

# The Treasury

## Budget 2021 Information Release

### August 2021

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TE TAI ŌHANGA  
THE TREASURY

# Budget 2021

Guidance for Departments

December 2020



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# 1 What this guidance covers

This guidance provides an overview of the Budget 2021 strategy and process, and contains a step-by-step guide for agencies on how to complete and submit Budget initiatives if they have been invited by the Minister of Finance. This guidance covers significant initiatives only (ie those with fiscal implications). Guidance on the process for fiscally-neutral technical initiatives will be issued subsequent to this guidance.

## 1.1 Key deadlines for Departments

Date	Item
5pm, 29 Jan 2021	<b>All submissions due</b> <ul style="list-style-type: none"><li>- Initiative templates and further information uploaded to CFISnet</li><li>- Invited Portfolio Minister's letter submitted to the Minister of Finance</li></ul>
5pm, 29 Jan 2021	<b>COVID-19 Response and Recovery Fund spending report due</b>

For more information on the Budget process, including the months in which key milestones will take place, please refer to the flowchart at section [3.4](#). For more information on the COVID-19 Response and Recovery Fund spending report, please refer to section [5.4](#).

## 2 Summary of Budget 2021 Strategy

### 2.1 Context

On Monday 23 November 2020, Cabinet agreed the Budget 2021 Strategy, which outlines the key elements of the Budget process for 2021 including the strategy, focus, allowances, and requirements for Ministers and agencies.

### 2.2 Strategy and focus

Considering the constrained fiscal and economic environment, Cabinet has confirmed that Budget 2021 will be an invite-only process focussing on critical cost pressures and high-priority, time-sensitive manifesto commitments. This is to ensure spending is prioritised effectively and value for money is achieved.

The three goals of the Government as stated in the Speech from the Throne are:

1. To keep New Zealanders safe from COVID-19
2. To accelerate New Zealand's economic recovery
3. To lay the foundations for a better future

To ensure Budget 2021 supports the Government's objectives and goals, the strategy focuses on:

- shifting focus and resources towards targeting the drivers of wellbeing that matter most to New Zealanders,
- setting a high bar for the value for money for all expenditure, focussing on delivering on existing investments, progressing non-spending new initiatives, and reprioritisation of underperforming initiatives, and

- strengthening the fiscal management approach to maintain focus on delivering improved wellbeing outcomes through high-value initiatives.

For all invited initiatives, both critical cost pressures and manifesto commitments, there will be an increased focus on providing better information. Cost pressures must articulate the underlying cost drivers, assumptions and impacts of price and volume pressures.

### 2.2.1 Fiscal Management

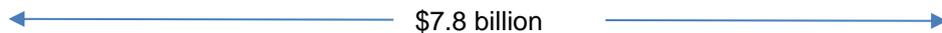
New spending is not the only lever for achieving the Government’s objectives. There are strengthened fiscal management expectations for Budget 2021 and beyond. Cabinet has agreed that allowances will be adhered to and reinforced the expectation that:

- existing baseline expenditure should be aligned to priorities and delivering value for money;
- agencies are delivering on the significant investments made over the past year, particularly focusing on ensuring that they are delivered on time and within budget; and
- agencies will consider progressing non-spending new initiatives, such as regulatory reforms, where they align with priorities.

An overview of the Budget 2021 process can be found in the flow chart in section [3.4](#).

## 2.3 Allowances

The operating allowance for Budget 2021 is \$2.625 billion per annum. The Multi-Year Capital Allowance for Budgets 2021 to 2024 is \$7.8 billion, an average of just under \$2 billion per Budget. Through the Budget 2021 process, there will be a strong focus of the importance of adhering to allowances by ensuring spending is prioritised effectively and focus is placed on achieving value for money when making spending decisions.

	Budget 2021	Budget 2022	Budget 2023	Budget 2024
<b>Operating</b>	\$2.625 billion	\$2.625 billion	\$2.625 billion	\$2.625 billion
<b>Capital</b>	 \$7.8 billion			

Initiatives seeking capital funding in Budget 2021 will cover a ten-year period, from 2020/21 to 2029/30 (the current fiscal year, plus the next nine fiscal years). The ten-year time horizon more accurately reflects and captures the nature of capital investment. This improves the Government’s ability to take a long-term view of capital commitments and increases transparency by more clearly tracking and reporting the cash impacts of capital initiatives over time.

## 2.4 Budget 2021 Priorities

The Budget 2021 Priorities focus on achieving value for money, targeting the drivers of wellbeing that matter most and emphasising long-term wellbeing objectives, and delivering existing commitments.

The Budget 2021 Priorities are not prescriptive categories which any given initiative must fit within. Rather, the Priorities are indicative of the areas which the final Budget 2021 Package will focus on. Both cost pressures and manifesto commitments should outline their relevance to one or more of these Priorities.

<b>Budget 2021 Priorities</b>
Continuing the COVID-19 response
Delivering priority and time-sensitive manifesto commitments
Supporting core public services through managing critical cost pressures
Continuing to deliver on existing investments

**2.4.1 Budget Policy Statement 2020**

The Budget Policy Statement 2021 (BPS) will be published in February 2021 and will include further information on the Wellbeing Objectives. The core priorities reflected in Budget 2019 and Budget 2020 are likely to continue to form the basis of ongoing Budget priorities therefore, in the meantime, in light of COVID-19 and for the purpose of developing initiatives, the guiding principles are the Budget 2021 Priorities listed above.

**3 Budget 2021 Process**

**3.1 Initiative development**

This year there will be a single process through which critical cost pressure and manifesto commitment initiatives will be submitted and assessed. A single initiative template has been developed which is suitable for both critical cost pressure and high-priority manifesto commitment initiatives, see section [8.2](#).

Refer to section 4 for further detail on what initiatives are in-scope for Budget 2021. For further information contact your Treasury Vote Analyst.

**3.2 Initiative submission**

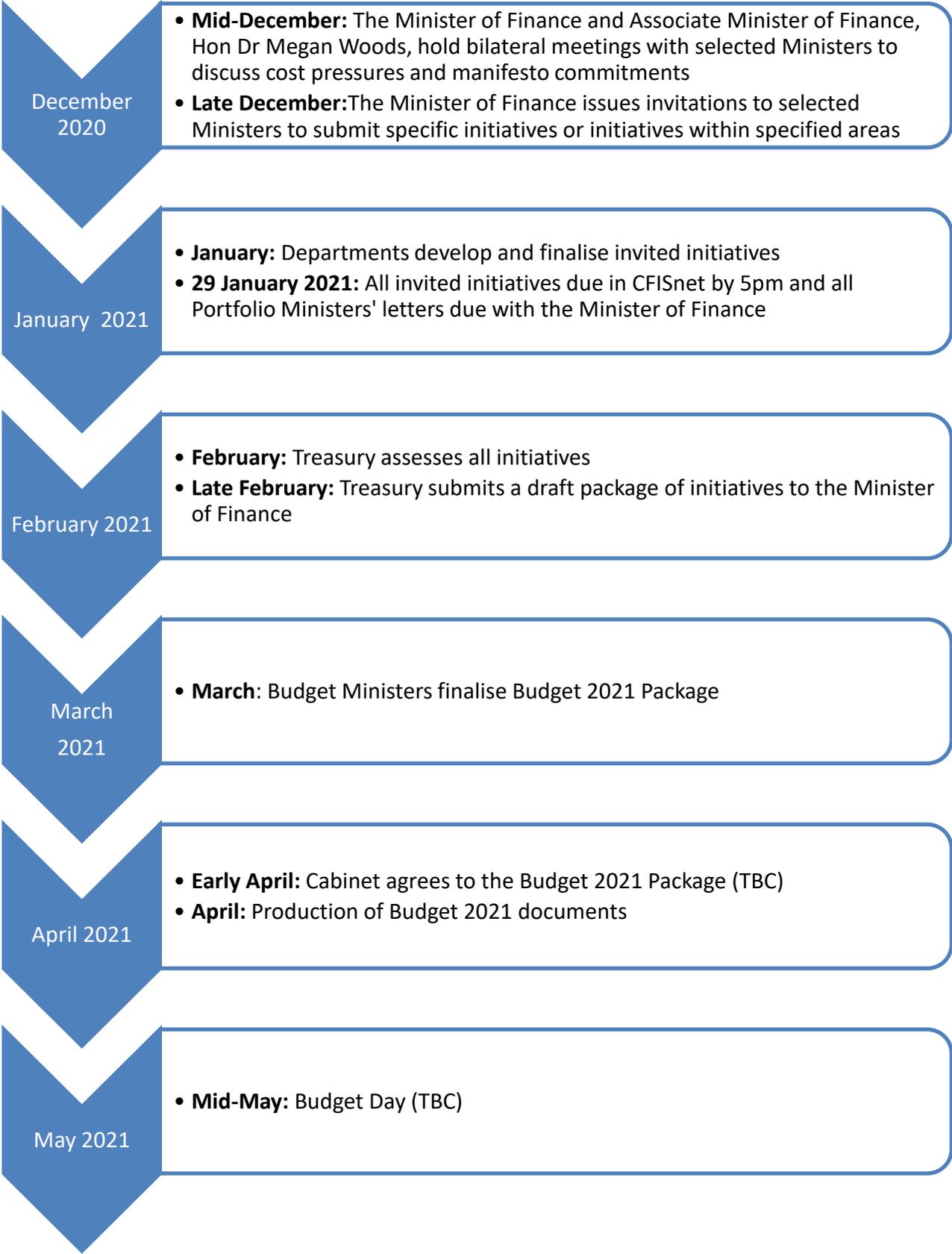
<b>Initiative type</b>	<b>CFISnet due date</b>	<b>Portfolio Minister’s Letter due</b>
All invited initiatives	5pm, Friday 29 January 2021	5pm, Friday 29 January 2021

Ministers seeking funding through Budget 2021 are required to send a letter to the Minister of Finance, providing an overview of all invited initiatives submitted in their Portfolio. The template for this letter can be found in section [8.1](#), and guidance on how to complete it can be found at section [5.3](#).

**3.3 Package formation**

The Minister of Finance, supported by the Treasury, will develop a package of cost pressure and manifesto commitment initiatives for consideration by Budget Ministers. Budget Ministers will agree to a final Budget Package to recommend to Cabinet, and the Budget 2021 Cabinet paper is expected to be prepared for consideration by Cabinet in April 2021.

### 3.4 Budget 2021 process flow chart



## 4 Invited Budget 2021 Initiatives

Invited initiatives within scope for Budget 2021 fall into two defined categories: **critical cost pressures** and **manifesto commitments**. A more detailed description for each of the initiative types that satisfy these categories can be found in sections [4.1](#) and [4.2](#) below.

The Initiative flow chart below at [4.5](#) below outlines the eligibility criteria for Budget 2021 initiatives that have been invited by the Minister of Finance.

What is required for each initiative:

- an initiative template for each initiative and supporting material including CBA/CBAx, completed and uploaded to CFISnet, and
- reference to the initiative in the responsible Minister's letter to the Minister of Finance, discussed in section [5.3](#).

If you are developing an initiative that contains significant digital, ICT, or data components you are also expected to engage with the Government Chief Digital Officer (GCDO) and/or the Government Chief Digital Steward (GCDS) as early as possible.

As in previous Budgets, new funding should be sought **only when other sources of funding, including non-spending options, have been explored and exhausted**. Before submitting an application for Budget funding, consideration should always be given to whether an initiative could be funded by third-party charges (where the services are being provided to that third party), or by moving available resources between appropriations or years. The Treasury coordinates two processes that support initiatives that might otherwise seek Budget funding:

- The **Baseline Updates** (which take place in October and March) provide opportunities to move funds between appropriations or years in accordance with the delegations to Joint Ministers in Cabinet Office Circular CO (18) 2. Please refer to the relevant CFISnet circulars on these processes.
- If a change is outside the delegation to joint Ministers in CO (18) 2, the **Technical Budget Package** (generally agreed in late March) provides an opportunity to obtain Cabinet agreement to fiscally-neutral transfers between appropriations and years. Further information about the Technical Budget process will be available on CFISnet closer to the time.

### 4.1 Cost pressure initiatives

**Invited cost pressure initiatives for Budget 2021 are due by 5pm 29 January 2021.**

Only critical cost pressures which the Portfolio Minister(s) have been invited to submit by the Minister of Finance will be considered. Any initiatives submitted that have not been invited by the Minister of Finance will not be considered through Budget 2021.

Although there are significant pressures facing agencies, not all cost pressures will be able to be funded through Budget 2021. There will be a higher bar than usual for funding cost pressures, and Budget 2021 will consider cost pressures only where not funding them would carry significant risk of service failure or breach of legislative requirements as described below.

### 4.1.1 Cost pressure definition

Cost pressures cover existing services and outputs which are facing wage, price, volume and/or other pressures and where a department considers it cannot continue to deliver the same level or quality of service within existing baselines.

- **volume pressures:** these can arise from population growth, changes in population characteristics, or changes in the economic environment. They are client driven and includes pressures arising from reduction in third party revenue.
- **personnel and wage pressures:** this includes pressures associated with bargaining and remuneration outcomes and/or due to progression. It does not include generic wage pressures.
- **price pressures:** these not only include changes in cost of inputs (e.g. as a result of inflation), but also changes in capital-related operating expenditure resulting from increases in the value of capital assets.

Cost pressures submissions are expected to demonstrate:

- that a high level of risk is attached to not funding these pressures, such as service failure, significant disruption to services, or not meeting legislative requirements;
- that any personnel-related pressures are consistent with the Government Expectations on State Sector Employment Relations and the public sector pay restraint guidance issued by the Public Service Commissioner;
- that they are time critical and are necessary to be funded through Budget 2021,
- why previous funding has been insufficient to manage these pressures, and
- what efforts have been made or are being made to manage the pressure within baselines, including reprioritising existing baseline funding, before seeking further funding.

## 4.2 Manifesto commitments

**Invited manifesto commitments for Budget 2021 are due by 5pm 29 January 2020.**

Only manifesto commitments which the Portfolio Minister(s) have been invited to submit by the Minister of Finance will be considered. Any initiatives submitted that have not been invited by the Minister of Finance will not be considered through Budget 2021.

Manifesto commitments eligible for Budget 2021 funding must be explicitly referenced in either the Labour Party Manifesto or the Speech from the Throne.

Manifesto commitments are expected to demonstrate:

- that they are identified in the Labour Party Manifesto, or the Speech from the Throne; and
- that they are high priority or time-sensitive.

## 4.3 Capital initiatives

Cost pressures and Manifesto commitment initiatives seeking capital funding will be required to provide additional information. The Treasury, in collaboration with the Capital Panel<sup>1</sup> will provide additional advice to the Minister of Finance, offering a system-wide view of significant capital investment proposals.

This advice will consider initiatives against the three-tiered framework of Attractiveness, Achievability and Affordability. This covers the following areas:

- Alignment and contribution to Government priorities and system strategies;
- Climate change adaptation and contribution to net zero emissions;
- Consideration of and commitment to broader outcomes;
- Impact on wellbeing and value creation;
- Governance and system engagement;
- Investment planning, including Business Cases/Strategic Assessments;
- Level of risk (including but not limited to risk profile assessments<sup>2</sup>);
- Market sounding or pre-procurement market engagement; and
- Agency Investor Confidence Ratings.

### 4.3.1 Better Business Cases

An appropriate Better Business Case is required to support all capital investment proposals (for more information, see Cabinet Office Circular CO (19) 6, and should be uploaded against the relevant initiative in CFISnet. If an initiative seeking significant capital investment does not have a business case, it will likely be assessed as “not investment ready” and deprioritised.

There are a range of business cases that may be used depending on the decision being sought, the nature of the programme or project and the associated scale, risk, and uncertainty. Your Vote Analyst can advise on the appropriate type of business case to support the initiative.

Further information and guidance is also available at: [www.treasury.govt.nz/betterbusinesscases](http://www.treasury.govt.nz/betterbusinesscases) or email [betterbusinesscases@treasury.govt.nz](mailto:betterbusinesscases@treasury.govt.nz).

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<sup>1</sup> The Capital Panel includes the New Zealand Infrastructure Commission, the New Zealand Procurement and Property Group, the Digital Public Service Branch, the Government Chief Data Steward and the Ministry for the Environment (in their capacity as a climate change expert).

<sup>2</sup> Further information and guidance can be found at <https://www.treasury.govt.nz/publications/guide/risk-profile-assessment-template>

### 4.3.2 Long-term Capital Intentions

As part of the Government Investment Portfolio (GIP), all departments referenced under CO(19)6 are also required to provide annual reports on their long-term capital intentions. This includes all significant investments that are proposed, planned, or underway that may seek Crown funding this Budget or in future Budgets (over the next 10-year period). Departments required to report on this should expect to receive more details on scope and submission requirements separately from [portfolio.performance@treasury.govt.nz](mailto:portfolio.performance@treasury.govt.nz).

## 4.4 Wellbeing analysis

All initiatives (including capital initiatives) require Wellbeing Analysis. This is to be strengthened by rigorous value for money and cost benefit analysis (CBA). The initiative is expected to:

- identify wellbeing impacts in the Living Standards Framework (and other relevant frameworks);
- quantify the wellbeing impacts using clear assumptions and evidence base; and
- value key impacts on a comparable basis.

All wellbeing impacts, whether quantified or monetised or not, are considered in the value for money assessment. Distributional effects are also considered.

Analysis focuses on the people impacted by the initiative, the magnitude of impact, and the (cost-) effectiveness in responding to the problem or opportunity. Wellbeing Analysis covers impacts across multi-dimensional wellbeing domains. You can indicate up to three domains in CFISnet, and include as many domains as are relevant the initiative template. A definition of each domain is outlined below. For more information on how to complete Wellbeing Analysis, please see the Annotated Template in section [8.2](#).

Departments are required to provide a CBA, including a high-quality intervention logic and distributional analysis. The Treasury's CBAX tool provides confidence and consistency when valuing wellbeing impacts. Evaluation and implementation plans should reflect the quality of evidence and provide confidence in the delivery.

The [CBAX guidance](#) can help you identify, quantify and monetise wellbeing impacts where applicable. For example, the latest CBAX guidance includes recommended metrics to incorporate a value for future greenhouse gas emissions (or avoided emissions) to help central government departments more consistently include an economic value for greenhouse gas emissions, or avoided emissions. Note that initiatives which aim to decrease emissions, or that result in an increase or decrease of greenhouse gas emissions over certain volume thresholds, will also require a Climate Implications Policy Assessment (CIPA) to have been completed before Cabinet consideration<sup>3</sup>.

You may also wish to use policy tools such as the [Child Impact Assessment Tool](#) and [Bringing Gender In](#) to identify the groups that will be affected by the initiative and the nature of the impacts.

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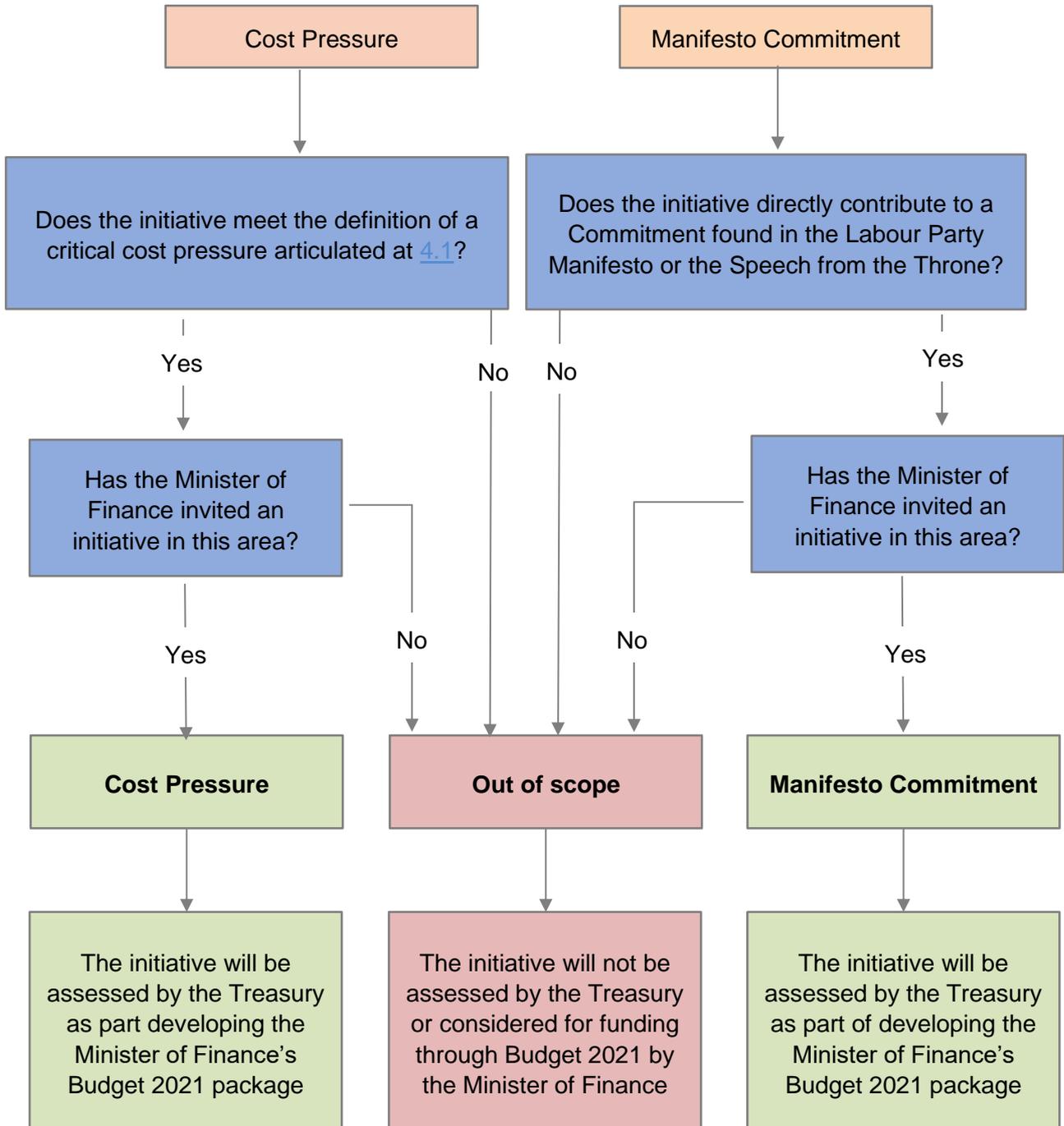
<sup>3</sup> For more information and support go to <https://www.mfe.govt.nz/climate-change/climate-implications-policy-assessment> or contact [cipa@mfe.govt.nz](mailto:cipa@mfe.govt.nz)

#### 4.4.1 Wellbeing Domains

Domain	Icon	Description
<b>Civic engagement and governance</b>		People's engagement in the governance of their country and their civic responsibilities, how 'good' New Zealand's governance is perceived to be, and the procedural fairness of our society.
<b>Cultural identity</b>		Having a strong sense of identity, belonging and ability to be oneself, and the existence value of cultural taonga.
<b>Environment</b>		The natural and physical environment and how it impacts people today.
<b>Health</b>		Our mental and physical health.
<b>Housing</b>		The quality, suitability, and affordability of the homes we live in.
<b>Income and consumption</b>		People's disposable income from all sources, how much people spend and the material possessions they have.
<b>Jobs and earnings</b>		The quality of people's jobs (including monetary compensation) and work environment, people's ease and inclusiveness of finding suitable employment, and their job stability and freedom from unemployment.
<b>Knowledge and skills</b>		People's knowledge and skills.
<b>Safety</b>		People's safety and security (both real and perceived) and their freedom from risk of harm, and lack of fear.
<b>Social connections</b>		Having positive social contacts and a support network.
<b>Subjective wellbeing</b>		Overall life satisfaction and sense of meaning and self.
<b>Time use</b>		The quality and quantity of people's leisure and recreation time (that is, people's free time where they are not working or doing chores).

## 4.5 Initiative flow chart

The flow chart below provides an overview of the two initiative types' eligibility. For further information about these initiative types, please see the rest of section [4](#). For information on the assessment criteria, see section [6.1](#). This flow chart does not cover technical initiatives, which will be the subject of subsequent guidance.



## 5 Submitting initiatives

In order to correctly submit an initiative, several things are required:

- 1 Complete the initiative template for every invited initiative,
- 2 Create a matching initiative in CFISnet using the information from the template,
- 3 Upload the completed initiative template from Step 1 into that initiative in CFISnet (and provide the further information required in the CFISnet module fields), and
- 4 Include reference to the initiative in the Portfolio Minister's submission letter to the Minister of Finance.

### 5.1 Complete the initiative template

Fill in the initiative template. For guidance on how to fill in the initiative template, refer to the annotated templates found in section [8.2](#). If you need any help determining how to fill the template in, please contact your Treasury Vote Analyst.

#### 5.1.1 Capital initiatives

Both cost pressure and manifesto commitment initiatives seeking capital funding will need to provide additional information. The following additional documents should be uploaded into the relevant initiative in CFISnet:

- *Annex A: Further questions for capital initiatives*, attached to this guidance at [8.3](#), and
- The requisite *Better Business Case*.

### 5.2 Upload initiatives to CFISnet

- **All invited initiatives are to be uploaded to CFISnet by 5pm Friday 29 January 2021.**

If an initiative has funding implications across different Portfolios, the initiative should be submitted as **one initiative** by the leading Minister and department. If an initiative is a collaborative initiative, the initiative should be submitted only once, by the leading Ministers and department.

- **Example:** The Ministry of Social Development (as lead department) is developing a joint initiative with Oranga Tamariki. The initiative will be submitted on CFISnet **only** by the Ministry of Social Development.

Please refer to the *Guide to Uploading Initiatives to CFISnet* for detailed information on uploading initiatives to CFISnet. If departments have any further questions or encounter any issues using CFISnet not covered by this guidance, they can use the CFISnet Help function (found in the top right-hand corner of the CFISnet homepage) or contact the CFISnet Helpdesk.

## 5.3 Prepare a submission letter to the Minister of Finance

- Letters are to be submitted to the Minister of Finance by **5pm Friday 29 January 2021**.

Ministers seeking funding through Budget 2021 are required to formally submit initiatives to the Minister of Finance in a submission letter. The template can be found in section [8.1](#). This year, each Portfolio Minister will submit one letter which outlines all cost pressure and manifesto commitment initiatives for each of their Portfolios.

For each letter, please provide:

- the total amount of funding sought;
- the title of each submitted initiative; and
- the titles only of other Ministers' initiatives that you have collaborated on.

### 5.3.1 Cross-Vote initiatives

Where an initiative encompasses funding across multiple Votes, the initiative (including all funding across all Portfolios) should be included in the lead Minister's letter only. Other Ministers should not include their component of the cross-Vote initiative.

#### **Example:**

- *The Minister for Justice and the Minister for Courts are collaborating on an initiative, led by the Minister for Justice.*
- *The Minister for Justice should include all funding components in their letter to the Minister of Finance. The Minister for Courts should note in their letter to the Minister of Finance that they have collaborated with the Minister of Justice but not list it as a separate initiative.*

### 5.3.2 Where a Minister holds multiple Portfolios

For simplicity, where a Minister is responsible for multiple Portfolios, one letter is to be prepared for each Portfolio.

#### **Example:**

- *The Minister for Social Development and Employment is also the Minister for Arts, Culture and Heritage.*
- *Both the Ministry of Social Development and the Ministry for Culture and Heritage are submitting cost pressure and manifesto commitment initiatives.*
- *The Minister will sign **two letters**: one covering cost pressures and manifesto commitments for the Social Development and Employment Portfolio, and one covering cost pressures and manifesto commitments for the Arts, Culture and Heritage Portfolio.*

### 5.3.3 Where a department has multiple Portfolio Ministers

Where multiple Portfolios fit within a single department, one letter is to be prepared for each Portfolio Minister submitting initiatives.

#### **Example:**

- *The Ministry of Business, Innovation and Employment is submitting manifesto commitment initiatives under the Immigration portfolio; cost pressure initiatives under the Tourism portfolio and both manifesto commitment and cost pressure initiatives under the Workplace Relations and Safety portfolio.*
- *The Minister of Immigration will sign **one** letter.*
- *The Minister of Tourism will sign **one** letter.*
- *The Minister for Workplace Relations and Safety will sign **one** letter.*

*Each of these letters will cover both manifesto commitments and cost pressure initiatives.*

### 5.3.4 Where a Portfolio covers multiple Votes

Where a Portfolio includes multiple Votes, one letter is to be prepared for each Portfolio Minister submitting initiatives.

#### **Example:**

- *The Social Development and Employment Portfolio covers both Vote Social Development and Vote Labour Market.*
- *The Minister for Social Development and Employment will prepare **one** letter covering both Vote Social Development and Vote Labour Market initiatives.*

*Each of these letters will cover both manifesto commitments and cost pressure initiatives.*

If you have further questions on what is to be included in submission letters, please contact your Treasury Vote Analyst.

## 5.4 COVID-19 Response and Recovery Fund spending report

The Minister of Finance has also requested that Ministers provide a report on funding allocated via the COVID-19 Response and Recovery Fund (CRRF) by 29 January 2021. Please refer to the *CRRF Reporting – Quick Reference Guide* for further information.

## 5.5 Out-of-scope initiatives

Out-of-scope initiatives will not be accepted. The Minister of Finance will be informed of any initiatives which are assessed as out of scope and excluded from consideration through Budget 2021 on the grounds that they do not meet the explicit criteria which has been set out. Treasury will not assess these initiatives and the Minister of Finance will not consider them for Budget 2021.

## 5.6 Initiative titles and descriptions

For Budget 2021, agencies will need to proactively engage with their Minister's Office(s) to agree finalised titles and descriptions as early as possible in the process. If possible, the titles and descriptions entered into the Initiatives module in CFISnet should be appropriate to appear in Cabinet Financial Recommendations and public Budget documents. These titles and descriptions will automatically flow through into the Recommendations module, however any later updates to the titles and descriptions in the Recommendations module do not flow back to the Initiatives module.

Agencies should agree titles and descriptions with their Minister's Office(s) early to ensure that these two sources of information are consistent, and any products derived from them contain accurate information. **Unlike in previous Budgets, no changes will be made to titles and descriptions once Cabinet has agreed the Budget 2021 package.** Detailed timeframes for this will be included in the Budget 2021 Technical Guidance.

As in previous Budgets, both titles and descriptions must be written in plain English, not include any acronyms other than those in common parlance, and should be able to be understood by the public without supporting documentation. They should also be outcomes-focussed, rather than outputs-focused.

Please refer to the *Titles and Descriptions: Technical and Process Guide for Agencies*, or contact your Treasury Vote Analyst, for more information.

## 6 Assessment of initiatives

### 6.1 Initiative assessment

Following initiative submission, the Treasury will assess in-scope initiatives, as per the outlined criteria. The Treasury's assessment of **cost pressure initiatives** will focus on whether the initiative demonstrates evidence of a legitimate pressure, alignment with the critical cost pressure criteria, a convincing need for new funding through Budget 2021 (e.g. level of associated risk), and robust information and costings.

The Treasury's assessment of manifesto commitment initiatives will focus on alignment with the scope and objectives of the commitment, as well as the implementation-readiness and achievability. Recent department delivery performance (such as implementation of any CRRF initiatives) and workforce constraints will be considered by the Treasury when assessing achievability of submitted initiatives.

Given the current fiscal environment and the focus on adhering to Budget allowances, there will be a high bar for funding for all initiatives, with the Treasury's assessment focussing on whether the initiative contributes to raising New Zealanders' wellbeing while representing value for money and implementation readiness.

### 6.2 Package development

The Minister of Finance will lead the development of a package that includes cost pressure and manifesto commitment initiatives. The package will be developed within the constraints of the Budget 2021 operating allowance and the Multi-Year Capital Allowance. The Treasury will be responsible for supporting the Minister in the development of this package. Package development is an iterative process, and you may be asked to provide additional information about the initiatives that your Minister has submitted to Treasury.

### 6.3 Digital, data and ICT initiatives

In addition to being assessed by the relevant Treasury team, the GCDO and GCDS will provide advice on initiatives that have data, digital, or ICT components. This advice will consider initiatives against a set of common investment principles, which will be confirmed by the end of September. This advice will feed into the relevant package development process.

Separate guidance on digital, data and ICT initiatives can be found on CFISnet.

## 7 Information Security

### 7.1 Why is Budget information security important?

Each government department has responsibility for designing and implementing its own information security policies and procedures. However, agencies providing advice to the Government in the interests of the New Zealand economy have the responsibility to ensure that information passing through their hands is actively managed in line with the sensitivity of the content, and complies with the Protective Security Requirements (PSR) and the New Zealand Information Security Manual (NZISM). Improper exposure of Budget information impacts of the Government of the day, the political process, and agencies.

### 7.2 Correctly classifying Budget information

Most Budget information should have the security classification IN-CONFIDENCE or BUDGET-SENSITIVE. It is important to avoid overclassifying information as classifications can become devalued or ignored if everything is overclassified.

#### 7.2.1 BUDGET-SENSITIVE

[PSR](#) advise that the SENSITIVE security classification should be used when the compromise of information is likely to damage New Zealand's interests or endanger the safety of its citizens. For instance, where compromise could:

- endanger the safety of any person
- seriously damage the economy of New Zealand by prematurely disclosing decisions to change or continue government economic or financial policies relating to:
  - exchange rates or the control of overseas exchange transaction
  - banking or credit regulations
  - taxation
  - the stability, control, and adjustment of prices of goods and services, rents, and other costs and rates of wages, salaries, and other incomes
  - the borrowing of money by the New Zealand Government
  - the entering into of overseas trade agreements
- impede government negotiations (including commercial and industrial negotiations).

#### 7.2.2 IN-CONFIDENCE

[PSR](#) advise that the IN-CONFIDENCE classification should be used when the compromise of information is likely to:

- prejudice the maintenance of law and order
- impede the effective conduct of government
- adversely affect the privacy of New Zealand citizens.

For instance, when compromise could prejudice:

- citizens' commercial information
- obligations of confidence
- measures for protecting the health and safety of the public
- the substantial economic interest of New Zealand
- measures that prevent or mitigate material loss to members of the public.

Or when compromise could:

- breach constitutional conventions
- impede the effective conduct of public affairs
- breach legal professional privilege
- impede the government's commercial activities
- result in the disclosure or use of official information for improper gain or advantage.

### **7.3 Handling BUDGET-SENSITIVE information**

All agencies should have their own internal policies and processes in place for the handling, storage and sharing of BUDGET-SENSITIVE information. Agencies are responsible for ensuring that their internal policies and procedures are complied with.

Further guidance can be found at <https://protectivesecurity.govt.nz/>.

## **8 Templates**

Template 1: Portfolio Minister Submission Letter

Template 2: Annotated Submission Template

Example Intervention Logic Map

Annex A: Further questions for capital initiatives

## 8.1 Template 1: Portfolio Minister's Submission Letter

Hon Grant Robertson  
Minister of Finance  
Parliament Buildings  
WELLINGTON

Dear Grant

I am submitting the initiatives outlined below for the [name] portfolio for consideration as part of the Budget 2021 process. I confirm that you have invited me to submit the following initiatives.

### Total amount of funding sought for this portfolio

Operating Funding Sought (\$m)	2020/21		2021/22		2022/23		2023/24		2024/25 & outyears		Total
Capital Funding Sought (\$m)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total

*[Fill out the following sections as relevant. If only one type of initiative (cost pressure or manifesto commitment) is sought, provide the initiative details underneath the 'total funding sought for this portfolio' heading to avoid duplication.]*

### Total sought for cost pressure initiatives

Operating Funding Sought (\$m)	2020/21		2021/22		2022/23		2023/24		2024/25 & outyears		Total
Capital Funding Sought (\$m)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total

*[List the title of each new spending initiative below. The titles must be identical to those included in the associated CFISnet submissions and initiative templates.]*

### Total sought for manifesto commitment initiatives

Operating Funding Sought (\$m)	2020/21		2021/22		2022/23		2023/24		2024/25 & outyears		Total
Capital Funding Sought (\$m)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total

*[List the title of each new spending initiative below. The titles must be identical to those included in the associated CFISnet submissions and initiative templates.]*

I have also attached, as Annex A, a progress report on spending to date of funding allocated in this portfolio from the COVID-19 Response and Recovery Fund.

Yours sincerely

Hon [x]  
Minister of [x]

## 8.2 Template 2: Annotated Initiative Template

### Budget 2021 Initiative Summary

**Initiative Title** (provide up to 120 characters) ←

The title should concisely communicate the initiative's outcomes and align with its description. If the initiative receives funding, this title may be published in public Budget documents. Both titles and descriptions must be written in plain English, not include any acronyms other than those in common parlance, and should be able to be understood by the public without supporting documentation.

#### Section 1: Overview

Department to complete	
Lead Minister	Provide the portfolio of the Minister submitting the initiative.
Department	Provide the name of the department submitting the initiative.
What type of initiative is this?	<input type="checkbox"/> Critical cost pressure <input type="checkbox"/> Manifesto commitment
Initiative description	Provide a concise description of what the initiative will achieve if funded. This description and the initiative title should accord with the title and description guidance for financial recommendations (refer section 5.6 of the Budget 2021: Guide for Agencies). A fuller description of the initiative can be provided in Section 2 below.
Is this a Cross-Vote initiative?	Y/N If yes, indicate which other Votes are impacted.
Department contact	Provide the name, phone number and email address of the analyst or analysts who wrote this bid. They may be contacted by the Treasury and should have a good working understanding of this bid.
Treasury contact	Provide the name of your Vote Analyst

Both boxes may be ticked if an initiative is both a cost pressure and a manifesto commitment.

This description should be written in a form that would be suitable for inclusion in the Budget Cabinet paper and public Budget documents if the initiative is funded.

#### Total Funding Sought

Department to complete						
Operating funding sought (\$m)	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears	Total

The operating Total is calculated by adding up the yearly totals from '2019/20' to '2024/25 & outyears'. Do not include funding from 2025/26 onwards in the total.

Department to complete											
Capital funding sought (\$m)	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total

The ten year capital total is calculated by adding up the yearly totals from 2020/21 to 2029/30.

#### Section 2: Proposal

For cost pressure initiatives, or manifesto commitments to fund a cost pressure, complete **section 2A** only.

For any other manifesto commitments, complete **section 2B** only.

#### Section 2A: Critical cost pressure initiative

Department to complete (as relevant)			
Answers must not exceed 350 words.			
Cost pressure driver	<input type="checkbox"/> Volume	<input type="checkbox"/> Price	<input type="checkbox"/> Personnel (driven by volume/price)
Source of commitment to fund cost pressure (where applicable)	<input type="checkbox"/> Labour Party Manifesto	<input type="checkbox"/> Speech from the Throne	<input type="checkbox"/> Not applicable
Cost pressure description	Provide a concise description of the cost pressure. Provide evidence of what caused the pressure (e.g. population growth, price increases, wage pressures including FTE changes). This should correspond to the assumptions outlined in the 'funding sought by component' table in Section 5. Explain why this cost pressure is <b>critical</b> (e.g. are there significant risks if funding is not provided? Could funding be deferred to future Budgets?) Cost pressures must be critical for consideration in Budget 2021.		

Tick as many boxes as applicable. Where there is more than one driver, explain each driver in the second part of the Description section below, and if relevant, provide an overview of how the drivers interact.

Tick both boxes if the commitment is in both the Labour Party Manifesto and Speech from the Throne.

Where possible, the answer should draw on recent data to illustrate the pressure.

The answer should provide insight into any risks associated with breaching regulatory or legislative obligations; or if changes would need to be made to the scope of provision or services' eligibility criteria.

<b>Cost pressure management</b>	<i>Provide an overview of why the pressure cannot be funded from baselines and what steps have been taken to manage the pressure.</i>	
<b>Case for funding</b>	<i>Explain how additional funding will mitigate or resolve the pressure, and provide an overview of what outputs it is purchasing.</i>	
<b>Is the initiative related to the COVID-19 response or recovery?</b>	<b>Y/N</b>	<i>If yes, briefly explain how this initiative is related (e.g. whether the initiative addresses an existing pressure that was exacerbated by COVID-19; whether the initiative is part of the COVID-19 response).</i>

The outputs should align with the inputs captured in the Funding Sought section.

While many pressures will have been influenced by COVID-19 in some way, this answer should highlight only where there has been a specific and measurable impact.

**Section 2B: Manifesto commitment initiative**

<b>Department to complete (as relevant)</b>		
<i>Each answer must not exceed 300 words. To the extent practical, answers should link to information in the bid's Wellbeing Analysis and any other supporting information.</i>		
<b>Source of commitment</b>	<input type="checkbox"/> Labour Party Manifesto	<input type="checkbox"/> Speech from the Throne
<b>Problem or opportunity</b>	<i>Clarify the problem or opportunity this bid is responding to. In your answer, you should consider the specific group(s) affected and how widespread the problem or opportunity is. Draw on up to three key pieces of evidence if required.</i>	
<b>Proposed initiative</b>	<i>Provide a summary of the proposed initiative and what outputs it is purchasing. Explain why this initiative cannot be deferred to future Budgets (e.g. why is this time-sensitive and high priority).</i>	
<b>Expected outcomes</b>	<i>Summarise the expected outcomes, and how the outputs will contribute to achieving the initiative's expected outcomes, with reference to the problem or opportunity mentioned above. Consider in your answer the specific group(s) affected, the wellbeing domain(s) that will be impacted, and the magnitude of impact over the short, medium and long term. This answer should provide a brief overview of more detailed information captured in Section 6.</i>	
<b>Is the initiative related to the COVID-19 response or recovery?</b>	<b>Y/N</b>	<i>If yes, briefly explain how this initiative is related (e.g. was the problem or opportunity being responded to created or exacerbated by COVID-19?)</i>
<b>Regulatory or legislative change required</b>	<b>Y/N</b>	<i>If this bid requires a regulatory or legislative change, provide an overview of the required changes. If Cabinet policy approval for the regulatory change has already been obtained, please attach the relevant Regulatory Impact Statement.</i>

Tick both boxes if the commitment is in both the Labour Party Manifesto and Speech from the Throne.

The answer should provide a concise description of:

- the specific aspect of the problem or opportunity that the initiative aims to respond to, and how widespread it is, and
- the key populations groups most likely to be affected by the initiative, noting their size and geographic locations where relevant.

Include in your answer recent data and evidence where relevant.

The answer should provide:

- a short overview of the initiative's scope, and
- a high level summary of the key outputs the funding will enable (eg, policy advice; improvements in IT capability).

The answer should align with both the 'Description' in the Overview section, and the input-breakdown in the Funding Sought section.

The answer should provide a concise summary of the information contained in the initiative's Intervention Logic Map and Wellbeing Analysis Sections.

For questions or further information about regulatory impact requirements, departments can contact Treasury's regulatory quality team at [RIA.Team@treasury.govt.nz](mailto:RIA.Team@treasury.govt.nz)

**Section 3: Additional information requirements**

<b>Department to complete</b>				
<b>Does the initiative require new FTE or contractors?</b>	<i>Outline how many new FTEs or contractors arise from this initiative, what region(s) they will be based in, and what kind of skills will be required; how much of an increase from baseline FTE levels this initiative would represent.</i>			
<b>Does the initiative directly impact on Māori or Pacific peoples?</b>	<b>Y/N</b>	<i>If yes, briefly describe this impact, and any partnership or procurement frameworks that have been used to engage with the impacted groups.</i>		
<b>Does the initiative have an impact on child poverty?</b>	<b>Y/N</b>	<i>If yes, provide up to three sentences describing the impact (positive or negative), who is impacted, and how.</i>		
<b>Are there any other relevant population impacts?</b>	<b>Y/N</b>	<i>Outline any other</i>		
<b>If capital or ICT initiative</b>	<b>Type</b>	<input type="checkbox"/> ICT/data/digital	<input type="checkbox"/> Physical Infrastructure	<input type="checkbox"/> Other please specify
	<b>Start and end dates</b>			
	<b>See Annex A for further questions – mandatory to complete for all capital initiatives</b>			

This answer should highlight initiatives that are specifically targeted at Māori or Pacific peoples, initiatives that target the general population but disproportionately affect Māori or Pacific peoples, or address an issue that disproportionately impacts these communities. The initiative should highlight any engagement or partnership efforts involved in developing the initiative, where applicable.

This answer is to provide information for the preparation of the Child Poverty Report to be released alongside the Budget documentation. Please indicate if the initiative will have a positive impact of lifting children out of poverty, or if the initiative might have a negative impact (for example, through the introduction of a tax or charge that would impact low income earners with children).

These may include gender impacts, disability impacts, or impacts on ethnic or immigrant communities.

Tick as many boxes as applicable. For guidance on what is considered to be an ICT/data/digital initiative see the separate Guidance: Approach to Digital, Data and ICT initiatives.

The template at Annex A is to provide the further information required to assess the feasibility of capital investments.

## Section 4: Implementation monitoring and reporting

### Department to complete

Provide an overview of the implementation plan for the initiative, including data that will be collected to demonstrate progress. Outline the overall evaluation and monitoring methodology for the initiative; how often and to whom monitoring and performance reports will be provided; and when the first report back is expected.

If this is a regulatory proposal, and your agency has a current monitoring and evaluation plan or strategy for the affected regulatory system that can encompass the initiative, please attach a copy of that plan or strategy.

Where the initiative is building on an activity for which funding was provided, this answer should make reference to progress made on implementing that initiative.

## Section 5: Further breakdown of funding sought

### Funding sought by component

### Department to complete

Provide a component-by-component breakdown of what the requested funding will purchase. Briefly explain the formula used, or key assumptions made, to calculate the cost of each output. Add additional rows to the table as needed to capture each output separately. Please include which Vote(s) will be impacted by each component.

Input – Operating	Funding profile (\$m)					Total	Vote						
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears								
<i>E.g. new FTE</i>													
<i>E.g. FTE overheads</i>													
<i>E.g. implementation and monitoring costs</i>													
<b>Total</b>							<b>N/A</b>						
Input – Capital	Funding profile (\$m)										Total	Vote	
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30			
<b>Total</b>													<b>N/A</b>
<b>Formula and Assumptions</b>	<i>E.g. if personnel pressures, outline any assumptions around wages, number of FTE, by workforce, by levels of seniority</i>												
<b>Appropriations</b>	<i>Indicate whether this funding would increase existing appropriations, establish any new appropriations would need to be established, or alter the scope of an existing appropriation with effect from 1 July 2021.</i>												

Inputs should be grouped into categories (eg, 8 policy analyst FTE, training for 8 FTE, overheads, ICT support). This is to provide clarity on the inputs being purchased. If seeking funding for multiple workforces, please indicate the predominant workforce(s) being sought (eg, policy analysts, social workers, data analysts). If seeking funding for monitoring and evaluation of the initiative, present this in its own row. If ICT/data/digital make up a significant component of this initiative, present this in its own row or rows.

Explain the formula used and key assumptions made to calculate the unit cost of each input. Draw on relevant comparators if applicable, including those from other sectors.

If the initiative receives funding, there will be an opportunity to amend the indicated Votes if needed.

## Fit with existing activity

Department to Complete											
<i>The answer must not exceed 300 words.</i>											
<b>Existing services</b>	<i>Provide a concise overview of how this initiative will expand on or maintain existing services; and/or how the initiative intersects with existing services or initiatives, including non-spending arrangements, with similar objectives.</i>										
<i>Provide an overview of existing funding levels for this initiative, and/or initiatives with similar objectives, in the two tables below.</i>											
	Operating Funding profile (\$m)										Total
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears						
Existing funding for this/similar initiatives											
Total funding sought for this initiative											
% change between existing funding and funding sought											
Comments (optional)	<i>Provide explanatory comments to help interpretation of the above baseline figures.</i>										
	Capital Funding profile (\$m)										Total
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	
Existing funding for this/similar initiatives											
Total funding sought for this initiative											
% change between existing funding and funding sought											
Comments (optional)	<i>Provide explanatory comments to help interpretation of the above baseline figures.</i>										

The answer should provide an overview of the existing service landscape relating to this initiative and/or the intended target population. The answer should include initiatives delivered across government (eg, by other departments) as well as outside of government (eg, through NGOs or for-profit organisations) if relevant.

Existing funding includes all funding allocated to this, or any similar service/initiative across Government, including where it extends beyond one Vote/agency. To support your answer, it may be useful to check your agency's Estimates of Appropriations, or discuss this with your finance team. For any outstanding questions on this section, please contact your Vote Analyst.

The answer could include, for instance, an explanation of funding decreases or increases and how this aligns with demand/need. Where relevant, it should also highlight if time-limited funding has been provided, why it has been provided (as opposed to fully funding), and when it is due to run out.

## Options analysis

Department to Complete	
<i>The answer must not exceed 300 words.</i>	
<b>Options analysis</b>	<i>Provide a bullet point list of different options, with short summaries where needed, that were considered for addressing the problem or opportunity. If applicable, include alternative funding options, reprioritisation within baselines, and non-spending arrangements. Explain how the department would address the pressure or problem if the funding is not approved.</i>

The answer should provide insight into why different options were not pursued (e.g. because they were not targeted enough; because the evidence base behind them was weak; because they were too costly).

## Alternative scaled option

<b>Department to complete</b>											
<i>The answer must not exceed 300 words.</i>											
<b>Option overview</b>	Provide a concise overview of the preferred scaled option. Include in your answer how its expected impacts differ from the initiative if fully funded, and any risks associated with scaling. <i>If the initiative could not feasibly achieve its objectives without full funding, outline why (e.g. if the initiative is to purchase a discrete asset at a set price).</i>										
<b>Department to complete</b>											
<i>Provide a component-by-component breakdown of what the scaled funding would purchase. If the formula used or key assumptions made differ from those used for the primary option, briefly explain these. Add additional rows to the table as needed to capture each output separately.</i>											
<b>Input – Operating</b>	<b>Operating Funding profile (\$m)</b>										<b>Total</b>
	2020/21	2021/22	2022/23	2023/24	2024/25 & outyears						
<b>Total</b>											
<b>Input – Capital</b>	<b>Capital Funding profile (\$m)</b>										<b>Total</b>
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	
<b>Total</b>											
<b>Formula and assumptions</b>	Explain if different from primary option										

Alternative options will support the Treasury to understand the implications of scaling the initiatives, including the implications of removing components or reducing the initiative's scope.

Only fill out the 'formula and assumptions' section in this section if the formula and assumptions used for the alternative scaled option are different from the primary option.

## Section 6: Wellbeing impacts

### Section 6A: Wellbeing analysis

<b>Department to attach</b>											
<i>Each initiative must be accompanied by the following supporting information:</i>											
<ul style="list-style-type: none"> <li>o <i>Cost benefit analysis, or CBAX;</i></li> <li>o <i>An <a href="#">intervention logic map</a>, capturing the initiatives' aims, outputs, outcomes (over the short, medium and long term), and the future state the initiative contributes to; and</i></li> <li>o <i>Analysis of <a href="#">wellbeing impacts &amp; risks</a> in the table at Section 6B below, containing analysis of the groups likely to be impacted by the initiative, the magnitude of impact, and the efficacy of the initiative in responding to the problem or opportunity.</i></li> </ul> <p><i>This analysis may be presented in the prescribed formats outlined above; <b>OR</b> any other suitable format, containing analysis that fulfils these information requirements. Analysis in either format must make reference to the Wellbeing Domains impacted, and quantify and monetise each impact where possible.</i></p> <p><i>For capital initiatives, it is mandatory to attach a <a href="#">business case</a> in compliance with CO(19)6.</i></p>											
<b>Additional attachments</b> Outline which product(s) have been included as attachments with this initiative.											
<b>Wellbeing domains</b>											
	<b>Civic engagement and governance</b> People's engagement in their country's governance, how "good" NZ's governance is perceived to be and the procedural fairness of our society.		<b>Cultural identity</b> Having a strong sense of identity, belonging and ability to be oneself and the existence value of cultural taonga		<b>Environment</b> The natural and physical environment and how it impacts people today		<b>Subjective wellbeing</b> Overall life satisfaction and sense of meaning and self				

The attached information must include analysis on the costs and benefits of the initiative, the intervention logic, and the wellbeing impacts and risks associated with funding. The information can either be presented in the suggested formats, or in another format that covers the same material and meets the information requirements. All analysis should make reference to the Wellbeing Domains impacted, and quantify and monetise impacts where possible.

The [CBAX guidance](#) can help you identify, quantify and monetise wellbeing impacts where applicable. For example, this includes recommended metrics to incorporate a value for future greenhouse gas emissions (or avoided emissions) resulting from initiatives. Note that initiatives which aim to decrease GHG emissions, or that result in an increase or decrease of greenhouse gas emissions over certain volume thresholds, will also require a Climate Implications Policy Assessment (CIPA) to have been completed before Cabinet consideration. For more information and support go to <https://www.mfe.govt.nz/climate-change/climate-implications-policy-assessment> or contact [cipa@mfe.govt.nz](mailto:cipa@mfe.govt.nz)

An intervention logic map should provide a one-page overview of the relationship between the initiative's outputs, outcomes, and current and future states. It must align with information provided elsewhere in the template, and should clearly communicate:

- the problem or opportunity that the initiative will address;
- how the initiative will address it, with specific reference to the initiative's outputs;
- the initiative's short, medium and long term wellbeing impacts, quantified and monetised where possible, and
- the future state this will contribute to.

An example of an intervention logic map is provided below.

	<b>Health</b> Our mental and physical health		<b>Housing</b> The quality, suitability, and affordability of the homes we live in		<b>Income and consumption</b> People's disposable income from all sources, how much people spend and the material possessions they have		<b>Safety</b> People's safety and security (both real and perceived) and their freedom from risk of harm, and lack of fear.
	<b>Jobs and earnings</b> The quality of people's jobs (including monetary compensation) and work environment, people's ease and inclusiveness of finding suitable employment, and their job stability and freedom from unemployment.		<b>Knowledge and skills</b> People's knowledge and skills		<b>Social connections</b> Having positive social contacts and a support network		<b>Time-use</b> The quality and quantity of people's leisure and recreation time (that is, people's free time where they are not working or doing chores).

### Section 6B: Wellbeing impacts & risks

**Department to complete**  
This section is mandatory, **unless** this analysis has been included in a separate attachment.

Outline the key wellbeing impacts of the initiative, using a new row for each impact. These should highlight:

- o For **cost pressures**, the wellbeing impacts if funding is not provided
- o For **manifesto commitments**, the key impacts of the intervention, both positive and negative

There should be at least three key impacts identified.

When considering which groups will be affected by the initiative, and the nature of the impacts, you can use policy tools such as the [Child Impact Assessment Tool](#) and the [Bringing Gender In](#) tool.

Impact Description	Affected Group	Timeframe Realised	Domain Impacted	Supporting Evidence	Magnitude of impact
Identify the expected impact.	Indicate which group(s) or places will be impacted. Quantify the size of impacts where possible, taking into account population size if applicable.	Indicate if the impact will be realised in the short (<5 years), med (5-10 years), or long term (>10 years). Using the icons, indicate the wellbeing domain(s) that will be most impacted.	Using the icons, indicate the wellbeing domain(s) that will be most impacted.	Provide a summary of up to 250 words outlining the initiative's likely efficacy in achieving the stated impacts. Provide links to up to 3 of pieces evidence consulted that demonstrates this efficacy.	Indicate the magnitude and size of the impact, and where possible, monetise present value gain or (loss) PV\$m.

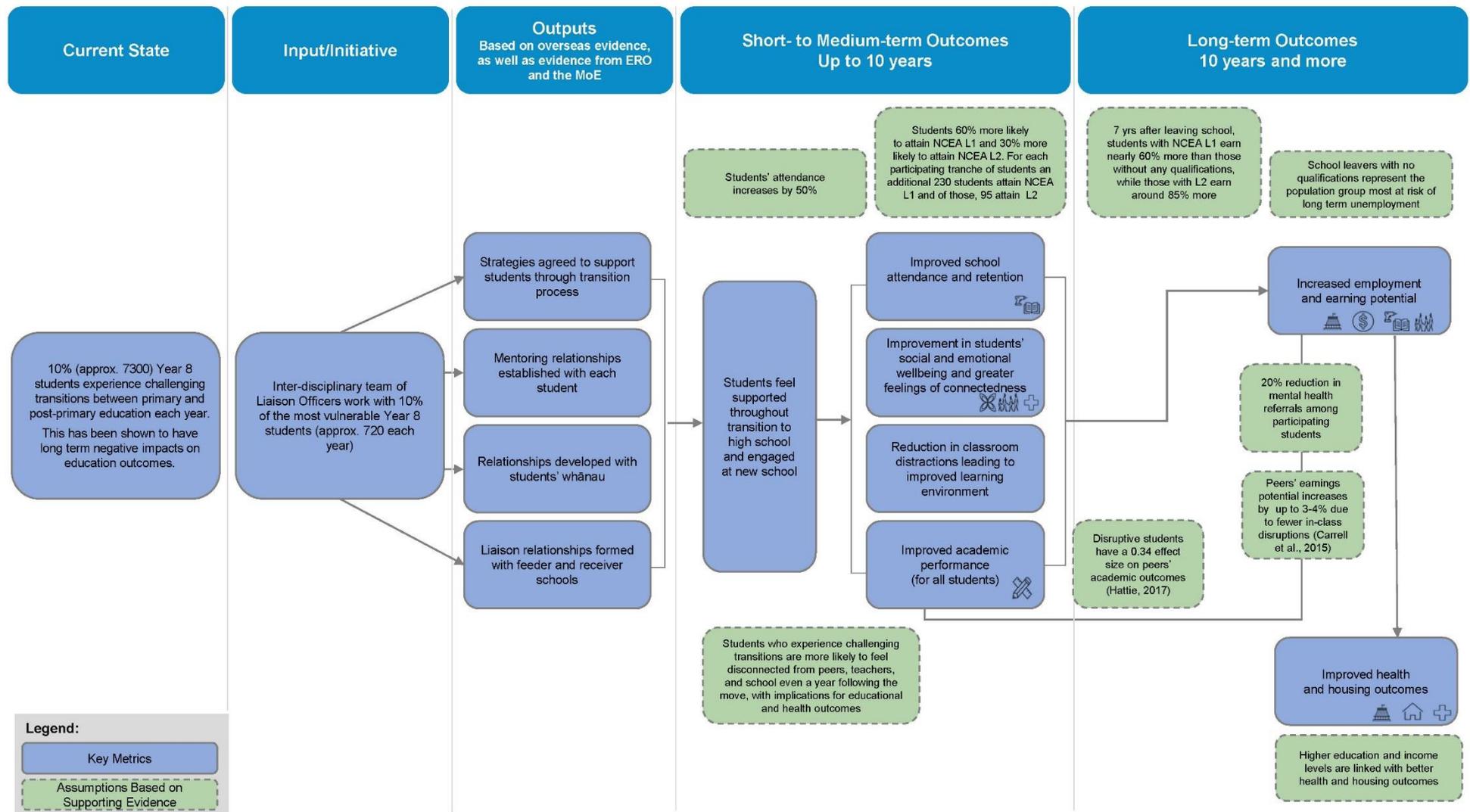
The answer may include, for instance, commentary on: gaps in the literature; the applicability of overseas evidence; the challenge of using measures or indicators as proxies.

Supporting evidence must focus on the initiative's efficacy in achieving the stated impacts/avoiding the stated risk *not* on the existence of the problem/opportunity/risk that the initiative is responding to.

**Department to complete**

**Dependencies, assumptions and risks**  
Provide an overview of any key dependencies and assumptions made when considering or applying the above evidence, and the implications – including risks - that this may have on the initiative's ability to achieve the stated impacts.

## 8.2.1 Example of Intervention Logic Map



## 8.3 Annex A: Further questions for capital initiatives

### Overview

Department to complete						
Type of investment	Infrastructure		Data/digital		Other (please specify)	
Does the initiative include the through-life capital costs and operating costs (including any FTEs required)?	Y/N					
Is this an asset renewal?	Y/N					
What is the expected output of the investment?	E.g. number of jobs expected to be created					
What region is this investment expected to be delivered in?	All of New Zealand		Gisborne		Northland	
	Areas outside regions		Hawke's Bay		Offshore	
	Auckland		Manawatu-Whanganui		Otago	
	Bay of Plenty		Marlborough		Southland	
	Canterbury		Nelson		Taranaki	
Does this investment align or contribute to system strategies, where relevant?	Y/N		If yes, please specify how			
Does failure to invest create unacceptable risk?	Y/N		If yes, please specify how			
Has there been consideration of and a commitment to the delivery of broader priority outcomes? Refer to rule 16 of procurement rules <sup>4</sup>	Y/N		If yes, identify which broader outcomes this contributes to			
Does this investment contribute to the transition to a net zero emissions economy and/or design waste out of the system?	Y/N		If yes, how?			
If you answered no to the question above, is the investment increasing or decreasing emissions by an annual average of 50,000 tonnes or more (over the first ten years of the project)?	Y/N		If yes, how has this been considered in your assessment of the costs and benefits of this initiative? Has a CIPA disclosure been prepared?			
Does this investment improve climate resilience/is this investment resilient to climate change?	Y/N		How?			

### Governance and System Engagement

Department to complete						
Is there a Senior Responsible Owner?	Y/N					
Is there a governance group in place?	Y/N					
Have system experts been informed and/or consulted?	Y/N	If yes, who?	New Zealand Infrastructure Commission		GCDO	
			NZGPP		GCDS	
			Other (please specify)		MfE	
If data/digital, have digital investment principles and data standards been considered and applied?	Y/N					

<sup>4</sup> Refer to the following for more detail: <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/planning-your-procurement/broader-outcomes/>

## Investment Planning

Department to complete		
Is there a business case attached to this submission?	Y/N	If yes, please specify which business case (i.e. single stage BC, indicative BC, Detailed BC, Implementation BC)
Was this investment signalled in 2019 Capital Intentions or Capital Pipelines?	Y/N	If yes, please specify whether Treasury, GCDO, New Zealand Infrastructure Commission, or other If no, why?
Have the procurement rules been considered and applied?	Y/N	
Are there any possible trade-offs required to progress the proposed investment above other planned department activities?	Y/N	If yes, briefly outline

## Delivery Capability and Market Capacity

Department to complete		
Is department subject to ICR?	Y/N	
Has there been any market sounding or pre-procurement market engagement?	Y/N	
What is the RPA?	High	Medium Low