

Targeted Savings proposal – updated options prior to submission

Consistent with your preferred option, this package provides for offsetting costs borne by the Crown to be enabled by amendments to the Waste Minimisation Act 2008 (WMA) allowing for the levy to be spent on a wider set of waste related activities (e.g. emergency waste management).

The proposal for targeted savings has been updated following your previous direction [BRF – 4169 refers], which would allow for \$101.8 million in savings across the forecast period with ongoing outyear annual savings of \$20.2 million.

You have also received revised baseline savings proposals options, which include options that are dependent on the same amendments to the WMA being made to allow for the levy to pay for projects currently funded by the Contaminated Sites Remediation Fund and the Ministry's wider waste policy work programme. While Treasury have indicated that they may support these offsets if net savings from the waste levy once this is removed are at least \$100m as requested by the Minister of Finance.

If Ministers agree to some or all of the revised baseline savings proposals [BRF – 4237 refers] relating to the Resource Efficiency work programme and the Contaminated Sites Remediation Fund (CSRF), adjustments are required to ensure that a net savings of s 9(2)(f)(iv) are achieved as advised by the Treasury.

The table below provides an updated proposal to avoid 'double-counting' with the baseline exercise and achieve net savings in the target levy savings proposal. Noting this includes removal of CSRF across the four-year period and removal of the Ministry's wider waste work programme costs in 2026/27 and 2027/28.

Option A: Updated Targeted savings package to remove offsets with baseline savings exercise

Operating expense category	2024/25	2025/26	2026/27	2027/28 & outyears*	Total
Resource Efficiency work programme (Departmental non-levy)	(15.150)	(16.480)	-	-	(31.630)
Contaminated Sites Remediation Fund (Non-departmental)	-	-	-	-	-
Emergency waste management contingency*	s 9(2)(f)(iv)				
CERF – Reducing Emissions from Waste (Non-departmental)	(14.950)	(15.250)	0	0	(30.200)
Total (\$m)	s 9(2)(f)(iv)				

**policy work as part of amendment process can provide advice on savings levels for this proposal, but this is an indicative figure to achieve the savings target*