

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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- [5] 9(2)(ba)(i) - to prevent prejudice to the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.
- [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 Dr Nick Smith
Minister of Housing
Parliament Buildings
WELLINGTON

Dear Minister

Thank you for your submission of Budget initiatives in Vote Housing 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:

- [Queenstown Lakes Community Housing Trust Tax Liability](#)
- Social Housing Fund
- Assessment of Multi Units in Canterbury Residential Insurance Disputes

The following initiatives are supported, but at lower levels of funding or they are to be funded from baselines:

- Christchurch Housing Accord Contingency is supported with a lower level of funding.
- KiwiSaver Deposit Subsidy Administration: Housing New Zealand is supported for funding within baselines through the reprioritisation of Weathertight Services.
- Community Group Housing Rent Shortfall is supported with a lower level of funding in 2014/15 only and reprioritisation from the Community Group Housing capital funding.
- Productivity Partnership Initiative is supported for funding within baselines through the Building Levy under the Building Regulation and Control appropriation. This is a continuation of the existing funding arrangement and so there is no change to the level of the appropriation. This initiative has been included in the Financial Recommendations that Cabinet will consider on 14 April. Please let me know if you no longer wish to progress this initiative.

The following housing initiatives in other Votes have been supported on the basis of reprioritisation of funding from Vote Housing:

- Reducing Import Barriers in the Residential Construction Sector results in a reduction in Crown revenue collected through Vote Customs Tax which will be offset by a time limited reduction in Weathertight Services.
- Additional Resource for Social Housing Work in Vote Finance is being partially funded through Vote Finance and partially funded through a reprioritisation of Vote Housing funding for Weathertight Services and the administration of the Social Housing Unit.

Summary of supported Budget 2014 initiatives:

\$millions		Operating					Capital
ID	Initiative Name	2013/14	2014/15	2015/16	2016/17	2017/18	Total
8366	Christchurch Housing Accord Contingency	-	-	-	-	-	75.000
8213	Social Housing Fund	-	-	10.000	10.000	10.000	-
7983	Queenstown Lakes Community Housing Trust Tax Liability	6.000	-	-	-	-	-
8426	Assessment of Multi Units in Canterbury Residential Insurance Disputes	-	0.700	0.700	0.700	0.700	-
7984	KiwiSaver Deposit Subsidy Administration: Housing New Zealand	-	0.478	0.458	0.462	0.466	-
7988	Community Group Housing Rent Shortfall	-	3.000	-	-	-	-
7957	Productivity Partnership Initiatives	-	-	-	-	-	-

Budget Ministers have also agreed to place the following conditions around the funding of certain initiatives agreed above:

- Christchurch Housing Accord Contingency. The capital funding for this initiative will be placed in a tagged contingency to be drawn down for housing initiatives after Cabinet has agreed to a business case.
- Community Group Housing Rent Shortfall. MBIE to report back to Joint Ministers with options for ongoing funding arrangements by October 2014.

[7]

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