



5 July 2024

[REDACTED]  
[REDACTED]  
[REDACTED]

Ref: OIA-2023/24-1006

Dear [REDACTED]

**Official Information Act request relating to the Department of Prime Minister and Cabinet briefing and aide-memoire**

Thank you for your Official Information Act 1982 (the Act) request received on 25 June 2024. You requested:

- *Briefing: Department of the Prime Minister and Cabinet - Savings Options – 30 January 2024*
- *Aide Memoire: Department of the Prime Minister and Cabinet – Budget 2024 Impact Analysis – 18 April 2024.*

Please find enclosed the following documents that are within scope of your request:

Item	Date	Document description	Decision
1	30 January 2024	Briefing: Department of the Prime Minister and Cabinet – Savings Options	Some information withheld under: s9(2)(a) s9(2)(g)(i)
2	18 April 2024	Aide-Memoire: DPMC - Budget 2024 Impact Analysis	Some information withheld under: S9(2)(a) s9(2)(f)(iv) s9(2)(g)(i)

I have decided to release the documents listed above, subject to information being withheld under the following sections of the Act, as applicable:

- section 9(2)(a), to protect the privacy of individuals
- section 9(2)(f)(iv), to maintain the confidentiality of advice tendered by or to Ministers and officials
- section 9(2)(g)(i), to maintain the effective conduct of public affairs through the free and frank expression of opinion

In making my decision, I have considered the public interest considerations in section 9(1) of the Act. No public interest has been identified that would be sufficient to outweigh the reasons for withholding the information.

You have the right to ask the Ombudsman to investigate and review my decision under section 28(3) of the Act.

This response will be published on DPMC's website during our regular publication cycle. Typically, information is released monthly, or as otherwise determined. Your personal information including name and contact details will be removed for publication.

Yours sincerely



Clare Ward  
**Executive Director,**  
**Strategy, Governance and Engagement**



## Coversheet

### Briefing: Department of the Prime Minister and Cabinet - Savings Options

Date:	30/01/2024	Report No:	DPMC-2023/24-681
		Security Level:	
		Priority level:	URGENT

	Action sought	Deadline
Rt Hon Christopher Luxon Prime Minister	agree to recommendations	2/02/2024

Name	Position	Telephone	1 <sup>st</sup> Contact
Rebecca Kitteridge	Chief Executive	s9(2)(a)	✓
Clare Ward	Executive Director, Strategy, Governance and Engagement		

Departments/agencies consulted on Briefing
None

#### Minister's Office

Status:

Signed

Withdrawn

Comment for agency

Attachments: No

# Briefing

## Department of the Prime Minister and Cabinet - Savings Options

To: Rt Hon Christopher Luxon, Prime Minister

Date	30/01/2024	Security Level	
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### Purpose

1. This briefing outlines how the Department of the Prime Minister and Cabinet (DPMC) intends to deliver its \$3.244 million savings package. s9(2)(g)(i)

### Executive Summary

2. Your vision for DPMC is a smaller, more sharply focused department focused on:
  - Free and frank **policy advice**
  - Assurance on **delivery** of the Government's programme
  - National **risk and crisis management**
  - Strong **national security** leadership and coordination.

s9(2)(g)(i)

- Delivering DPMC's savings package of \$3.244 million per annum;

s9(2)(g)(i)

4. **Savings package:** We have developed a package that will deliver the \$3.244 million package required by the Government's savings exercise. These savings are achievable, s9(2)(g)(i)

s9(2)(g)(i)

s9(2)(g)(i)

7. s9(2)(g)(i) the department is in a position to deliver its required \$3.244 million savings requirement. s9(2)(g)(i)

## Recommendations

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We recommend you:

*DPMC's savings package*

1. **note** that DPMC has developed a draft savings package to deliver its \$3.244 million per annum savings requirement;

s9(2)(g)(i)

[REDACTED]

*Detailed decisions to support DPMC's Savings Package*

- 3. **agree** to including a redirection of \$500,000 per annum from the programme component of the Cyber Security appropriation to the staffing component within DPMC's savings package, enabling an equivalent reduction in the Advice and Support Services Multi-Category Appropriation; **YES / NO**
  
- 4. **agree** to not introduce a planned increase in current level of scholarships available through the Centre for Preventing and Countering Violent extremism, thereby realising a savings of \$825,000 for inclusion within DPMC's savings package; **YES / NO**

s9(2)(g)(i)

[REDACTED]

Released under the Official Information Act 1982

s9(2)(g)(i)



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Rebecca Kitteridge  
Chief Executive

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30 January 2024

Rt Hon Christopher Luxon  
Prime Minister

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## Background

s9(2)(g)(i)

### Delivering DPMC's required savings package

9. DPMC (excluding NEMA) is required to contribute \$3.244 million to the Government's savings exercise. We have developed a \$3.244 million savings package that reduces expenditure on people, property, operational budgets, and one significant item of non-departmental expenditure.
10. The savings package is summarised in table 1 below, identifying two items that will require your agreement (these are discussed in detail below).

Table 1: DPMC's proposed savings package

Preferred options summary	2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$
<b>People</b>				
Disestablish Strategy Unit	650,000	650,000	650,000	650,000
Reduce s9(2)(g)(i) [redacted] by two FTE	300,000	300,000	300,000	300,000
Reduce s9(2)(g)(i) [redacted] by two FTE	288,000	288,000	288,000	288,000
s9(2)(g)(i) [redacted]	265,000	211,000	131,000	211,000
<b>Property</b>				
Exit Defence House, reduce SCIF (secure) desks	420,000	420,000	420,000	420,000
<b>Operational budgets</b>				
Reduce Implementation Unit consultancy budget	266,000	0	0	0
Reduce National Security sponsorships for hosting conferences <sup>9</sup>	50,000	50,000	50,000	50,000
Reduce programme expenditure from Cyber Security appropriation <b>(Requires PM agreement)</b>	500,000	500,000	500,000	500,000
Reduce frequency of National Risks Public Survey	80,000	0	80,000	0
Reduce external legal budget	100,000	0	0	0
<b>Non-departmental option</b>				
Hold current level of scholarships available through Centre for Preventing and Countering Violent Extremism. <b>(Requires PM agreement)</b>	825,000	825,000	825,000	825,000



Preferred options summary	2024/25 \$	2025/26 \$	2026/27 \$	2027/28 \$
<b>Implementation costs</b>				
Implementation costs estimate s9(2)(g)(i)	-500,000	0	0	0
<b>Totals</b>	<b>3,244,000</b>	<b>3,244,000</b>	<b>3,244,000</b>	<b>3,244,000</b>

### Detailed choices to support DPMC's savings package

11. As noted above, two elements of DPMC's proposed savings package require your agreement before submission to the Minister of Finance. These are detailed in the following sub-sections.

#### Cyber Security

12. There is an annual \$1.964 million Cyber Security appropriation that currently funds a mix of staffing (approximately \$720k) and programmes (approximately \$1.2 million; grants are made to applicants who present programme proposals).

13. Your agreement is sought to reducing the amount of programme funding available by \$500k per annum, s9(2)(g)(i). There is currently sufficient unallocated funding available within 2024/25 to achieve this reduction.

#### Centre of Excellence for Preventing and Countering Violent Extremism

14. There is a \$2.150 million non-departmental appropriation for a National Centre of Research Excellence for Preventing and Countering Violent Extremism (Centre) hosted by Victoria University of Wellington (VUW).

15. This initiative was established in response to recommendation 14 of the *Royal Commission of Inquiry into the terrorist attack on Christchurch masjidain on 15 March 2019* (RCOI). This recommendation related to funding for independent, New Zealand-specific research on the causes of, and measures to prevent, violent extremism and terrorism.

16. \$500k of this funding covers the operating costs of the Centre (primarily VUW staffing costs), while the remaining \$1.65 million is allocated for research (including scholarships and projects). The funding for research was \$825k in 2022/23 and doubled to the full \$1.65 million in 2023/24.

s9(2)(g)(i)

s9(2)(g)(i)

Released under the Official Information Act 1982

Released under the Official Information Act 1982

s9(2)(g)(i)



Released under the Official Information Act 1982

**Next steps**

45. We will provide you with further advice on a package for submission into the government-wide savings exercise, reflecting your decisions made in response to this paper.



s9(2)(g)(i)

s9(2)(g)(i)

Released under the Official Information Act 1982



# Aide-Mémoire

## DEPARTMENT OF THE PRIME MINISTER AND CABINET - BUDGET 2024 IMPACT ANALYSIS

<b>To:</b>	Rt Hon Christopher Luxon, Prime Minister		
<b>From:</b>	Clare Ward, Executive Director, Strategy, Governance and Engagement	<b>Date:</b>	18/04/2024
<b>Briefing Number:</b>	DPMC-2023/24-1075	<b>Security Level:</b>	<del>BUDGET SENSITIVE</del>

### Purpose

1. This paper provides a high-level update on the likely impacts of the Budget 2024 savings package for the Department of the Prime Minister and Cabinet (DPMC) and the steps taken to mitigate and manage them.

### DPMC has an implementation pathway to secure savings

2. Since our most recent advice to you on Budget 2024 options [DPMC-2023/24-949 refers] and confirmation of Budget decisions, we have prepared an implementation pathway to secure the savings identified. The savings are consistent with your desire to focus DPMC on its core role.
3. The savings will reduce the baseline by [redacted] across the Vote: \$3.244m for DPMC appropriations, s9(2)(f)(iv), s9(2)(g)(i)

### Internal changes have been activated

4. Budget 2024 initiatives that require human resources processes are underway:
  - the Implementation Unit has been disestablished and the Delivery Unit established
  - disestablishment of the Strategy Unit (staff consultation is underway)
5. The agreed transfer of the Child Wellbeing and Child Poverty Reduction Group to the Ministry of Social Development takes place on 25 April 2024 and staff consultation is complete. The reduction in the baseline funding that was agreed in relation to this transfer will be confirmed in the Budget 2024 package, along with other appropriation changes.

s9(2)(f)(iv), s9(2)(g)(i)

Table 1: Summary of DPMC's savings and their impacts

	2024/25 \$m	2025/26 \$m	2026/27 \$m	2027/28 \$m	Impacts
<b>DPMC 6.5% savings</b>					
Rationalisation of property footprint	(0.420)	(0.420)	(0.420)	(0.420)	Activated. No people impact.
Reduced scholarship funding for the National Centre of Research Excellence for Preventing and Countering Violent Extremism (PCVE)	(0.825)	(0.825)	(0.825)	(0.825)	To be activated after 30 May 2024. Significant impact. Options exploration to conduct research within the remaining annual operating grant, stakeholder engagement and communications
Efficiencies and output reductions	(0.996)	(0.550)	(0.630)	(0.550)	Activated. Mainly internal operational savings. Some external impact (see paragraph 11)
Reduction in staffing levels	(1.003)	(1.449)	(1.369)	(1.449)	Activated. Two staff in the Strategy Unit will be impacted (see below). To date, other reductions have been achieved by holding vacancies and reallocating/reprioritising work.
<b>Total</b>	<b>(3.244)</b>	<b>(3.244)</b>	<b>(3.244)</b>	<b>(3.244)</b>	
<b>Further offsetting savings</b>					
Reallocate savings from disestablishing the Cyclone Recovery Taskforce to DPMC	(2.000)	0	0	0	Activated. The taskforce has been disbanded and a reduction of 5 positions to release the savings. s9(2)(g)(i)
Reduce the funding for the Prime Minister's Chief Science Adviser	(0.500)	(0.500)	(0.500)	(0.500)	To be activated post 30 May 2024. s9(2)(g)(i)
Transfer savings realised in the current year from PCVE scholarships to DPMC in 2024/25	(0.825)	0	0	0	To be activated after 30 May 2024. s9(2)(g)(i)
Divest from scholarships from the PCVE	(0.825)	(0.825)	(0.825)	(0.825)	
End funding for the charitable trust and the PCVE governance board	(0.150)	(0.150)	(0.150)	(0.150)	
Reduce funding transferred with the child poverty and wellbeing function to MSD	(0.500)	(0.500)	(0.500)	(0.500)	Activated. Staff will transfer on 25 April 2024 and the funding through Budget 24 processes. The change has been communicated internally and externally.
Repurpose existing Implementation Unit and other savings	(1.900)	0	0	0	Activated – no impact. The Delivery Unit was established on 8 April 2024.
Disestablish the Strategy Unit	0	(0.700)	(0.700)	(0.700)	Activated. s9(2)(g)(i)
<b>Total</b>	<b>(6.700)</b>	<b>(2.675)</b>	<b>(2.675)</b>	<b>(2.675)</b>	

s9(2)(g)(i)






**Other changes with external impacts are underway or will be after Budget 24**

11. External impacts under activation include:

- reduction in funding for contractors, consultants, sponsorships and externally-procured services. These will be managed on a case-by-case basis with the relevant business unit and removed from internal budgets, and
- the exit from Defence House will start on 3 May and be complete by 30 June 2024.

12. External impacts to be managed after Budget day on 30 May 2024 are shown below.

Table 2: External changes to be managed

Initiative	Progress
Reduction of \$0.500 million in funding available to support an Office for the Prime Minister's Chief Science Adviser	<p>The appointment process is underway for the incoming Chief Science Adviser (CSA). s9(2)(g)(i)</p>   



Initiative	Progress
National Centre of Research Excellence for Preventing and Countering Violent Extremism: Maintenance of the centre and Removal of scholarships and grants funding	An annual operating grant of \$0.500m for the Centre will remain following removal of \$1.650m in research grants and scholarships. In 2023 the Centre reported an operating surplus of \$0.432m. In addition to the annual operating grant, DPMC has provided \$0.825m in research and scholarships funding. s9(2)(g)(i)
Reduction for the cross-agency Cyber Security work programme	A reduction of \$0.500m leaves a total of \$1.445m of funding available for cyber security policy staff, and to fund proposals from other system agencies. While final funding decisions for these cross-agency programmes sit within DPMC, these are based on advice from a governance committee. s9(2)(f)(iv), s9(2)(g)(i)

s9(2)(f)(iv), s9(2)(g)(i)

### Next steps

16. DPMC will keep you informed of progress on implementing the Budget 2024 package.

Contact for telephone discussion			
Name	Position	Telephone	1st contact
Ben King	Chief Executive	s9(2)(a)	✓
Clare Ward	Executive Director, Strategy, Governance and Engagement		