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Sent: Friday, April 12, 2024 9:29 AM

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Cc: Jamie Molea [EXTERNAL] (Parliament) <Jamie.Molea@parliament.govt.nz>

Subject: FW: Quick reminders: Budget moratorium and consultation requirements for Cabinet papers with fiscal implications

FYI – direction re Budget moratorium and Consultation on Cabinet papers

Ngā mihi,

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Minister of Climate Change

Waea Pūkoro : 9(2)(a)

From: Hamish Dick <Hamish.Dick@parliament.govt.nz>

Sent: Thursday, April 11, 2024 7:06 PM

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Subject: Quick reminders: Budget moratorium and consultation requirements for Cabinet papers with fiscal implications

Hi all,

I thought this would be a good time, pre-Budget, to remind folk of the Budget Moratorium and the requirements for MoF and Treasury consultation on Cabinet papers.

I appreciate that this may be new to some of you – so feel free to call or e-mail if you have any questions.

Budget Moratorium – from post-Cabinet Monday 29 April to Budget Day (30 May)

- Cabinet will agree to establish the Budget moratorium at the same time it approves the Budget 2024 package. The moratorium exists to prevent any Cabinet, Cabinet Committee or joint Minister decisions that would alter the Budget documents from what is agreed on 29 April – including the Budget Economic and Fiscal Update, the Estimates of Appropriations, and other Budget documents. In particular, the moratorium restricts:
 - New funding requests (which may include charges against the between-Budget contingency and other tagged contingencies).
 - Any changes to appropriations (including title and scope changes). This applies even to fiscally-neutral changes.
 - Changes to revenue or expense forecasts, even where there are no appropriation impacts.
- Further, the out of cycle funding process still applies (Treasury Circular 2023/10) for all departments.
- Given the short timeframes, please liaise with officials on any decisions that cannot wait until the end of the moratorium, and please inform the Minister of Finance's office as soon as possible of anything that requires approval pre-moratorium.

Consultation on Cabinet Papers

- This is also a quick reminder of the consultation requirements for Cabinet papers with funding implications. As set out in the Cab Guide:
 - The Minister of Finance must be [consulted](#) on any papers with financial implications. All papers with financial implications require pre-approval from the Minister of Finance ahead of formal ministerial consultation. This includes papers that are seeking new funding (from the Between-Budget Contingency or as a pre-commitment to operating and capital allowances), but also papers with broader financial implications such as revenue impacts, fiscal impacts in the future arising from a policy decision taken now, and funding transfers being made outside of Cabinet Office circular Proposals with Financial Implications and Financial Authorities [CO (18) 2].
 - Similarly, the Treasury must be [consulted](#) on all papers with financial, fiscal, or economic implications, or that contain recommendations on expenditure or revenue. The Treasury must be allowed at least two weeks to comment (unless there are compelling and unavoidable reasons to be less), and the implications must be detailed in the Cabinet or Cabinet committee paper.

Many thanks!

Hamish



Hamish Dick

Private Secretary – Finance (Budget)

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