- 2 **approved** the changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **agreed** that the changes to appropriations and/or projected balances of net assets for 2013/14 above be included in the 2013/14 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 4 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2013/14 Supplementary Estimates, the 2014/15 Estimates and the fiscal forecasts;

- 5 **noted** that all communications relating to the 2014 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office.

Secretary of the Cabinet

Reference: CAB (14) 160

Initiative No: 7953

Vote: Housing

Title: Appropriation Increases

Description: This initiative is an increase in appropriation funded through the increased forecast revenue from the Building Levy.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	6.000	5.000	5.000	4.000
Total	-	6.000	5.000	5.000	4.000

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expense:					
Building Regulation and Control (funded by revenue Other)	-	6.000	5.000	5.000	4.000
Total Operating	-	6.000	5.000	5.000	4.000
Total Capital	-	-	-	-	-

Vote: Housing

Title: Canterbury Recovery Response

Description: This initiative provides for a transfer to Vote Economic Development and Vote Employment for the response co-ordination appropriation that is limited to the co-ordination, and management of the Ministry of Business, Innovation and Employment's contribution to the Canterbury recovery.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	(2.557)	(2.557)	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(2.557)	(2.557)	-	-

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expense:					
Canterbury Recovery: Building and Housing Assistance (funded by revenue Crown)	-	(2.557)	(2.557)	-	-
Total Operating	-	(2.557)	(2.557)	-	-
Total Capital	-	-	-	-	-

Additional recommendation

- 6 **noted** that as this initiative is fiscally neutral, there is an equal and opposite technical Budget initiative for Vote Economic Development (Initiative number 8278).

Initiative No: 8115

Vote: Housing

Title: Savings from the Formation of the Ministry of Business, Innovation and Employment

Description: Provides for savings as a result of the formation of the Ministry of Business, Innovation and Employment.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	-	(0.794)	(0.794)	(0.794)	(0.794)
Debt Impact	-	-	-	-	-
No Impact	-	(0.857)	(0.857)	(0.857)	(0.857)
Total	-	(1.651)	(1.651)	(1.651)	(1.651)

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expenses:					
Building Regulation and Control (funded by revenue Crown)	-	(0.150)	(0.150)	(0.150)	(0.150)
Building Regulation and Control (funded by revenue Other)	-	(0.184)	(0.184)	(0.184)	(0.184)
Canterbury Recovery: Building and Housing Assistance (funded by revenue Crown)	-	(0.131)	(0.131)	-	-
Occupational Licensing (funded by revenue Other)	-	(0.114)	(0.114)	(0.114)	(0.114)
Residential Tenancy and Unit Title Services (funded by revenue Other)	-	(0.559)	(0.559)	(0.559)	(0.559)
Social Housing Unit (funded by revenue Crown)	-	(0.047)	(0.047)	(0.047)	(0.047)
Special Housing Areas (funded by revenue Crown)	-	(0.037)	(0.037)	(0.037)	(0.037)
Weathertight Services (funded by revenue Crown)	-	(0.154)	(0.154)	(0.154)	(0.154)

Initiative No: 8115

Multi-Category Expenses and Capital Expenditure					
Policy Advice and Related Outputs					
Departmental Output Expenses:					
Building and Construction Ministerial Servicing (funded by revenue Crown)	-	(0.010)	(0.010)	(0.010)	(0.010)
Building and Construction Policy (funded by revenue Crown)	-	(0.091)	(0.091)	(0.091)	(0.091)
Housing Policy Advice (funded by revenue Crown)	-	(0.174)	(0.174)	(0.305)	(0.305)
Total Operating	-	(1.651)	(1.651)	(1.651)	(1.651)
Total Capital	-	-	-	-	-

Vote: Housing

Title: Vote Realignment to Reflect Implementation of One Cost Allocation Methodology

Description: Fiscally neutral adjustments across votes and appropriations administered by the Ministry of Business, Innovation and Employment (MBIE) to reflect the introduction of one cost allocation methodology following the establishment of MBIE and implementation of the organisation management structure.

Appropriation Changes

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Operating Balance Impact	(1.150)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	1.050	-	-	-	-
Total	(0.100)	-	-	-	-

	\$m - increase/(decrease)				
	2013/14	2014/15	2015/16	2016/17	2017/18 & Outyears
Departmental Output Expenses:					
Canterbury Recovery: Building and Housing Assistance (funded by revenue Crown)	(0.850)	-	-	-	-
Residential Tenancy and Unit Title Services (funded by revenue Other)	1.050	-	-	-	-
Policy Advice and Related Outputs (MCOA)					
MCOA - Housing Policy Advice (funded by revenue Crown)	(0.300)	-	-	-	-
Total Operating	(0.100)	-	-	-	-
Total Capital	-	-	-	-	-