

The Treasury

Budget 2020 Information Release

July 2020

This document has been proactively released by the Treasury on the Treasury website at <https://treasury.govt.nz/publications/information-release/budget-2020-information-release>

Information Withheld

Some parts of this information release would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act).

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

Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Key to sections of the Act under which information has 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
- [5] 6(d) - to prevent endangerment of the safety of any person
- [9] 6(e)(iv) - 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 stability, control, and adjustment of prices of goods and services, rents, and other costs, and rates of wages, salaries, and other incomes
- [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
- [29] 9(2)(d) - to avoid prejudice to the substantial economic interests of New Zealand
- [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
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [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
- [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).

Copyright and Licensing

Cabinet material and advice to Ministers from the Treasury and other public service departments are © **Crown copyright** but are licensed for re-use under **Creative Commons Attribution 4.0 International (CC BY 4.0)** [<https://creativecommons.org/licenses/by/4.0/>].

For material created by other parties, copyright is held by them and they must be consulted on the licensing terms that they apply to their material.

Accessibility

The Treasury can provide an alternate HTML version of this material if requested. Please cite this document's title or PDF file name when you email a request to information@treasury.govt.nz.

Treasury Report: Budget 2020 bilateral meeting – Minister for the Community and Voluntary Sector

Date:	31 October 2019	Report No:	T2019/3359
		File Number:	SH-15-1-0 (General)

Action sought

	Action sought	Deadline
Hon Dr David Clark Associate Minister of Finance	<p>Note the contents of this report ahead of your Budget 2020 bilateral meeting with Hon Poto Williams, the Minister for the Community and Voluntary Sector.</p> <p>Refer a copy of this report to the Minister of Finance for his information.</p>	Prior to your meeting with Hon Poto Williams on Thursday 7 November at 5:00pm.

Contact for telephone discussion (if required)

Name	Position	Telephone	1st Contact
Michael Lonergan	Analyst, Justice, Security & Government Services	[39]	N/A (mob) ✓
Simon Duncan	Team Leader, Justice, Security & Government Services		N/A (mob)

Minister's Office actions (if required)

Return the signed report to the Treasury.
Refer a copy of this report to the Minister of Finance for his information.

Note any feedback on the quality of the report

Enclosure: No

Treasury Report: Budget 2020 bilateral meeting – Minister for the Community and Voluntary Sector

Purpose of Report

1. This report provides you with background information and advice to support your Budget 2020 bilateral discussion with the Minister for the Community and Voluntary Sector, Hon Poto Williams, scheduled for 5:00 - 5:30pm on Thursday 7 November. This report covers:
 - a the context on existing funding relevant to the Community and Voluntary Sector portfolio, and
 - b a brief overview of new spending initiatives likely to be submitted for Budget 2020.
2. We understand that the Minister does not intend to submit any cost pressure initiatives for Budget 2020 and does not have any past budget initiatives subject to the additional progress reporting requirements. Given this, you may wish to focus your discussion on the proposed Budget 2020 new spending initiatives and/or the Minister's wider portfolio priorities.

Community and Voluntary Sector context

3. The Community and Voluntary Sector portfolio is one of seven portfolios supported by the Department of Internal Affairs (DIA), within Vote Internal Affairs.¹
4. The Minister for the Community and Voluntary Sector (the Minister) is responsible for appropriations totalling \$33.899 million in 2019/20. This includes \$4.244 million in departmental funding to administer community grants and \$29.655 million non-departmental funding in the form of grants to support communities and voluntary organisations so they become stronger, more cohesive and resilient. This includes, for example:
 - a \$12.5 million in grants to community organisations that have less than \$2 million annual operating expenditure, for programmes to provide social services
 - b \$1 million to support Volunteering New Zealand and targeted volunteer projects in the community, and
 - c \$200,000 for Disarmament Education Grants.
5. In Budget 2019, \$600,000 was provided for Digital Literacy Training for Seniors. This funding has now been transferred to Vote Social Development for the Ministry of Social Development to deliver the programme.
6. Key policy issues within the portfolio include:
 - a **Modernising the Charities Act:** Cabinet agreed to review substantive issues with the Charities Act 2005 (but not first principles) to determine whether the Act

¹ The other portfolios are Internal Affairs, Local Government, Government Digital Services, Ethnic Communities, Ministerial Services and Racing.

is fit for purpose and enables an effective charities sector. Public consultation ran from February to May 2019, and the Minister intends to seek Cabinet approval of policy changes in late 2019 or early 2020.

- b **Extending the Community-led Development Programme:** this programme enables communities to work together with DIA to achieve a community's aspirations. DIA offers intensive advice and support, and works with other government agencies, local authorities and local organisations to support the community. There are currently 16 partners in the programme, with further partner communities expected to be added over the year. For example, the Randwick Park partnership in South Auckland aims to transform a reserve into a community hub, employ community development workers to support residents to plan and implement neighbourhood-led initiatives, and develop a resident-run social enterprise.

Wider DIA funding and context

7. DIA supports seven portfolios through Vote Internal Affairs, and a summary of its current baselines for 2019/20 is outlined in the table below:

\$ million	Departmental	Non-departmental
Operating	506.168	152.162
Capital	103.100	22.490

8. Nearly 40% of DIA's departmental baselines are funded through cost recovery (eg, through fees for passports and other identity documents). Policy advice and ministerial servicing across all DIA portfolios are provided through respective multi-category appropriations that are the overall responsibility of the Minister of Internal Affairs (Hon Tracey Martin). Other significant departmental funding includes support for the National Library and Archives New Zealand, the Government Chief Digital Officer, regulation of charities and online content, and support for commissions of inquiry.
9. Non-departmental baselines include funding for community grants schemes, support for Crown entities and local government, rebates for ratepayers, and fees for commissions of inquiry.

Budget 2020 initiatives

10. We understand that the Minister does not intend to submit any cost pressure initiatives for Budget 2020, and that cost pressure initiatives submitted elsewhere within Vote Internal Affairs will not relate to functions or services within the Community and Voluntary Sector portfolio.
11. However, we understand the Minister intends to submit two new spending initiatives:
- a [33]

[33]

b [33]

Talking points

12. You may wish to discuss the following points with the Minister for the Community and Voluntary Sector:
- a What are your priorities for the Community and Voluntary Sector portfolio for Budget 2020?
 - b Have you engaged with the lead Ministers or secretariats for Budget 2020 priorities?
 - c How are Internal Affairs portfolio Ministers collaborating for Budget 2020?

Recommendations

13. We recommend that you:
- a **note** the contents of this report ahead of your Budget 2020 bilateral meeting with the Minister for the Community and Voluntary Sector, scheduled for 5:00pm on Thursday 7 November 2019, and
 - b **refer** a copy of this report to the Minister of Finance for his information.

Refer/not referred.

Associate Minister of Finance

Simon Duncan
Team Leader, Justice, Security & Government Services

Hon Dr David Clark
Associate Minister of Finance