

The Treasury

Budget 2020 Information Release

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Cabinet Document Details

Title: **Cabinet Minute CAB-20-MIN-0155.02: 2020 Budget Package: Vote Arts, Culture and Heritage**

Date: **6 April 2020**

Creator: Cabinet Office

Information Withheld

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Where this is the case, the relevant sections of the Act that would apply have been identified.

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Key to sections of the Act under which information may have been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [2] 6(b)(i) - to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government
- [4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
- [11] 6(e)(vi) - to prevent serious damage to 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
- [23] 9(2)(a) - to protect the privacy of natural persons, including deceased people
- [25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information
- [26] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice 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
- [27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest
- [29] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand

- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [36] 9(2)(h) - to maintain legal professional privilege
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage
- [40] not in scope
- [41] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment
- [42] 18(d) - information is already publicly available or will be publicly available soon.

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Cabinet

Minute of Decision

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

2020 Budget Package: Vote Arts, Culture and Heritage

On 6 April 2020, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2020 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) | | | | |
|------------------------|---|---------------------------|---------------|--------------|--------------|--------------------|
| | | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| 11728 | Heritage Equip – Continuation of Funding | - | 3.120 | - | - | - |
| 11729 | Heritage New Zealand Pouhere Taonga Cost Pressure | - | 1.500 | 1.500 | 1.500 | 1.500 |
| 11726 | Meet Demand for the New Zealand Screen Production Grant | 15.000 | 45.000 | - | - | - |
| 11725 | Saving the Crown's Audio-Visual Collections | - | 1.283 | 1.304 | 1.326 | 1.347 |
| 11984 | Seismic Upgrade and Refurbishment of Turnbull House | 0.125 | 0.125 | - | - | - |
| 11731 | Sustaining Crucial Public Media Platforms | - | 6.250 | 6.250 | 6.250 | 6.250 |
| Total Operating | | 15.125 | 57.278 | 9.054 | 9.076 | 9.097 |

Capital Initiatives (Impact on Debt)

| Initiative ID | Initiative Name | \$m - increase/(decrease) | | | | | |
|----------------------|---|---------------------------|--------------|--------------|--------------|--------------|--------------------|
| | | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 & Outyears |
| 11725 | Saving the Crown's Audio-Visual Collections | - | 5.175 | 6.560 | 7.074 | 7.768 | - |
| Total Capital | | - | 5.175 | 6.560 | 7.074 | 7.768 | - |

- 2 **approved** changes to appropriations to implement the initiatives, as set out in the attached initiative documents;

- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;
- 4 **agreed** that the changes to appropriations for 2019/20 above be included in the 2019/20 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2019/20 Supplementary Estimates, the 2020/21 Estimates and the fiscal forecasts;
- 6 **authorised** the Chief Executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 7 **noted** that all communications relating to the 2020 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement must have the written approval of the Minister of Finance and the Office of the Prime Minister.

Michael Webster
Secretary of the Cabinet

Initiative No: 11728

Vote: Arts, Culture and Heritage

Title: Heritage Equip – Continuation of Funding

Description: This initiative provides funding to continue the Heritage EQUIP programme, which supports seismic strengthening of privately-owned heritage buildings, particularly in regional New Zealand. The funding will enable more grants in response to increased demand arising from compliance with earthquake-prone buildings regulatory requirements. Funding will also establish partnerships that leverage territorial authorities' requirement to engage owners of earthquake-prone buildings.

Appropriation changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Operating Balance Impact | - | 3.120 | - | - | - |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 3.120 | - | - | - |

| | \$m - increase/(decrease) | | | | |
|--|---------------------------|--------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Departmental Output Expense: | | | | | |
| Heritage Services (funded by revenue Crown) | - | 0.370 | - | - | - |
| Non-Departmental Other Expense: | | | | | |
| Earthquake-prone Heritage Buildings (MYA) | - | 2.750 | - | - | - |
| Total Operating | - | 3.120 | - | - | - |

Additional recommendations

8 [33]

9 **agreed** that the multi-year appropriation "Earthquake-prone Heritage Buildings" is adjusted by \$2.750 million;

10 **noted** that the amount shown in the appropriations changes table for the multi-year appropriation "Earthquake-prone Heritage Buildings" is the change to the indicative annual spending profile;

Vote: Arts, Culture and Heritage

Title: Heritage New Zealand Pouhere Taonga Cost Pressure

Description: This funding will adapt and open Kate Sheppard House as a heritage and public education space, and help ease financial pressures arising from significantly increased costs for insurance, IT systems, property management, accommodation, and staffing.

Appropriation changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Operating Balance Impact | - | 1.500 | 1.500 | 1.500 | 1.500 |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 1.500 | 1.500 | 1.500 | 1.500 |

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Management of Historic Places | - | 1.500 | 1.500 | 1.500 | 1.500 |
| Total Operating | - | 1.500 | 1.500 | 1.500 | 1.500 |

Vote: Arts, Culture and Heritage

Title: Meet Demand for the New Zealand Screen Production Grant

Description: This funding will meet increased demand from eligible New Zealand productions, in line with the demand-driven New Zealand Screen Production Grant – New Zealand. Together with the NZ Screen Production Grant – International (for which the Ministry of Business, Innovation and Employment is responsible), these grants promote industry development and cultural benefits for New Zealand.

Appropriation changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|---------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Operating Balance Impact | 15.000 | 45.000 | - | - | - |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 15.000 | 45.000 | - | - | - |

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|---------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Non-Departmental Other Expense: | | | | | |
| New Zealand Screen Production Grant - New Zealand (MYA) | 15.000 | 45.000 | - | - | - |
| Total Operating | 15.000 | 45.000 | - | - | - |

Additional recommendations

- 11 **agreed** that the multi-year appropriation "New Zealand Screen Production Grant – New Zealand" is adjusted by \$60.000 million;
- 12 **noted** that amounts shown in the appropriations changes table for the multi-year appropriation "New Zealand Screen Production Grant – New Zealand" are the changes to the indicative annual spending profile;
- 13 **noted** that the Minister for Arts, Culture and Heritage and Minister for Economic Development have been invited jointly to report back to the Cabinet Economic Development Committee on the fiscal sustainability of the New Zealand Screen Production Grant schemes;

Vote: Arts, Culture and Heritage

Title: Saving the Crown's Audio-Visual Collections

Description: This initiative ensures audio-visual heritage content owned by the Crown and stored in at-risk formats is preserved for future generations. Without digital preservation, over 95% of at-risk content, including the Television New Zealand Archive, will be lost in less than a decade. Protected by the Public Records Act 2005 and National Library of New Zealand Act 2003, this taonga includes a diverse range of broadcast news and current affairs, documentaries, TV series, along with films, music, oral histories, and live recordings of community events. It captures the issues and experiences of people through the decades, unique cultural events and defining moments, New Zealand's environment and scenery, and New Zealand successes and tragedies over the last century.

Appropriation changes

| | \$m - increase/(decrease) | | | | | |
|--------------------------|---------------------------|--------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 & Outyears |
| Operating Balance Impact | - | 1.283 | 1.304 | 1.326 | 1.347 | 1.347 |
| Debt Impact | - | 5.175 | 6.560 | 7.074 | 7.768 | - |
| No Impact | - | - | - | - | - | - |
| Total | - | 6.458 | 7.864 | 8.400 | 9.115 | 1.347 |

| | \$m - increase/(decrease) | | | | | |
|--|---------------------------|--------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 & Outyears |
| Non-Departmental Output Expense: | | | | | | |
| Museum Services | - | 1.283 | 1.304 | 1.326 | 1.347 | 1.347 |
| Non-Departmental Capital Expenditure: | | | | | | |
| Heritage and Culture Sector Capital | - | 5.175 | 6.560 | 7.074 | 7.768 | - |
| Total Operating | - | 1.283 | 1.304 | 1.326 | 1.347 | 1.347 |
| Total Capital | - | 5.175 | 6.560 | 7.074 | 7.768 | - |

Additional recommendations

14 **noted** that related new funding has also been provided through Vote Internal Affairs (Initiative 12442).

Vote: Arts, Culture and Heritage

Title: Seismic Upgrade and Refurbishment of Turnbull House

Description: This initiative will fund a business case for the seismic upgrade and refurbishment of the Category 1 listed Turnbull House as a visitor attraction and function centre or office accommodation. Legislation requires that Wellington City Council serve a notice for its demolition in February 2023 if seismic strengthening does not go ahead.

Appropriation changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|--------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Operating Balance Impact | 0.125 | 0.125 | - | - | - |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | 0.125 | 0.125 | - | - | - |

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|---------|---------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Management of Historic Places | 0.125 | 0.125 | - | - | - |
| Total Operating | 0.125 | 0.125 | - | - | - |

Vote: Arts, Culture and Heritage

Title: Sustaining Crucial Public Media Platforms

Description: This initiative provides funding to alleviate financial pressures on crucial public media platforms that deliver vital content to under-served audiences. The platforms are the Pacific Media Network (PMN), disability media (captioning and audio description) and community access radio stations.

Appropriation changes

| | \$m - increase/(decrease) | | | | |
|--------------------------|---------------------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Operating Balance Impact | - | 6.250 | 6.250 | 6.250 | 6.250 |
| Debt Impact | - | - | - | - | - |
| No Impact | - | - | - | - | - |
| Total | - | 6.250 | 6.250 | 6.250 | 6.250 |

| | \$m - increase/(decrease) | | | | |
|---|---------------------------|--------------|--------------|--------------|--------------------|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 & Outyears |
| Non-Departmental Output Expense: | | | | | |
| Public Broadcasting Services | - | 6.250 | 6.250 | 6.250 | 6.250 |
| Total Operating | - | 6.250 | 6.250 | 6.250 | 6.250 |