

This document contains budget-sensitive data. It is not the final version.

Environment

Summary key messages

The Ministry for the Environment is preparing for significant changes in our workforce and work programme, as well as to third party funding, as a result of Budget 2024 decisions.

Below we've outlined specific areas impacted by savings, along with details of new funding for resource management reform replacement. Key context to note is:

- The savings come on top of the return of \$301 million (over four years) in RM implementation funding in the Mini Budget and an already declining baseline. The combined impact will see the loss of more than a third of our staff over the forecast period – **however this is subject to consultation.**
- Shortly after Budget Day we will consult with staff on the implementation of the combined cost savings, with final decisions made once we've considered all feedback.
- We are also in the process of designing our business plan and work programme, and will bring prioritisation options to Ministers in June, reflecting our significantly reduced capacity.
- The net impact of savings required of Vote Environment since December, and new funding for RM Reform Replacement in the Budget is 21 percent– nearly three times the 7.5 percent savings target. This is due to minister choices about our eligible baseline, the return of funding in the mini budget, and additional targeted savings in waste.
- Savings to non-departmental initiatives will have significant implications for council-run, community and non-government organisations that rely on these to fund environmental activities. These are outlined in BRF – 4621 Adie Memoire.

Reduction in Back Office Functions - Ministry for the Environment

This savings initiative returns \$22.253 million total operating funding for back office functions at the Ministry for the Environment to align with the Government's priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.588)	(6.204)	(6.272)	(6.189)	(22.253)	-

Return of Funding - Climate Change Programmes

This savings initiative returns \$35.482 million total operating funding for climate change programmes which have been stopped or scaled to create efficiencies and align with the Government's priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.761)	(4.458)	(13.610)	(13.653)	(35.482)	-

Return of Funding - Climate Change Commission

This savings initiative returns \$15.624 million total operating funding for the Climate Change Commission's proposed agricultural emissions pricing function which has been stopped as it does not align with the Government's priorities, and to scale the Commission's baseline to create efficiencies.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(3.000)	(4.208)	(4.208)	(4.208)	(15.624)	-

This document contains budget-sensitive data. It is not the final version.

Return of Funding - Evidence and Data

This savings initiative returns \$9.673 million total operating funding for evidence and data programmes which have been scaled to create efficiencies across the Ministry for the Environment's discretionary evidence and data functions.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(1.783)	(3.585)	(2.194)	(2.111)	(9.673)	-

Return of Funding - Freshwater

This savings initiative returns \$23.600 million total operating funding for freshwater programmes including funding for the Jobs for Nature Secretariat, freshwater investment, implementation of freshwater policy and initiatives under the Essential Freshwater Fund to improve alignment with the Government's priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(15.522)	(2.765)	(2.645)	(2.668)	(23.600)	-

Return of Funding - Partnerships and Engagement

This savings initiative returns \$37.795 million total operating funding for partnerships and engagement at the Ministry for the Environment, including from the Community Environment Fund, Environment Legal Assistance, the Indigenous Biodiversity Fund, and Regional Planning (Non-Governmental Organisations) to create efficiencies and improve alignment with the Government's priorities.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(10.551)	(10.850)	(8.191)	(8.203)	(37.795)	-

Return of Funding - Waste Minimisation

This savings initiative returns \$51.972 million total operating funding for Waste Minimisation. Most of these activities will instead be funded by Waste Disposal Levy revenue, subject to Waste Minimisation Act 2008 amendments to expand the scope of activities levy revenue can be used for.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(10.896)	(17.030)	(11.979)	(12.067)	(51.972)	-

Reallocation of Funding – Waste Disposal Levy

This initiative returns \$177.755 million total operating funding by re-allocating Waste Disposal Levy revenue, subject to amendment of the Waste Minimisation Act 2008 to broaden the scope of activities levy revenue can be used for.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(88.225)	(61.130)	(14.500)	(13.900)	(177.755)	-

Return of Tagged Contingency - New Zealand Emissions Trading Scheme Market Governance

This savings initiative returns \$34.311 million operating funding previously held in tagged contingency for New Zealand Emissions Trading Scheme market governance improvements.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Tagged Contingency	-	(9.437)	(9.437)	(9.437)	(6.000)	(34.311)	-

This document contains budget-sensitive data. It is not the final version.

Return of Funding - Resource Management Reforms

This initiative returns \$301.596 million total operating funding for implementation of resource management reforms following the repeal of the Natural and Built Environment Act and the Spatial Planning Act in December 2023.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	(61.107)	(78.027)	(80.156)	(82.306)	(301.596)	-

Resource Management Reforms - Replacement

This initiative provides \$92.235 million total operating funding to deliver the Government's resource management reforms, including fast-track consenting legislation, Resource Management Act (RMA) amendments, updates to national direction and RMA replacement legislation. Funding is provided in outyears for ongoing operation of the resource management system to support system change.

Vote	2023/24	2024/25	2025/26	2026/27	2027/28	Operating Total	Capital Total
Environment	-	23.525	23.911	23.911	20.888	92.235	-