

# The Treasury

## COVID-19 Response and Recovery Fund Reporting Information Release

August 2021

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Reference: T2020/2504 PD-5-7-3 (Reporting Cycle 2)

Date: 17 July 2020

To: Minister of Finance (Hon Grant Robertson)

Deadline: None  
(if any)

## **Aide Memoire 2020**

### **Briefing: Second report on delivery of specific CRRF and Budget 2020 initiatives**

#### **Background**

On 3 July, the Treasury provided you and the Implementation Unit with an update on the delivery progress of 115 funded initiatives. This included initiatives funded through the COVID-19 Response and Recovery Fund (CRRF) and Budget 2020. All updates provided to you are informed by agencies responsible for the delivery of these initiatives.

Subsequently, you indicated that you would like this reporting to continue on a bi-weekly cycle across all 115 initiatives. You also requested additional detail, if available on seven key areas:

- a. The Tourism Recovery Fund;
- b. Ministry of Culture and Heritage (specific focus on spending);
- c. Ministry of Social Development (delivery of COVID-19 initiatives);
- d. NZTE;
- e. Small Businesses - regional business partners and e-commerce;
- f. Housing; and
- g. International Education.

We have since requested a second update on the 115 initiatives from agencies and a summary of these updates is outlined in the below section.

We have also gathered any additional contextual information Treasury can provide on the above areas you have highlighted. Refer to Annex A for a summary of this additional context by area.

## Analysis

The total allocated operating expenditure (OPEX) and capital expenditure (CAPEX) for all 115 initiatives is \$24,307.4 million and \$3,240.8 million.<sup>1</sup> The forecasted spending for these initiatives for the **2019/20 financial year** is \$17,019.2 million (70.0% of total OPEX) and \$612.2 million (18.9% of total CAPEX). This includes the funding for the wage subsidy modification and extension funded through the CRRF (\$10,120 million).<sup>2</sup> Annex B provides an overview of these initiatives against Government's broader investment and key updates for the second report.<sup>3</sup>

### *Second report highlights*

As of the second report, total spending to date has increased by \$67.5 million (+3.5%) since the first report to \$12.9 billion in operating expenditure (59.4% of total allocated OPEX for 2019/20 and 2020/21).<sup>4</sup> This includes an increase in spending of the wage subsidy modification and extension fund and the administration costs for MSD/IR of \$10,952.5 million (84.7% of total spending to date).

See summary table below and refer to Annex C for a more detailed comparison:

<i><b>For 115 initiatives</b></i>	<b>Total OPEX allocated (including out-years)</b>	<b>Total OPEX allocated (2019/20 &amp; 2020/21)<sup>5</sup></b>	<b>Spending to date (as of second report)</b>	<b>Change from first report \$ (%)</b>	<b>Spending to date as a % of OPEX allocated (2019/20 &amp; 2020/21)</b>
Total including wage subsidy scheme (WSS)	\$24,307.4	\$21,582.8	\$12,932.8	\$67.5 (+3.5%)	59.4%
WSS	\$10,135.3	\$10,135.3	\$10,952.3	\$1.3	108%
Total excluding WSS	\$14,172.1	\$11,447.5	\$1,980.5	\$66.2	17.3%

<sup>1</sup> The 115 initiatives include the \$3 billion 'Covid-19 Infrastructure Investment' initiative funded through the CRRF. We have not reported on the 'Covid-19 Infrastructure Investment' initiative because you have recently agreed a separate reporting and monitoring process for this initiative.

<sup>2</sup> This does not include any additional funding received through the March 17 funding announced for the Wage Subsidy Scheme.

<sup>3</sup> This overview reflects information that we know of as of 13 July 2020 provided by agencies.

<sup>4</sup> This is based on information provided by agencies for this reporting process. You may have separately received more up-to-date information from other sources.

<sup>5</sup> This does not account for any approved In-Principle Expense Transfers or other transfer mechanisms for 2019/20 funding. See paragraphs 9-10 for more detail on this.

Of the 115 initiatives, 17 initiatives have had no substantial updates from the previous reporting cycle. Overall, 53 initiatives are indicated as having implementation plans, 45 are indicated as having a form of external reporting processes in place (either to Ministers or central government) and 28 were indicated as facing key risks or issues.

The number of Ministerial announcements expected between now and the end of August are summarised below. Refer to Annex D for more detail on these announcements.

Month	Number of expected announcements
July	21
July-August	2
August	6
July-September	1
August-September	1
<b>Total</b>	<b>34</b>

#### *2019/2020 Allocations and In-Principle Expense Transfers (IPET)*

Of the 115 initiatives, 42 have been identified as having funding allocated for the 2019/20 financial year. Based on the information gathered for the second report, 13 of these initiatives have not spent their full allocated spending, do not have any processes in place to roll-over funds and do not require further investigation (\$14.5 million of underspend). Treasury is providing separate advice to you on this and the options available.

Of these 42, 6-7 initiatives had an IPET approved thereby rolling any under spent amount to 2020/21. Six initiatives are multi-year allocations or have other mechanisms in place to transfer allocated spending that has not been drawn down to following years. Refer to Annex E for more detail on these initiatives.

#### **Next steps**

1. We suggest you provide feedback on the slides and indicate what initiatives or areas you would like further reporting on;
2. We intend to report to you and the Implementation Unit next on 31 July 2020; and
3. We suggest you consider what initiatives as part of CRRF 2 funding you would like us to monitor, in addition to the 115 initiatives currently report on.

## Annex A: Additional context for key areas

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### **Tourism Recovery Fund**

You recently received advice from the Treasury on the Tourism Recovery Fund (T2020/2472) ahead of the Tourism Recovery Ministers Group meeting today. This advice provided you with an update on the TRF.

### **MCH Spending**

As you are aware, MCH has been asked to deliver several CRRF-funded initiatives. MCH is aware that Ministers want to see more information and progress on the various cultural sector programmes funded through Budget 2020 and the CRRF Foundational Package. In response to this, MCH has recently increased the size of its CRRF monitoring and implementation team (currently a team of 15). Additionally MCH is working on producing a dashboard to provide updates on implementation.

One emerging risk of delivery evident from the MCH reporting is the need to manage sector expectations around any delays in accessing the funding allocated whilst funding programmes are established by MCH.

### **MSD Delivery**

As you know, MSD has a significant role in the Government's COVID-19 response and recovery. Not only is it responding to increased demand for existing income support, community services and employment services, MSD has also implemented two major programmes: the Wage Subsidy (and related extension) and the COVID-19 Income Relief Payment (CIRP). This has all happened in a period of significant organisational transformation, while undertaking a major policy and operational deliverable (the Welfare Overhaul). MSD also has the task, working with other relevant agencies, of developing and implementing its employment approach for a broader range of clients.

Although MSD appears to be managing its workload, the organisation is under significant delivery pressure. Specific areas identified by MSD include the ongoing administration of the Wage Subsidy and CIRP, and the increased frontline workload. There is an ongoing risk that the pressure on frontline staff to provide income support will crowd out employment support services. It will be important to monitor this risk due to increased demand for Jobseeker Support and supplementary assistance.

MSD is taking mitigating action to respond to the pressure. We note from the IU report that the recruitment of new staff (funded through CRRF round 1) is progressing well, with many new recruits expected to be employed and receiving training by the end of July 2020. Further, MSD has accelerated parts of its transformation to support more efficient delivery. For example, it is increasing its use of digital channels to support clients and implementing an integrated case management approach to reduce the number of touchpoints for both clients and staff. Although the impact of the transformation is likely to grow over time, we are unclear of the degree to which these changes can relieve the immediate delivery pressure.

## **NZTE**

MBIE is currently working with NZTE on their operating refresh. We anticipate that this will include ongoing discussions around what will be delivered and progressed in the next 8 weeks. As half of the \$216m allocated funding was put into a contingency for outyears. The contingency expires on 30 June 2021. Our understanding is that NZTE are having discussions with their Ministers around their operating model in light of having only the first two years of funding available. The contingency conditions will provide a lever for Ministers to discuss how NZTE can use this funding to assist in the economic recovery. As part of drawing down the contingency, NZTE is required to provide a report-back with information on how the continued funding will contribute to the government's wider economic recovery response and how the initial \$108m has been utilised together with a review of the needs of the export sector and market conditions.

## **Small Business**

### *Regional Business Partner Network*

There has been significant demand for the Regional Business Partner Network business advisory vouchers. External engagement with businesses and Chambers of Commerce has highlighted that these services were well-received. We understand that the additional \$40 million top-up will help meet this demand, as many businesses that registered for such services were unable to access them as funding had been exhausted quickly. NZTE are currently undertaking a review of the voucher funding (due July 2020) and an audit of the expenditure (due September 2020). We understand a copy of the review report will be referred to you. In terms of implementation risks particularly given the initiative is scaled up at pace, there is a capacity constraint around the number of Growth Advisors that can assess and provide vouchers due to a high level of demand for these vouchers.

### *E-Commerce*

The \$10m contingency funding was recently drawn down, following feedback from you that most of the contingency funding should be spent on services / grants that would directly benefit businesses. MBIE has recently met with their Minister to discuss the work programme and they are proceeding at pace. MBIE have been conducting stakeholder engagement with big firms on digital enablement (such as the banking sector and Microsoft). Following your feedback on drawing down the contingency funding, Minister Nash wrote to you recently outlining how the funding will be split across various proposals supporting small business digital capability. Part of the funding is to gather data on what digital enablement initiatives would be effective, and this insight will enable the development of future digital enablement initiatives.

## **Housing**

### *Progressive Home Ownership (PHO)*

As you are aware, delivery of the PHO scheme is considerably behind schedule, with only two contracts agreed and a further three in progress as part of the first phase of delivery. Planning for the Crown-direct PHO product (which is expected to deploy most of the available funding) is still very high level and detailed design will not be completed until year-end.

### *Government Build Programme.*

The development model for Kāinga Ora landholdings is not sustainable and a review of the wider funding model for public housing is underway. There are major gaps in infrastructure funding and COVID-19 has introduced further uncertainty into the viability of Kāinga Ora projects that include public and affordable housing. [33]

The pipeline of developments for KiwiBuild is also at increasing risk as a result of COVID-19. The Minister of Housing is taking a paper to Cabinet to seek changes to its parameters to enable more demand and development risk to be taken on by the Crown. The short-term delivery of permanent Transitional Housing places is key to maintaining the gains made in addressing homelessness during lockdown. We note that HUD has not identified this as a priority in their IU reporting.

### *MAIHI*

A paper is being drafted for Joint Ministers to draw down the entire \$40m contingency. We have provided feedback recommending more information on how performance will be measured is included, including measuring outputs and outcomes, and noting the lack of coordination with Te Puni Kōkiri's Māori Housing initiatives as a risk to manage.

## **International Education**

In addition to the above areas/initiatives, you asked for a comment on the International Education initiatives funded through CRRF round 2 to support international education. We understand that announcements on this funding are scheduled for Friday 24 July. The following sets out the status of the various International Education initiatives.

- A \$10m fund for immediate targeted support for private training establishments. The Ministry of Education is developing assessment criteria for the Minister for Education to approve the w/c 27th July, after which the TEC will assess bids from eligible establishments.
- \$1.5m of funding for learners to access English Language courses; this supports those who intend to live in New Zealand long term but are not yet citizens, and additionally provides support for the English Language sector which will see reduced demand whilst borders are closed. This uses existing delivery mechanisms so funding will be made available very shortly after announcement.

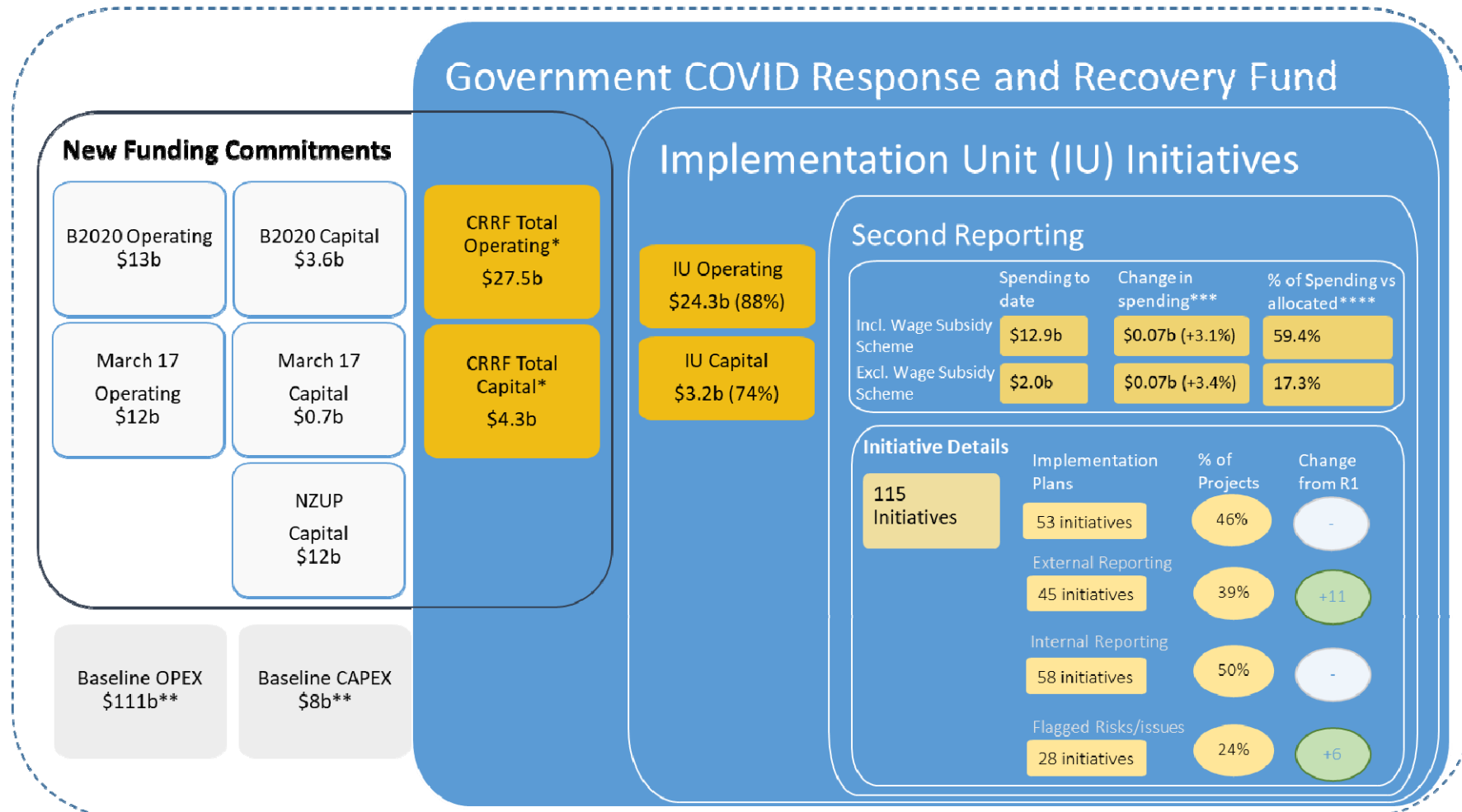
- \$10m of funding to support the diversification of international education products and services, including a unified digital platform to support delivery of offshore provision. The bulk of this funding is held in contingency; the Ministry is preparing a paper for Joint Ministers seeking draw down of the funding. Our view is that adequate work on the design of projects has not yet been completed.
- \$3m of funding for marketing and brand awareness to maintain New Zealand's international education reputation whilst border restrictions remain in place.

In addition to the above initiatives, collection of the Education Export Levy has been suspended until the end-2021.



## Annex B: Overview of Implementation Unit initiatives

### Government investment since B2019



\*Excludes CRRF 2 funding

\*\*Interim Financial Statements of the Government of New Zealand for the ten months ended 30 April, 2020

\*\*\*From first report to second report

\*\*\*\*Allocated to 2019/20 and 2020/21 and does not exclude approved In-Principle Expense Transfers or other transfer mechanisms

Annex C: Allocated and actual spending by portfolio (as at 13 July 2020)

Portfolio	Total spending to date as at first report (\$M)	Total spending to date as at second report (\$M)	Change in spending (first to second report) (\$M)	Total Budget OPEX Allocated (\$M)	% of Spending vs allocation (in 2019/20 & 2020/21)
Minister for Arts, Culture and Heritage	0.7	0.7	0.0	365.0	0.3%
Minister for Biosecurity	3.0	3.0	0.0	160.0	7.9%
Minister for Children	0.1	0.1	0.0	177.9	0.5%
Minister for Courts	0.0	0.0	0.0	37.8	0.0%
Minister for Economic Development	0.2	0.2	0.0	279.5	0.3%
Minister for Employment	0.1	0.1	0.0	244.5	0.1%
Minister for Energy and Resources	2.6	2.6	0.0	56.4	9.2%
Minister for Ethnic Communities	0.0	0.0	0.0	2.1	0.0%
Minister for Government Digital Services	0.2	0.2	0.0	15.0	1.3%
Minister for Infrastructure	NA	NA	NA	NA	NA
Minister for Māori Development	0.0	0.0	0.0	33.8	0.0%
Minister for Pacific Peoples	0.0	0.0	0.0	64.7	0.0%
Minister for Racing	41.2	41.2	0.0	52.5	78.5%

Portfolio	Total spending to date as at first report (\$M)	Total spending to date as at second report (\$M)	Change in spending (first to second report) (\$M)	Total Budget OPEX Allocated (\$M)	% of Spending vs allocation (in 2019/20 & 2020/21)
Minister for Rural Communities	0.1	0.1	0.0	15.6	1.3%
Minister for Small Business	22.7	22.7	0.0	37.3	60.7%
Minister for Social Development	27.6	45.5	17.9	12,080.5	0.4%
Minister for Sport and Recreation	4.6	4.6	0.0	266.7	3.1%
Minister for the Environment	0.0	0.0	0.0	457.1	0.0%
Minister for Whānau Ora	20.5	20.5	0.0	136.1	21.7%
Minister for Workplace Relations and Safety	0.0	0.0	0.0	10.9	0.0%
Minister of Agriculture	2.1	2.4	0.2	34.2	7.5%
Minister of Broadcasting, Communications and Digital Media	18.1	20.5	2.4	50.0	41.0%
Minister of Conservation	0.0	0.0	0.0	501.8	0.0%
Minister of Education	33.5	33.5	0.0	1,678.9	3.6%
Minister of Finance	0.8	0.8	0.0	538.0	1.3%
Minister of Fisheries	0.0	0.0	0.0	4.6	TBC
Minister of Health	99.6	99.6	0.0	367.1	56.6%

Portfolio	Total spending to date as at first report (\$M)	Total spending to date as at second report (\$M)	Change in spending (first to second report) (\$M)	Total Budget OPEX Allocated (\$M)	% of Spending vs allocation (in 2019/20 & 2020/21)
Minister of Housing	0.6	0.6	0.0	795.0	0.7%
Minister of Internal Affairs	0.6	0.6	0.0	61.9	2.4%
Minister of Research, Science and Innovation	45.8	45.8	0.0	118.4	38.8%
Minister of Revenue	1,510.0	1,556.8	46.8	5,022.0	22.1%
Minister of Tourism	78.7	78.7	0.0	400.0	39.3%
Minister of Transport	13.2	13.3	0.1	242.2	237.5%
<b>Grand Total</b>	<b>1,926.3</b>	<b>1,993.8</b>	<b>67.5</b>	<b>24,307.4</b>	<b>9.2%</b>

## Annex D: Upcoming announcements between now and August

Portfolio	Month	Date	Announcement description
<b>Minister for Arts, Culture and Heritage</b>	<b>July-August</b>	TBC	Announce programme details and opening
	<b>August</b>	TBC	Announce programme details and opening
		TBC	Minister Sepuloni has indicated timing of an announcement when decisions made on initial fund allocations
	<b>July-September</b>	TBC	Ministerial announcement TBC with Minister's office. Potentially in late September 2020 on funding allocations.
<b>Minister for Biosecurity</b>	<b>July</b>	TBC	Announce locations to be funded for control operations in 2020-21.
<b>Minister for Economic Development</b>	<b>July</b>	21/07/2020	Launch of Agritech ITP
<b>Minister for Employment</b>	<b>July</b>	TBC	Announce initial Māori entities chosen to deliver partnership initiatives
		TBC	Announcement of probably 4 of the remaining 5 interim RSLGs before the end of July. The last one expected by end August
		TBC	Detailed published on MBIE Grow Regions Website
<b>Minister for Pacific Peoples</b>	<b>July</b>	TBC	Launch of the RFP for new regions of Northland and Nelson/Marlborough may require some communication.
		20/07/2020	Applications open for the community fund, Kenese and tertiary scholarships
	<b>July-August</b>	TBC	Initial announcement will be to promote the Fund for the first funding round which will open
	<b>August</b>	30/08/2020	A communications plan will be developed as part of the initiative. The Minister for Pacific peoples and Minister of Finance approval of the implementation plan
	<b>August-September</b>	TBC	Preference is for a nationwide event when all existing Tupu providers confirm their updated contracts/volumes and funding (approximately 12 providers across 21 individual contracts covering 9 different regions).
<b>Minister for Rural Communities</b>	<b>July</b>	TBC	Drought/Covid recovery report on uptake and services

Portfolio	Month	Date	Announcement description
Minister for Social Development	July	20/07/2020	Information about the fund and application process published
		31/07/2020	Announcement to advise that applications are now open for the fund
	August	1/08/2020	Direct mailing to Providers, inviting applications
Minister for the Environment	August	3/08/2020	Announcement for the opening of the next FIF round, and an upcoming TMOTW Funding Round.
Minister of Agriculture	July	TBC	Media Campaign
		29/07/2020	Progress report for innovation projects
Minister of Education	July	21/07/2020	Announcement as part of release of Action Plan for Pacific Education 2020-2030
		30/07/2020	Participating schools identified
		31/07/2020	Minister Martin to announce the 'Access to Counselling Services' component of the Wellbeing and Mental Health Package
Minister of Housing	July	TBC	Ministerial announcement on Fund design and first two contracts with PHO providers
		TBC	Ministerial announcement on Fund design and first two contracts with PHO providers
	August	TBC	Ministerial launch of funding
Minister of Revenue	July	TBC	Further extension (if approved by DEV).
Minister of Tourism	July	TBC	Announcement of funding
		TBC	Announcement of Taskforce membership
		TBC	Pending ministerial decisions

# Annex E: 2019/2020 Allocations and In-Principle Expense Transfers

## Programmes/Initiatives that have received funding in FY19/20

Portfolio	Slide #	Initiative name	Allocated FY 2019/20	Actual Spend to date	Difference between Allocated and Actual Spend	IPET	Additional Comments
MCH	6	Meet Demand For The New Zealand Screen Production Grant	15.00	-	15	N/A	IPET not applicable as a multi year appropriation.
	6	New Zealand Music Recovery	2.40	-	2.4	No	See comments in Aide Memoire.
Racing	13	Racing Industry Initial Recovery Package	41.20	41.20	0	No	This initiative focused on providing funding to allow the Racing Industry Transition Agency to survive until 31 July 2020 (start of racing season). Work undertaken over the next few months will identify additional funding needs for to ensure its does not become insolvent in the future, with some issues to be dealt with. Refer to Aide Memoire T2020/1628 from May 2020.
Tourism	15	Tourism Sector Recovery Fund	100.00	78.65	21.35	N/A	The tourism recovery fund is a contingency so an IPET not applicable. See Aide Memoire T2020 - 2472 <i>Notes for the next Tourism Recovery Ministers Meeting</i> for more information including why funding might need to be delayed through the STAPP.
Sport and Recreation	18	Recovery Package For The Play, Active Recreation And Sport System In Response To The Covid-19 Pandemic	4.60	4.60	0	No	
Economic Development	20	Industry Policy: Covid-19 Recovery And Transformation Package	0.90	0.15	0.748	Yes	\$895,000 will be carried forward to FY20/21.
	20	The Auckland Pacific Skills Shift	0.07	0.10	-0.034	No	
Transport	22	Covid-19 Funding To Maintain Essential Transport Connectivity	4.00	0.30	3.7	N/A	IPET not applicable as a multi year appropriation.
	22	Transport agency funding to address shortfall in cost recovery fee revenue (Op)	35.20	13.00	22.2	N/A	IPET not applicable as a multi year appropriation.
Housing	25	Progressive Home Ownership Fund: Phase 1	2.50	0.46	2.04	No	See comments in Aide Memoire.
RSI	28	Capital Investment In Callaghan Innovation For A Short-Term Research And Development Loan Scheme	0.05	0.69	-0.636	No	There is an additional Cabinet paper going up at the end of July to clarify the accounting treatment of this scheme.
	28	Crown Research Institute Covid-19 Response And Recovery	45.10	45.10	0	No	
Education	32	Establishing A Student Hardship Fund For 2020	20.00	19.47	0.53	No	
	30	Increasing Wellbeing And Mental Health Support To Learners And Education Workforce	2.00	-	2	No	The \$2m allocated in FY19/20 was for an “urgent response fund” so should have been spent. This should be tracked closely as there will potentially be large fiscal risk in FY20/21. Other components of this initiative will likely have large transfers at OBU, depending on whether they are implementation ready.

Portfolio	Slide #	Initiative name	Allocated FY 2019/20	Actual Spend to date	Difference between Allocated and Actual Spend	IPET	Additional Comments
	30	Providing students with remote access to online digital resources (Op)	5.70	10.88	-5.18	Yes	Some funding was been provided to this initiative through the March 17 package prior to the funding provided through the CRRF funding round. Further investigation required in future reporting rounds to reconcile spending.
	31	Support For Group Training Schemes To Retain Apprentices In Preparation Of Post-Covid-19 Economic Recovery	3.23	3.10	0.13	Yes	An IPET of up to \$3.230 million was requested in June and was approved by joint ministers. \$161,000 will be carried forward into FY 20/21
	31	Transitional Industry Training Organisation And Workforce Development Council-Led Covid-19 Response Projects	3.03	-	3.03	Yes	An IPET of up to \$3.000 million was requested in June and was approved by joint ministers. \$3 million will be carried forward in FY 20/21
Health	37	Funding For Community Midwives In Response To Covid-19	5.48	5.48	0	No	
	38	Managed arrivals into New Zealand - managed isolation support	58.00	83.00	-25	No	We have not incorporated the additional funding that has been agreed for MIQ. We understand that currently \$398m has been allocated.
	37	Supporting Emergency Road Ambulance Services Through Covid-19	11.10	11.09	0.009	No	
Social Development	43	Covid-19: Providing Support For Foodbanks, Food Rescue And Community Food Services In The Covid-19 Recovery	2.00	2.78	-0.78	No	Further investigation required in future reporting rounds to reconcile spending.
	43	The Construction Accord: Expand Skills For Industry Initiative (Covid-19 Response)	4.00	3.40	0.6	No	
Māori Development	55	Maori Media Sector: Supporting News And Current Affairs Capacity	0.50	-	0.5	No	Funding can be returned to centre if not being used.
Small Business	60	SMEs - consultancy services (MBIE)	25.00	22.65	2.35	Yes	Refer to comment in Aide Memoire. Note some of the funding that is in the actual column has only been committed. This will be reconciled in the next reporting round. \$16.75m can be carried forward into FY20/21.
	60	Support For Small Businesses Tailored To Covid-19 Needs	0.30	-	0.3	No	
Fisheries	62	Fisher Support Network	0.10	-	0.095	No	No IPETs from 19/20 as Cabinet agreed that any underspends for this expenditure be returned to the centre.
Agriculture	68	Preventing Food Waste And Supporting Primary Sector Production By Supplying Food To New Zealanders In Need	4.35	2.13	2.22	No	The Connecting Food with NZers component involves commercial contracts and development of a digital platform and so is higher risk and should be monitored more closely.  No IPETs from 19/20 as Cabinet agreed that any underspends for this expenditure be returned to the centre.
Rural Communities	71	Mitigating the impacts on primary sector and rural communities	0.11	0.11	0.004	No	No IPETs from 19/20 as Cabinet agreed that any underspends for this expenditure be returned to the centre.



Portfolio	Slide #	Initiative name	Allocated FY 2019/20	Actual Spend to date	Difference between Allocated and Actual Spend	IPET	Additional Comments
Broadcasting	73	Support Package for the Media Sector - initial funding	18.80	20.48	-1.68	N/A	Ability to transfer spending from FY19/20 to 20/21 was built into recommendations, and likely the small amount of underspend will be eventually transferred into the 20/21 baseline.
GDS	74	Digital Skills	4.00	0.20	3.8	No	IPET applied for late and not agreed. Funding likely to be returned to centre.
Whānau Ora	79	Whanau Ora: Supporting The Immediate And Near-Term Recovery Of Whanau From Covid-19	20.51	20.51	0.004	No	
		<b>Total</b>	<b>418.71</b>	<b>369.01</b>			
		<b>Percentage of Allocated funding Spent</b>		<b>88%</b>			
		<b>Funding potentially to be returned to centre</b>			<b>14.502</b>	No	This \$14.502m represents initiatives that do not have IPETs and that have underspent in FY19/20. Initiatives that may have overspent in FY19/20 are under further investigation.

#### Large Demand Driven Schemes that received funding in FY 19/20

Portfolio	Slide #	Initiative name	Allocated FY 2019/20	Actual Spend to date	Difference between Allocated and Actual Spend	IPET	Additional Comments
Treasury	17	Business Finance Guarantee scheme	3.00	0.75	2.25	N/A	IPET is not applicable as this is a Permanent Legislative Authority
Social Development	50	Admin costs to IRD and MSD for wage subsidy	16.40	13.30		N/A	Have authority to transfer funding forward and expect this to occur at OBU. Note that \$1.5m of this funding is for IRD's administration costs for the scheme.
	50	Administration costs of wage subsidy - MSD	6.56			N/A	From an implementation view IR's ability to deliver more of these schemes may be limited - they are currently managing their Business Transformation, their BAU and COVID response. Business Transformation is not something they can deprioritise, meaning there is a risk some BAU activities may get deprioritised.
	50	Modified Wage Subsidy Scheme	4,200.00	6,636.00	- 2,436.00	N/A	Have authority to transfer money forward and expecting this to occur at OBU.
	50	Modified Wage Subsidy Scheme - further expansion	2,700.00	4,304.00	- 1,604.00	N/A	Scheme complete. Note the modified wage subsidy scheme and the modified wage subsidy scheme – further expansion does not include the \$5,100m provided as part of the March 17 Economic Recovery Package but the actual spent category does account for the \$5,100m provided as part of this package. There has been no breach of appropriation.
	50	Wage Subsidy Extension	3,200.00	1,794.00	1,406.00	Yes	IPET agreed for up to \$3,200m, with the ability to transfer funding forward given in CAB-19-MIN-0219.01.
	50	Temporary Income Relief (direct "new" tax-free benefit costs)	113.14	16.00	97.14	N/A	T2020/1335 is report that gives authority to transfer spending forward
	50	Temporary Income Relief (operating costs)	3.14	2.20	0.94	N/A	T2020/1335 is report that gives authority to transfer spending

Portfolio	Slide #	Initiative name	Allocated FY 2019/20	Actual Spend to date	Difference between Allocated and Actual Spend	IPET	Additional Comments
							forward
	50	Temporary Income Relief (reduced tax revenue forecast)	6.33	TBC		N/A	T2020/1335 is report that gives authority to transfer spending forward
Revenue	50	Small Business Cashflow (Loan) Scheme	5,200.00	1,460.00	3,740.00	TBC	MoF/MoR have approved an ECT moving \$1b from 19/20 to 20/21 to ensure authority to spend this FY. There is an IPET available to bring forward the rest of FY19/20 underspend should that be necessary (awaiting confirmation - this IPET will only be confirmed if ECT does not provide sufficient funding).
	50	SMEs - tax loss carry-back	1,200.00	96.80	1,103.20	N/A	No appropriation - lower tax revenue is offset against CRRF. More information is found in CAB-20-SUB-0165.
		<b>Total</b>	<b>16,648.56</b>	<b>14,323.05</b>			Note the total allocated funding does not include all the funding allocated to the Wage Subsidy, however the total actual spending includes the all Wage Subsidy spend. This will updated for the next reporting round.
		<b>Percentage of Allocated funding Spent</b>		<b>86%</b>			
		<b>Funding potentially to be returned to centre</b>					All the initiatives in this table ( <i>Large Demand Driven Schemes</i> ) have the ability to carry funding forward. If the IPET for the Small Business Cashflow (Loan) Scheme is not confirmed then it is likely over \$2,000m can be returned to the centre.

**Combined totals of both the Programmes/Initiatives that have received funding in FY 19/20 and Large Demand Driven Schemes that have received funding in FY 19/20**

Initiative name	Allocated FY 2019/20	Actual Spend to date				
<b>Total Spent</b>	<b>17,019.3</b>	<b>14,692.1</b>				
<b>Percentage of Allocated funding Spent</b>		<b>86%</b>				

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