

## Lara Wood

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**From:** Diana Miller [CASS] <Diana.Miller@cass.govt.nz>  
**Sent:** Thursday, 21 December 2023 3:04 pm  
**To:** Lara Wood  
**Subject:** RE: [IN-CONFIDENCE] Savings exercise from the Government mini budget  
**Attachments:** 2023\_15 - Budget 2024 Guidance for Agencies.pdf

Hi Lara

Here is the guidance.

Regards Diana

---

**From:** Lara Wood <Lara.Wood@climatecommission.govt.nz>  
**Sent:** Thursday, 21 December 2023 10:23 am  
**To:** Diana Miller [CASS] <Diana.Miller@cass.govt.nz>  
**Subject:** RE: [IN-CONFIDENCE] Savings exercise from the Government mini budget

Hi Diana,

Thanks for the heads up.

Also, thank you for the support you have provided this year, it is much appreciated.

I hope you have a wonderful (and restful) break 😊

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**From:** Diana Miller [CASS] <Diana.Miller@cass.govt.nz>  
**Sent:** Thursday, 21 December 2023 10:19 am  
**To:** Lara Wood <Lara.Wood@climatecommission.govt.nz>  
**Subject:** [IN-CONFIDENCE] Savings exercise from the Government mini budget

[IN-CONFIDENCE]

Hi Lara

Just a heads up that you may hear from MfE around savings. MfE may be given a number to find dollar savings and Crown Entities are in scope. MfE have to have their Minister sign this off prior to the 16 Feb so will be a quick turnaround. And Merry Christmas

Ngā mihi Diana



**TE TAI ŌHANGA  
THE TREASURY**

**Diana Miller | Finance Business Partner, Finance, Strategy and Performance | Te Tai Ōhanga – The Treasury**

Tel: 9(2)(a) | Email/IM: [diana.miller@cass.govt.nz](mailto:diana.miller@cass.govt.nz)

Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

9(2)(a)

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## Document 2

Out of scope



**From:** Damian Ryan <[Damian.Ryan@climatecommission.govt.nz](mailto:Damian.Ryan@climatecommission.govt.nz)>  
**Sent:** Thursday, 21 December 2023 10:34 am  
**To:** Lara Wood <[Lara.Wood@climatecommission.govt.nz](mailto:Lara.Wood@climatecommission.govt.nz)>; Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>; Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Cc:** Shell, Dylan <[dshell@kpmg.co.nz](mailto:dshell@kpmg.co.nz)>; Brittany Helms <[Brittany.Helms@climatecommission.govt.nz](mailto:Brittany.Helms@climatecommission.govt.nz)>  
**Subject:** RE: [IN-CONFIDENCE] Savings exercise from the Government mini budget

Thanks for the heads-up Lara. I'll check in with the MfE monitoring team to see what their role is in the process.

Damian Ryan  
**Manager – Strategy and Performance**

**From:** Lara Wood <[Lara.Wood@climatecommission.govt.nz](mailto:Lara.Wood@climatecommission.govt.nz)>  
**Sent:** Thursday, 21 December, 2023 10:23 AM

**To:** Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>; Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Cc:** Shell, Dylan <[dshell@kpmg.co.nz](mailto:dshell@kpmg.co.nz)>; Brittany Helms <[Brittany.Helms@climatecommission.govt.nz](mailto:Brittany.Helms@climatecommission.govt.nz)>; Damian Ryan <[Damian.Ryan@climatecommission.govt.nz](mailto:Damian.Ryan@climatecommission.govt.nz)>  
**Subject:** FW: [IN-CONFIDENCE] Savings exercise from the Government mini budget  
**Importance:** High

Hi all – please note the email from Diana regarding potential request from MfE re savings.  
@Damian this may come directly to you, however if I get any further information, I will forward asap.

---

**From:** Diana Miller [CASS] <[Diana.Miller@cass.govt.nz](mailto:Diana.Miller@cass.govt.nz)>  
**Sent:** Thursday, 21 December 2023 10:19 am  
**To:** Lara Wood <[Lara.Wood@climatecommission.govt.nz](mailto:Lara.Wood@climatecommission.govt.nz)>  
**Subject:** [IN-CONFIDENCE] Savings exercise from the Government mini budget

[IN-CONFIDENCE]

Hi Lara

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Ngā mihi Diana



Diana Miller | Finance Business Partner, Finance, Strategy and Performance | Te Tai Ōhanga – The Treasury  
Tel: 9(2)(a) | Email/IM: [diana.miller@cass.govt.nz](mailto:diana.miller@cass.govt.nz)  
Visit us online at <https://treasury.govt.nz/> and follow us on [Twitter](#), [LinkedIn](#) and [Instagram](#)

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- b. any use, dissemination or copying of this email is strictly prohibited and may be unlawful.

**Lara Wood**

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**From:** Lara Wood  
**Sent:** Monday, 29 January 2024 10:30 am  
**To:** Tammy Thompson  
**Subject:** Teams Message - Lara/Kathy 002

Jo just popped over she has just had a call to let her know that a letter is coming out what a 7.5% reduction will look like. She was told that we may not get reduced, but look at the information from all agencies.  
James said they are aware of the heavy work programme and an approach could be trajectory of what a reduction might look like over 3 years. Based on the note from think it will be a tight turnaround, so one to jump on when we're back.

Kathy Stirrat 12/22/23 12:50 PM



KS

Could be worth letting Dylan know to. We'll need to discuss our tactics in early Jan re what we want consider



Lara Wood | **Corporate Services Manager**  
**M 021 392 743**  
**E [Lara.wood@climatecommission.govt.nz](mailto:Lara.wood@climatecommission.govt.nz)**  
**W [climatecommission.govt.nz](http://climatecommission.govt.nz)**

## Document 4

### Morgan Watkins

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**From:** Jo Hendy  
**Sent:** Friday, 22 December 2023 2:24 pm  
**To:** Astrid Nunns; Kathy Stirrat; Lara Wood  
**Subject:** Fwd: Fiscal objectives across the term and budget 2024  
**Attachments:** Commission - Savings letter.pdf

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

James Palmer called me and I have additional context to share on this

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**From:** Ella Bambrough-Copeland <Ella.Bambrough-Copeland@mfe.govt.nz>  
**Sent:** Friday, December 22, 2023 2:06 PM  
**To:** Jo Hendy  
**Subject:** FW: Fiscal objectives across the term and budget 2024

Apologies Jo, your email was incorrect with a typo the first time around – take 2!

**From:** Ella Bambrough-Copeland  
**Sent:** Friday, December 22, 2023 1:59 PM  
**To:** 'roderick.carr@climatecommission.govt.nz' <roderick.carr@climatecommission.govt.nz>  
**Cc:** 'jo.hendy@climatecommisison.govt.nz' <jo.hendy@climatecommisison.govt.nz>  
**Subject:** Fiscal objectives across the term and budget 2024

Kia ora Roderick

Please see attached letter from James Palmer.

Ngā mihi

**Ella Bambrough-Copeland**  
EA to James Palmer, Secretary for the Environment  
Ministry for the Environment – Manatū Mō Te Taiao  
Tel: 9(2)(a) [redacted] Email: [Ella.Bambrough-Copeland@mfe.govt.nz](mailto:Ella.Bambrough-Copeland@mfe.govt.nz) Website: [www.mfe.govt.nz](http://www.mfe.govt.nz)  
8 Willis Street, Wellington Central, 6011



Ministry for the  
**Environment**  
Manatū Mō Te Taiao



**A flourishing environment  
for every generation.**  
He taiao tōnui mō ngā  
reanga katoa.



22 December 2023

Dr Rod Carr  
Board Chair  
Climate Change Commission  
By email: roderick.carr@climatecommission.govt.nz

Tēnā koe Rod

## **FISCAL OBJECTIVES ACROSS THE TERM AND BUDGET 2024**

The Crown has been in operating deficit since 2019/20 and there is an ongoing challenging fiscal environment. High inflation and interest rates are creating significant cost of living pressures for New Zealanders and putting pressure on Government finances. Our economy relies on a fiscal strategy that sees a steady path to return to surplus, supporting monetary policy to bring inflation down. Strict fiscal management will be necessary to get the government books back in order and ensure limited funds are directed towards the highest value investments. The Government expects all public sector organisations to play their part in this, including Crown entities.

As part the Government's immediate actions, it will be making decisions to reduce public expenditure, including consultant and contractor expenditure. Meeting the Government's fiscal objectives while also delivering better public services requires looking at all public expenditure, not just that of departments. A target level of savings for Budget 2024 has been established for all agencies. For Vote Environment, this is 7.5% and your entity will need to identify options for contributing to this level of savings. We will be required to quickly identify the full quantum of these savings early next year.

Government agencies and other public organisations should expect enhanced scrutiny of Crown funding. Crown entities are expected to operate efficiently, effectively and in a financially responsible manner, ensuring that they act as a successful going concern. You should be able to demonstrate that activities funded from Crown revenue are:

- as efficient as possible
- making a difference for New Zealanders.

I would be grateful if your management team could work proactively with MfE's Finance and Crown entity performance teams to:

- identify material savings and efficiency improvements for your entity, including trade-offs and impacts on your ability to carry out core statutory functions
- identify how cost pressures can be managed within existing funding envelopes
- provide information so that the Government can be assured that expectations are being met while continuing to deliver for New Zealand.

MfE officials will be in touch with your management team in the week of 8 January 2024 to discuss next steps.

For the duration of this term, it is expected that there will be a greater focus on reprioritisation and managing cost drivers, while delivering improved performance. This applies to both departmental and non-departmental appropriations.

Ngā mihi



**James Palmer**  
**Secretary for the Environment**  
**Ministry for the Environment | Manatū Mō Te Taiao**

cc Jo Hendy, Chief Executive, Climate Change Commission,  
jo.hendy@climatecommisison.govt.nz



## Document 5

**Lara Wood**

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**From:** Astrid Nunns  
**Sent:** Tuesday, 9 January 2024 5:05 pm  
**To:** Kathy Stirrat  
**Subject:** Fwd: [IN-CONFIDENCE]Budget 2024 and Initial Baseline Savings Exercise  
**Attachments:** 2023\_15 - Budget 2024 Guidance for Agencies.pdf; FAQs.docx; Commission - Savings letter.pdf; 2023\_15 - Budget 2024 Initial Baseline Exercise Summary Template.docx; 2023\_15 - Budget 2024 Savings Template.docx

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

FYI

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**From:** Tiffany Vail <Tiffany.Vail@mfe.govt.nz>  
**Sent:** Tuesday, January 9, 2024 3:41 PM  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>; Shell, Dylan <dshell@kpmg.co.nz>  
**Cc:** Ngaire Best <Ngaire.Best@mfe.govt.nz>; Damian Ryan <Damian.Ryan@climatecommission.govt.nz>  
**Subject:** [IN-CONFIDENCE]Budget 2024 and Initial Baseline Savings Exercise

Kia ora Astrid and Dylan

Firstly, wishing you a happy New Year. I hope you both had a good break.

As you likely know, Budget 2024 guidance was issued late last year following the mini-Budget on 20 December (copy and FAQs attached).

Due to the challenging fiscal environment, Budget 2024 will be a targeted invitation only process to bid for cost pressures and new spending. The Commission has not been invited to bid at this stage. Agencies not invited to bid for cost pressures will be expected to fund pressures through reprioritisation or stopping or scaling programmes.

An Initial Baseline Exercise forms the basis of the Budget 2024 process. Given the focus on fiscal sustainability, the exercise requires agencies, including Crown entities, to set out operating savings options and associated risks, implications and trade-offs. Capital funding is out of scope unless you are specifically selected to support a separate Capital Pipeline review.

I understand our Chief Executive, James Palmer, spoke to your Chief Executive about this exercise on 22 December and a letter was then sent to your Board Chair (copy attached).

The baseline reduction target for Vote Environment is 7.5% and the Commission needs to identify options to contribute to this level of savings. We suggest you use your operating funding for 2023/24, as outlined in the Vote Environment Estimates, as a baseline for identifying savings options to meet the 7.5% target. The final savings quantum from each agency will be confirmed through the decision-making phase of the Budget 2024 process.

Can you and your teams please complete the attached *Budget 2024 Initial Baseline Exercise Summary Template* as well as a *Budget 2024 Savings Template* for each savings initiative and return them to me by **COB Wednesday 17 January**. I appreciate that this is quite a lot of work with a short turnaround, please let me know if the deadline will cause any issues.

The Budget 2024 guidance refers to the Assurance Panel process that has been established. Please note that no information is required from you to inform the first Assurance Panel meeting.

We acknowledge that that the timelines and savings focus for this Budget will place pressure on your entity. Thank you in advance for your support as we work through the Budget 2024 process and implications of the wider Fiscal Sustainability Programme.

If you have any questions, concerns or need any further information, please get in touch. We'd be happy to meet to discuss this with you.

Ngā mihi

**Tiffany Vail**

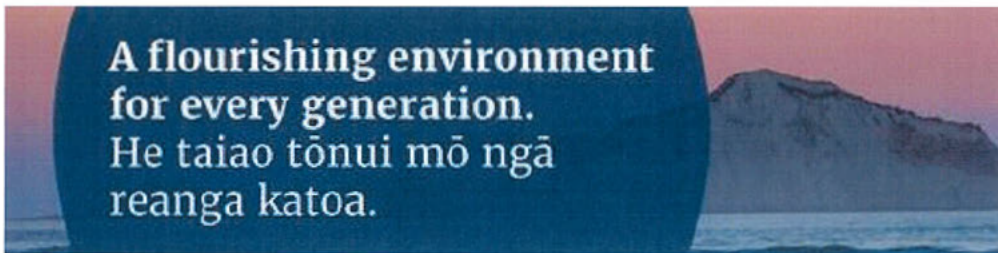
Senior Advisor

Crown Entity Performance

Phone: 9(2)(a)



Ministry for the  
**Environment**  
*Manatu Mo Te Taiao*



Out of scope



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**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Thursday, 11 January 2024 12:05 pm  
**To:** Rod Carr <Roderick.Carr@climatecommission.govt.nz>  
**Cc:** Jo Hendy <Jo.Hendy@climatecommission.govt.nz>  
**Subject:** RE: [IN-CONFIDENCE] Update: Initial Baseline Exercise for Budget 24

[IN-CONFIDENCE]

Noted, thanks Rod. The team are working up the strategy around this and we will get some time in for you to be across and contribute to that at the start of next week.

Astrid

[IN-CONFIDENCE]

**From:** Rod Carr <Roderick.Carr@climatecommission.govt.nz>  
**Sent:** Thursday, 11 January 2024 12:02 pm  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>; Jo Hendy <Jo.Hendy@climatecommission.govt.nz>  
**Subject:** Re: [IN-CONFIDENCE] Update: Initial Baseline Exercise for Budget 24

[IN-CONFIDENCE]

Thanks for the update Astrid.

I am sure the Management team will come up with prioritisation criteria and trade offs.

9(2)(f)(iv)

9(2)(f)(iv)

Rod

[IN-CONFIDENCE]

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**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Wednesday, January 10, 2024 2:50:56 PM  
**To:** Rod Carr <Roderick.Carr@climatecommission.govt.nz>; Jo Hendy <Jo.Hendy@climatecommission.govt.nz>  
**Subject:** [IN-CONFIDENCE] Update: Initial Baseline Exercise for Budget 24

[IN-CONFIDENCE]

Hi Rod and Jo

regarding the 22 December letter from James Palmer to CCC Board Chair re *FISCAL OBJECTIVES ACROSS THE TERM AND BUDGET 2024*, MfE have now been in touch. I will send you a more detailed update once the team come back to me tomorrow with their proposed plan of action. There are multiple threads to the task, and we need to turn it round within a week to meet Treasury's deadlines.

Key points to note in the meantime:

- Budget 2024 will be a targeted invitation only process to bid for cost pressures and new spending. The Commission has not been invited to bid at this stage. Agencies not invited to bid for cost pressures will be expected to fund pressures through reprioritisation or stopping or scaling programmes.
- An Initial Baseline Exercise (IBE) forms the basis of the Budget 2024 process. Given the Government's focus on fiscal sustainability, the exercise requires agencies, including Crown entities, to set out operating savings options and associated risks, implications and trade-offs.
- We are being asked to provide MfE with information on cost saving options and impacts as part of this IBE by 17 January, and I understand there will be subsequent steps Treasury may require.
- For context, in the early development of Budget 23 Treasury undertook a similar info gathering exercise so this is not an unusual process, the difference this year is the emphasis on cost saving options and impacts.

Thanks  
Astrid

[IN-CONFIDENCE]

## Document 7

**From:** [Kathy Stirrat](#)  
**To:** [Marcus Stickley](#); [Damian Ryan](#); [Lara Wood](#); [Stuart Dymond](#)  
**Subject:** RE: [for review] Initial baseline review key messages  
**Date:** Friday, 12 January 2024 9:17:30 am  
**Attachments:** [image001.png](#)  
[image002.png](#)

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Excellent thanks Marcus. I don't think we want to get into wordsmithing this at present but keen for others' thoughts on any additional key messages we need to capture.

I'm working on the other bits – savings already in train, cost pressures we'll have to absorb and savings options to offer up. I'm trying to keep these brief as the supporting information will be in the templates we need to complete next week.

I'll aim to send the base document to you before 10, whatever state it's in. I won't add in the key messages from Marcus in case it is amended in the meantime – will drop that in before I send it all to Astrid late this morning.

k

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**From:** Marcus Stickley <Marcus.Stickley@climatecommission.govt.nz>  
**Sent:** Friday, 12 January 2024 9:11 am  
**To:** Damian Ryan <Damian.Ryan@climatecommission.govt.nz>; Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>; Lara Wood <Lara.Wood@climatecommission.govt.nz>; Stuart Dymond <Stuart.Dymond@climatecommission.govt.nz>  
**Subject:** [for review] Initial baseline review key messages  
**Importance:** High

Kia ora,

Here is what I've drafted up following our conversation yesterday morning: [240111 - 2024 initial baseline review key messages.docx](#)

I've gone further than simple headline messages because I had past material (from the SOI and the pre-election info request) at hand that enabled me to fill out some of the detail we discussed in our hui.

Cheers,  
Marcus

	<p>Marcus Stickley (<i>he/him</i>) <b>Principal Communications Advisor</b> <b>M</b> 021 227 5247 <b>E</b> <a href="mailto:Marcus.Stickley@climatecommission.govt.nz">Marcus.Stickley@climatecommission.govt.nz</a> <b>W</b> <a href="http://climatecommission.govt.nz">climatecommission.govt.nz</a></p>
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## Baseline review key messages

### **Our purpose**

Established under amendments to the Climate Change Response Act, the Commission's legislated purpose is twofold: to provide independent expert advice to the Government on mitigating climate change and adapting to its effects, and to monitor and review the Government's progress towards Aotearoa New Zealand's emissions reduction and adaptation goals.

### **Our work programme**

The Act prescribes a repeating cycle of advice and monitoring products that the Commission develops and delivers over a number of years to support the Act's purpose. The Commission is part way through a first cycle. The Minister of Climate Change can also request the Commission to undertake additional work.

The work programme of the Commission is aligned to deliver its statutory obligations. The Climate Change Response Act details what advice, monitoring and review functions the Commission must deliver, prescribes specific requirements for the advice and function, and provides delivery timing.

The Commission is the only government agency that performs these functions and is currently in a period of peak delivery. For the 2024/25 year, the Commission is required to deliver six statutory outputs. It also has one additional (and unfunded) work request made of it by the former Minister of Climate Change.

### **The value we provide**

Our advice informs Government policy decisions and increases public transparency and accessibility of information about the Government's progress on climate change action. By delivering on our purpose, we help deliver long-term effective climate policy and enable progress to be assessed.

Because our advice can have a long-term impact for all New Zealanders, the Commission is legislated to engage and consult with affected stakeholders and iwi/Māori.

### **Spending is squarely to support our work programme**

Since its establishment in late 2019, the Commission has focused on developing the capability and capacity to deliver to the Minister of Climate Change the required emission reduction advice products. It is now building the capability and capacity to deliver on its adaptation and monitoring functions.

9(2)(f)(iv) [Redacted]

[Redacted]

[Redacted]

[Redacted]

**What we can offer**

However, we have reviewed planned expenditure to offer savings where we can. [Kathy to add details]



## Document 8

**From:** [Kathy Stirrat](#)  
**To:** [Marcus Stickley](#); [Damian Ryan](#); [Lara Wood](#); [Stuart Dymond](#)  
**Subject:** RE: [for review] Initial baseline review key messages  
**Date:** Friday, 12 January 2024 9:42:47 am  
**Attachments:** [image001.png](#)  
[image002.png](#)  
**Importance:** High

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 [11 January 2024 IBE Draft approach 110124.docx](#)

Here's my starter doc – very rough at this point but as we just want to give an indication to ELT I don't think we need to spend too much time finessing this now as I'm sure there will be plenty of feedback from Astrid first then ELT.


Let me have any feedback or insert edits by 11.15 if you can so I can get this to Astrid asap after that.

Thanks all

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**From:** Marcus Stickley <Marcus.Stickley@climatecommission.govt.nz>  
**Sent:** Friday, 12 January 2024 9:11 am  
**To:** Damian Ryan <Damian.Ryan@climatecommission.govt.nz>; Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>; Lara Wood <Lara.Wood@climatecommission.govt.nz>; Stuart Dymond <Stuart.Dymond@climatecommission.govt.nz>  
**Subject:** [for review] Initial baseline review key messages  
**Importance:** High

Kia ora,

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I've gone further than simple headline messages because I had past material (from the SOI and the pre-election info request) at hand that enabled me to fill out some of the detail we discussed in our hui.

Cheers,  
Marcus

	<p>Marcus Stickley (<i>he/him</i>) <b>Principal Communications Advisor</b> <b>M</b> 021 227 5247 <b>E</b> <a href="mailto:Marcus.Stickley@climatecommission.govt.nz">Marcus.Stickley@climatecommission.govt.nz</a> <b>W</b> <a href="http://climatecommission.govt.nz">climatecommission.govt.nz</a></p>
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## BUDGET 24: INITIAL BASELINE EXERCISE

12 January 2024

### Purpose:

This paper is a tool to help us develop and refine our response to the Treasury Initial Baseline Exercise (IBE). It outlines:

- the requirement to complete the IBE
- the draft high level strategic messages that will inform the narrative
- savings already planned
- cost pressures we will need to absorb in the absence of a budget bid for FY24/25
- potential savings options for consideration and prioritisation.

This paper provides a high-level narrative only and further detail eg on options and impacts for absorbing the cost pressures, will be provided as part of the template completion.

This paper allows ELT to engage with draft narrative and cost saving options before decisions are made on what we will put forward, and before the team populate the templates from Treasury which are very detailed.

### Context:

The Budget 24 process has begun, with Treasury issuing Guidance and kicking off an “Initial Baseline Exercise”. This is essentially an info gathering exercise which forms the basis of Budget 2024. The IBE aims to provide Ministers with oversight of the activities and expenditure of their Votes and agencies to allow them to submit Budget 2024 proposals that are aligned with the fiscal context and the Government’s objectives.

As part of this, MfE have informed us that the baseline reduction target for Vote Environment is 7.5% and this is to be found across all the agencies covered by the Vote (MfE, EPA and the Commission). The final savings quantum from each agency will be confirmed through the decision-making phase of the Budget 2024 process.

9(2)(f)(iv)

MfE has informed us that Budget 2024 will be a targeted, invitation only process to bid for cost pressures and new spending. The Commission has not been invited to bid and we are expected to fund pressures through reprioritisation or stopping or scaling programmes.

### Timeline:

We need to provide an initial update to MfE by cob on 17 January 2024 including a high-level summary of the total value of savings the Commission is proposing for 2024/25 and

## **BUDGET 24: INITIAL BASELINE EXERCISE**

the three outyears, why those savings have been selected, and the associated risks. The final templates then need to be provided to MfE by cob on 19 January 2024.

This information will input to a discussion by MfE's Executive Leadership Team about the IBE. MfE are required to provide an overview of expected savings to a Treasury led Assurance Panel in the week of 29 January. MfE's final IBE submission is due on 16 February.

The remainder of this document has been withheld under section 9(2)(f)(iv).

Out of scope



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**From:** Astrid Nunns  
**Sent:** Friday, January 12, 2024 4:54 PM  
**To:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Subject:** RE: Initial Baseline Review - draft narrative

Ok great – thanks for clarification.

A

**From:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Sent:** Friday, 12 January 2024 4:19 pm  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** RE: Initial Baseline Review - draft narrative

Yes the narrative was fairly full but Marcus decided it was easier to do that as he has drawn much of it from previous documents – BIM, pre election exercise, ERP2 intro etc.

You could just send the narrative key messages and maybe the table of potential savings options as these are the two key bits and the bits on savings in train and cost pressure could wait for now.

Monday should be fine to go to ELT so let me know if you need anything more before then.

**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Friday, 12 January 2024 4:09 pm  
**To:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Subject:** RE: Initial Baseline Review - draft narrative

Hi Kathy

Thanks for this. I'm working through it. I wasn't expecting the narrative to be fully fleshed out – I'd said to ELT it would be a couple of pages so they can easily engage with material. I'll keep going and let you know any issues.

I suggest we send first thing Monday.

In terms of where the content has been drawn from, is it all new or has some been lifted from other places? We'll need to note that QA steps will be done to ensure accuracy.

A

**From:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Sent:** Friday, 12 January 2024 11:58 am  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Cc:** Marcus Stickley <Marcus.Stickley@climatecommission.govt.nz>; Stuart Dymond <Stuart.Dymond@climatecommission.govt.nz>; Damian Ryan <Damian.Ryan@climatecommission.govt.nz>; Lara Wood <Lara.Wood@climatecommission.govt.nz>

**Subject:** Initial Baseline Review - draft narrative

**Importance:** High

 [11 January 2024 IBE Draft approach 110124.docx](#)

Hi Astrid

Here's where we have got to in outlining potential input for our response to the Budget 24 initial baseline review. Hopefully this will help in engaging ELT and testing with them the approach and key messages we are proposing to use, along with the potential savings options.

We'd be keen for your initial thoughts and anything more or different required before you send this to ELT later today as a working draft for their input.

Kathy



Kathy Stirrat | Chief Advisor,

Operational Delivery

M 021 226 2557

E [Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)

W [climatecommission.govt.nz](http://climatecommission.govt.nz)

**From:** [Shell, Dylan](#)  
**To:** [Astrid Nunns](#); [Kathy Stirrat](#)  
**Bcc:** [{F2820505}.ACTIVE@nz-wcse10.kworld.kpmg.com](#)  
**Subject:** RE: [UNCLASSIFIED] For action: forecast first cut by 16/01 [KPMG\_NZ-ACTIVE.FID2820505]  
**Date:** Monday, 15 January 2024 10:18:53 am

---

Hi Astrid,

Just catching up.

Brittany is reviewing the results for December this AM.

Out of scope [Redacted]  
[Redacted]  
[Redacted]

Re options, [@Kathy Stirrat](#) have you got time today for a 15 min call? The only time I cannot move is 2-3pm. Out of scope [Redacted]

Out of scope [Redacted]

[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]  
[Redacted]

Thanks  
Dylan

---

**From:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Sent:** Thursday, 11 January 2024 11:49 am  
**To:** Shell, Dylan <[dshell@kpmg.co.nz](mailto:dshell@kpmg.co.nz)>  
**Cc:** Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>  
**Subject:** [UNCLASSIFIED] For action: forecast first cut by 16/01  
**Importance:** High

[UNCLASSIFIED]

Hi Dylan

Welcome back to the new year! You may have seen emails around the task that has come through to complete for Treasury the Initial Baseline Exercise (see below for the update I provided ELT yesterday). We have secured an extension for the final deadline of completed templates to MfE out to Friday 19/01, but we need to **supply MfE on 17/01 with a summary** of what we will be putting forward. So, not a lot of time!

Kathy has a team who are working to complete the IBE documentation, but the first step is agreeing the strategy for this, primarily the narrative and the cost saving options. 9(2)(f)(iv) [Redacted]

9(2)(f)(iv)

For efficiency, we are going to run two concurrent strands of work to bring together Tue/Wed.

1. Strategic narrative and cost saving options – Kathy

Out of scope

Out of scope

Check in with Kathy in the first instance around this work, or give me a shout if there are other components you want to talk through.

Thanks

A

[UNCLASSIFIED]

**From:** Astrid Nunns

**Sent:** Wednesday, 10 January 2024 4:07 pm

**To:** Jo Hendy <[Jo.Hendy@climatecommission.govt.nz](mailto:Jo.Hendy@climatecommission.govt.nz)>; Barry Anderson <[Barry.Anderson@climatecommission.govt.nz](mailto:Barry.Anderson@climatecommission.govt.nz)>; Grant Blackwell <[Grant.Blackwell@climatecommission.govt.nz](mailto:Grant.Blackwell@climatecommission.govt.nz)>; Stephen Walter <[Stephen.Walter@climatecommission.govt.nz](mailto:Stephen.Walter@climatecommission.govt.nz)>; Alison Cole <[Alison.Cole@climatecommission.govt.nz](mailto:Alison.Cole@climatecommission.govt.nz)>

**Subject:** Heads up: Budget 2024 and Initial Baseline Exercise - due 17 January

**Importance:** High

Hi all –

**Not for further distribution**

The Budget 24 process has begun, with Treasury issuing Guidance and kicking off an “Initial Baseline Exercise”. This email is to give you a heads up on two parts of Budget 24 (our baseline appropriation and bids for new funding), and the work being led out of the SEC team in response.

**Our baseline funding:**

- MfE have informed us that the baseline reduction target for Vote Environment is 7.5% and

this is to be found across agencies and Crown entities. The final savings quantum from each agency will be confirmed through the decision-making phase of the Budget 2024 process.

- Treasury are leading an **Initial Baseline Exercise (IBE)**. This is essentially an info gathering exercise which forms the basis of Budget 2024. The IBE aims to provide Ministers with oversight of the activities and expenditure of their Votes and agencies to allow them to submit Budget 2024 proposals that are aligned with the fiscal context and the Government's objectives.
- As part of this IBE, the Commission needs to **identify options to contribute to this level of savings as well as the associated risks, implications and trade-offs**. To be clear, we are being asked to put forward options with associated risks etc - we are not being asked to cut our operating budget by 7.5%. There are a few steps to go through the process yet.

**Bids for new funding:**

- Budget 2024 will be a targeted, invitation only process to bid for cost pressures and new spending. **The Commission has not been invited to bid at this stage.**
- Agencies not invited to bid for cost pressures will be expected to fund pressures through reprioritisation or stopping or scaling programmes.

- 9(2)(f)(iv) [Redacted]

**Work underway:**

- I have set up a team within the SEC Group (Kathy as lead) to complete the IBE and knock-on tasks. We are looking at this at an enterprise level. We will be looking to right-size this, but it is still a considerable amount of work and the due date is 17 January.
- We are essentially needing to rapidly bring together our forecast exercise (due to RASH for Feb meeting), our high-level business planning considerations, outyear planning and funding requirements so we can identify any cost savings options and what the implications of those would be. Our finance team is not back on deck until Monday so we are juggling a few things to bring this together and will likely need to draw on ELT at short notice.
- I've talked with the team about previous discussions within the LT to avoid the "death by 1000 cuts" approach and we did look at some cost saving areas in Q2 before RASH.
- I'll update you again as soon as possible, in the meantime, if the team contact you for information, please assist as much as possible.

**Communicating with the organisation:**

- Our people will of course be seeing discussion of public sector budgets in the media so it's important that this work is visible but also well contextualised. I will talk with Jo when she's back on deck about the approach to that, but given the short turn around for this preliminary work, it is likely we'll be through the IBE before the organisation comes together next so we may just need to give the wider leadership cohort a heads up.

Any questions – come to me in the first instance.

Thanks

A

Astrid Nunns  
**General Manager – Strategy, Engagement and Corporate**





**Services**  
**M** 021 958 325  
**W** [climatecommission.govt.nz](http://climatecommission.govt.nz)

Out of scope



---

**From:** Astrid Nunns  
**Sent:** Tuesday, January 16, 2024 9:19 AM  
**To:** Barry Anderson <Barry.Anderson@climatecommission.govt.nz>  
**Cc:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Subject:** RE: Budget 24 Initial baseline exercise

Thanks, Barry. Appreciate you taking time to work through that and provide us some feedback.

A

**From:** Barry Anderson <Barry.Anderson@climatecommission.govt.nz>  
**Sent:** Monday, 15 January 2024 4:08 pm  
**To:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Cc:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** RE: Budget 24 Initial baseline exercise

9(2)(f)(iv)



**From:** Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>  
**Sent:** Monday, January 15, 2024 2:38 PM  
**To:** Barry Anderson <[Barry.Anderson@climatecommission.govt.nz](mailto:Barry.Anderson@climatecommission.govt.nz)>  
**Cc:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Subject:** Budget 24 Initial baseline exercise  
**Importance:** High

 [11 January 2024 IBE Draft approach 110124.docx](#)

Kia ora Barry

As Astrid mentioned this morning, we are working on the Commission's draft response to the Budget 24 Initial Baseline Exercise (IBE). <sup>9(2)(f)(iv)</sup>

<sup>9(2)(f)(iv)</sup>

Attached is an outline of the proposed key headline messages and potential cost saving options to consider. There are two key aspects we'd be keen for your input on:

- Key message and savings options – we don't need to word smith this, at this stage but are keen for any other or different key messages that should be included and are there any other cost savings options we could consider?

- 

Astrid and I are meeting with Jo tomorrow morning to talk through this high level messaging so any **immediate thoughts** you have before **cob today** would be great. We can then work on more of the detail especially about the rescoped ag function with you tomorrow. Let us know if you have concerns/questions about this.

Thanks  
Kathy



Kathy Stirrat | Chief Advisor,  
Operational Delivery  
M 021 226 2557  
E [Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)



9(2)(f)(iv)


Attached is an outline of the proposed key headline messages and potential cost saving options to consider. There are two key aspects we'd be keen for your input on:

- Key message and savings options – we don't need to word smith this, at this stage but are keen for any other or different key messages that should be included and are there any other cost savings options we could consider?

- 9(2)(f)(iv)

Astrid and I are meeting with Jo tomorrow morning to talk through this high level messaging so any **immediate thoughts** you have before **cob today** would be great. We can then work on more of the detail especially about the rescoped ag function with you tomorrow. Let us know if you have concerns/questions about this.

Thanks  
Kathy

	<p>Kathy Stirrat   Chief Advisor, Operational Delivery <b>M</b> 021 226 2557 <b>E</b> <a href="mailto:Kathy.Stirrat@climatecommission.govt.nz">Kathy.Stirrat@climatecommission.govt.nz</a> <b>W</b> <a href="http://climatecommission.govt.nz">climatecommission.govt.nz</a></p>
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## Document 13

**From:** [Kathy Stirrat](#)  
**To:** [Stuart Dymond](#)  
**Cc:** [Grant Blackwell](#)  
**Subject:** RE: Budget 2024\_Annex 2 Savings template\_Climate Change Commission.docx  
**Date:** Wednesday, 17 January 2024 7:56:37 am

---

Thanks heaps Stuart. I've got a couple of pages from Grant already so will use it to populate this template as best we can.

---

**From:** Stuart Dymond <Stuart.Dymond@climatecommission.govt.nz>  
**Sent:** Tuesday, 16 January 2024 5:45 pm  
**To:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Cc:** Grant Blackwell <Grant.Blackwell@climatecommission.govt.nz>  
**Subject:** Budget 2024\_Annex 2 Savings template\_Climate Change Commission.docx

Hi Kathy - here's a start on the Savings Annex. Once Grant is back on deck, hopefully he can help with the content on what scaling back the function means b(2)(f)(iv) . S

[https://climatechange.govt.nz/sites/Governance/StatutoryReporting/Budget%20bids%20and%20baselining/Budget%202024%20\(FY24-25\)/Initial%20Baseline%20Savings%20Exercise/Budget%202024\\_Annex%20%20Savings%20template\\_Climate%20Change%20Commission.docx?web=1](https://climatechange.govt.nz/sites/Governance/StatutoryReporting/Budget%20bids%20and%20baselining/Budget%202024%20(FY24-25)/Initial%20Baseline%20Savings%20Exercise/Budget%202024_Annex%20%20Savings%20template_Climate%20Change%20Commission.docx?web=1)

Out of scope

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**From:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Sent:** Thursday, January 18, 2024 11:52 AM  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** Attachment for MfE email on Budget 24

Hi Astrid

Here it is. Note the draft watermark is still on it – not sure if still required so remove if not needed.



Kathy Stirrat | Chief Advisor,  
Operational Delivery  
M 021 226 2557  
E [Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)

## Morgan Watkins

---

**From:** Tiffany Vail <Tiffany.Vail@mfe.govt.nz>  
**Sent:** Friday, 19 January 2024 3:26 pm  
**To:** Astrid Nunns  
**Cc:** Kathy Stirrat; Ngaire Best  
**Subject:** [IN-CONFIDENCE]RE: CCC - IBE high level summary

Kia ora Astrid

A huge thanks to you and your team for your work on the IBE so far. Noted re the caveats you've outlined below.

I understand our finance team is working on advice that will be provided to the Treasury Assurance Panel and Ministers by the end of the month on the overall approach to savings across Vote Environment. We will be in touch as soon as we can with any feedback received and/or next steps.

Ngā mihi

**Tiffany Vail**  
Senior Advisor  
Crown Entity Performance

Ministry for the Environment | Manatū Mō Te Taiao



Ministry for the  
**Environment**  
Manatū Mō Te Taiao



**A flourishing environment  
for every generation.**  
He taiao tōnui mō ngā  
reanga katoa.

**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Thursday, January 18, 2024 12:05 PM  
**To:** Tiffany Vail <Tiffany.Vail@mfe.govt.nz>  
**Cc:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Subject:** CCC - IBE high level summary

Hi Tiffany

Thanks for extending the deadline for our completion of the Budget 24 Initial Baseline Exercise templates. We are on track to meet the deadline on Friday for providing completed templates.

As requested, we've prioritised providing you with a high-level summary of the total value of savings the Commission is potentially able to offer for 2024/25 and the three out years, why those savings have been selected and the associated risks (see **attached**).



To note: This work has been underpinned by what we currently know and so should Ministerial decisions be made over the next month (eg in relation to s5k requests), or the outcome of the appeal Court litigation be released we may need us to revise our position.

Regards  
Astrid



Astrid Nunns  
**General Manager – Strategy, Engagement and Corporate Services**  
M 021 958 325  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)

## Document 16

**From:** [Kathy Stirrat](#)  
**To:** [Dylan Shell](#); [Brittany Helms](#); [Grant Blackwell](#); [Barry Anderson](#); [Stuart Dymond](#)  
**Cc:** [Damian Ryan](#); [Astrid Nunns](#)  
**Subject:** Draft Budget 24 IBE templates for review and improvement by 9am tomorrow 19 Jan  
**Date:** Thursday, 18 January 2024 2:52:49 pm  
**Attachments:** [image001.png](#)  
[image002.png](#)  
**Importance:** High

---

Kia ora koutou

Thanks for your help to date. Now we've provided our high level summary to MfE, we need to populate the templates required. As you know these templates are required by cob tomorrow.

I've made a start on these drawing on the work we've done to date. I've kept it very high level

**9(2)(f)(iv)**

. Can you now please review and add/amend the content of these templates wherever possible. The key question is do you think this content is sufficient and that its reasonable to say (given the very quick turn around required on this exercise) that we will now need to do the more detailed work to **9(2)(f)(iv)**

[2023\\_15 - Budget 2024 Initial Baseline Exercise Summary Template.docx](#)

[Budget 2024\\_Annex 2 Savings template\\_Climate Change Commission.docx](#)


**Dylan/Brittany** can you populate the tables as much as you can and add/amend anything else that would strengthen this. Also can you check all the dollars/figures I've used.

**Everyone else** – any amendments or additions that strengthen and improve this, grateful received.

Can I please have any inputs **by 9am tomorrow – 19 January**. I'll then get the draft templates to Astrid to review and expect following that there may be a further iteration required to finalise these templates by the end of the day.

Thanks in advance for this team effort living our new value of being supportive!

Kathy

	<p>Kathy Stirrat   Chief Advisor, Operational Delivery <b>M</b> 021 226 2557 <b>E</b> <a href="mailto:Kathy.Stirrat@climatecommission.govt.nz">Kathy.Stirrat@climatecommission.govt.nz</a> <b>W</b> <a href="http://climatecommission.govt.nz">climatecommission.govt.nz</a></p>
---	--

Document 17

**From:** [Shell, Dylan](#)  
**To:** [Brittany Helms](#); [Kathy Stirrat](#)  
**Cc:** [Helms, Brittany](#)  
**Bcc:**  [{F2820505}.ACTIVE@nz-wcse10.kworld.kpmg.com](mailto:{F2820505}.ACTIVE@nz-wcse10.kworld.kpmg.com)  
**Subject:** RE: IBE Reporting Documents [KPMG\_NZ-ACTIVE.FID2820505]  
**Date:** Thursday, 18 January 2024 6:28:07 pm  
**Attachments:** [2023\\_15 - Budget 2024 Initial Baseline Exercise Summary Template.docx](#)  
**Importance:** High

Hi Kathy and Brittany,

Document looks really good. My comments from review:

9(2)(f)(iv) [Redacted]

I will review the Annex 2 paper first thing.

Thanks  
D

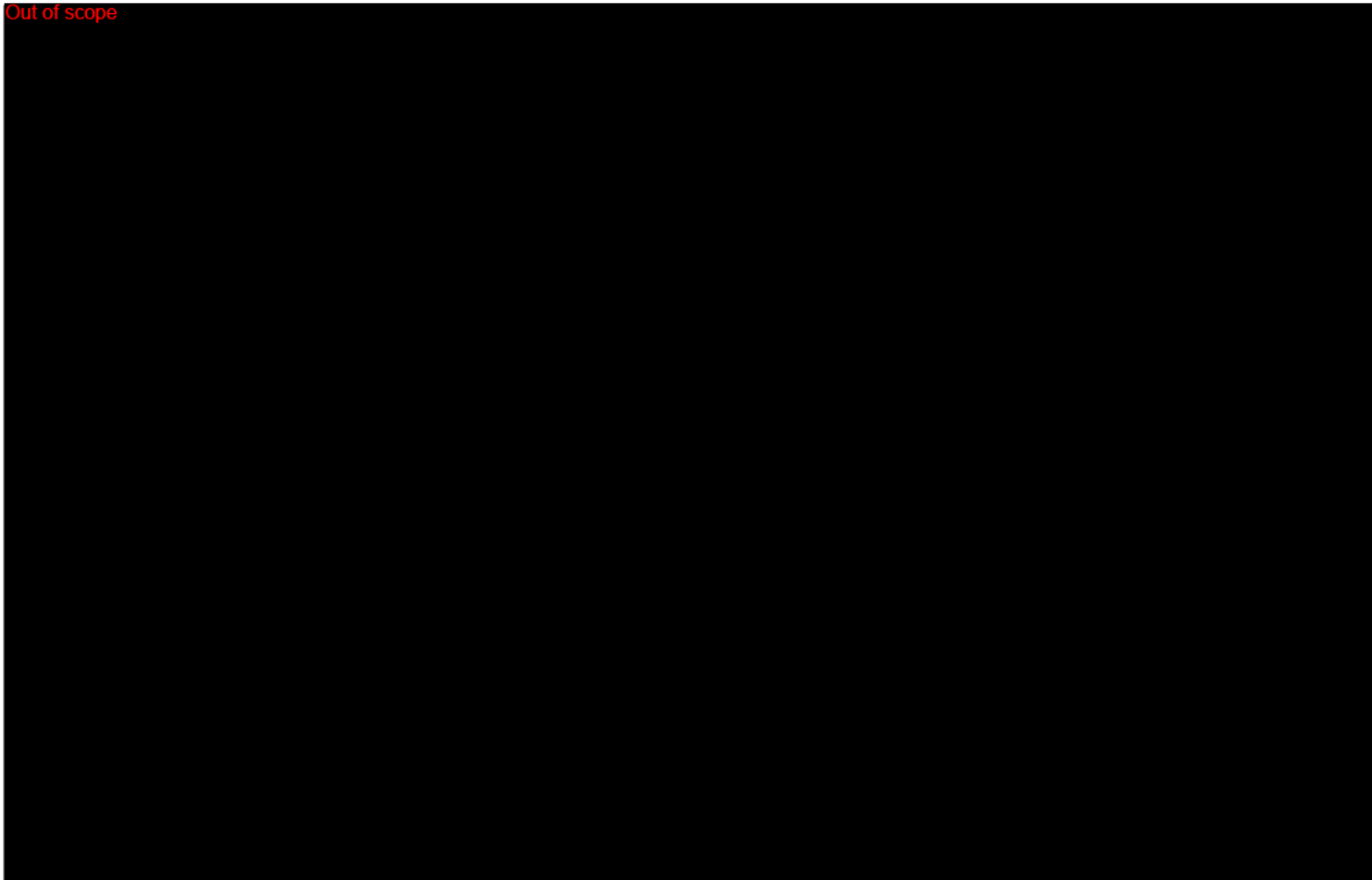
**From:** Brittany Helms <[Brittany.Helms@climatecommission.govt.nz](mailto:Brittany.Helms@climatecommission.govt.nz)>  
**Sent:** Thursday, 18 January 2024 5:09 pm  
**To:** Shell, Dylan <[dshell@kpmg.co.nz](mailto:dshell@kpmg.co.nz)>  
**Subject:** IBE Reporting Documents

Here are the two documents for you to review.

## Document 18

**From:** [Shell, Dylan](#)  
**To:** [Brittany Helms](#)  
**Subject:** Budget 2024\_Annex 2 Savings template\_Climate Change Commission\_DS comments.docx  
**Date:** Friday, 19 January 2024 11:03:41 am  
**Attachments:** [Budget 2024\\_Annex 2 Savings template\\_Climate Change Commission\\_DS comments.docx](#)

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**From:** Jo Hendy  
**Sent:** Friday, January 19, 2024 11:40 AM  
**To:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Cc:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** RE: Draft Budget 24 IBE templates for your review today

Thanks Kathy – looking now

**From:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Sent:** Friday, 19 January 2024 11:34 am  
**To:** Jo Hendy <Jo.Hendy@climatecommission.govt.nz>  
**Cc:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** Draft Budget 24 IBE templates for your review today  
**Importance:** High

 [2023 15 - Budget 2024 Initial Baseline Exercise Summary Template.docx](#)

 [Budget 2024 Annex 2 Savings template Climate Change Commission.docx](#)

Kia ora Jo

As discussed with Astrid, here's where we are at with the draft templates required by MfE today. Astrid is still reviewing them but keen to get any concerns or comments from you so we can address these.

Thanks very much.  
Kathy



Kathy Stirrat | Chief Advisor,  
Operational Delivery  
M 021 226 2557  
E [Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)

Out of scope



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**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Tuesday, 23 January 2024 10:06 am  
**To:** Rod Carr <Roderick.Carr@climatecommission.govt.nz>  
**Subject:** RE: [IN-CONFIDENCE] CCC: Budget 2024 and Initial Baseline Savings Exercise

[IN-CONFIDENCE]

Thanks, Rod. Will do.

Astrid

[IN-CONFIDENCE]

**From:** Rod Carr <Roderick.Carr@climatecommission.govt.nz>  
**Sent:** Friday, January 19, 2024 9:53 PM  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Subject:** Re: [IN-CONFIDENCE] CCC: Budget 2024 and Initial Baseline Savings Exercise

[IN-CONFIDENCE]

Thanks Astrid. Will be interesting to see what happens. We should include the submission in RASH papers at next meeting.

Rod  
Rod

[IN-CONFIDENCE]

---

**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>  
**Sent:** Friday, January 19, 2024 5:07:27 PM  
**To:** Tiffany Vail <Tiffany.Vail@mfe.govt.nz>  
**Cc:** Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>; Ngaire Best <Ngaire.Best@mfe.govt.nz>; Dylan Shell <Dylan.Shell@climatecommission.govt.nz>; Rod Carr <Roderick.Carr@climatecommission.govt.nz>; Lisa Tumahai <lisa.tumahai@climatecommission.govt.nz>; Jo Hendy <Jo.Hendy@climatecommission.govt.nz>; Brittany Helms <Brittany.Helms@climatecommission.govt.nz>  
**Subject:** [IN-CONFIDENCE] CCC: Budget 2024 and Initial Baseline Savings Exercise

[IN-CONFIDENCE]

Kia ora Tiffany

Please find attached the Commission's completed:

- *Budget 2024 Initial Baseline Exercise Summary Template (Annex 1)*
- *Budget 2024 Savings Template (Annex 2)*

Please let me or Kathy Stirrat (copied) know as soon as you can if you need further information, or if you have confirmation on next steps and associated timeframes. I will be in touch if any additional context arises from within the Commission that may impact the information we have provided to you.

Ngā mihi  
Astrid



Astrid Nunns  
General Manager – Strategy, Engagement and Corporate Services  
M 021 958 325  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)

[IN-CONFIDENCE]



**From:** Tiffany Vail <[Tiffany.Vail@mfe.govt.nz](mailto:Tiffany.Vail@mfe.govt.nz)>

**Sent:** Tuesday, January 9, 2024 3:41 PM

**To:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>; Shell, Dylan <[dshell@kpmg.co.nz](mailto:dshell@kpmg.co.nz)>

**Cc:** Ngaire Best <[Ngaire.Best@mfe.govt.nz](mailto:Ngaire.Best@mfe.govt.nz)>; Damian Ryan <[Damian.Ryan@climatecommission.govt.nz](mailto:Damian.Ryan@climatecommission.govt.nz)>

**Subject:** [IN-CONFIDENCE]Budget 2024 and Initial Baseline Savings Exercise

Kia ora Astrid and Dylan

Firstly, wishing you a happy New Year. I hope you both had a good break.

As you likely know, Budget 2024 guidance was issued late last year following the mini-Budget on 20 December (copy and FAQs attached).

Due to the challenging fiscal environment, Budget 2024 will be a targeted invitation only process to bid for cost pressures and new spending. The Commission has not been invited to bid at this stage. Agencies not invited to bid for cost pressures will be expected to fund pressures through reprioritisation or stopping or scaling programmes.

An Initial Baseline Exercise forms the basis of the Budget 2024 process. Given the focus on fiscal sustainability, the exercise requires agencies, including Crown entities, to set out operating savings options and associated risks, implications and trade-offs. Capital funding is out of scope unless you are specifically selected to support a separate Capital Pipeline review.

I understand our Chief Executive, James Palmer, spoke to your Chief Executive about this exercise on 22 December and a letter was then sent to your Board Chair (copy attached).

The baseline reduction target for Vote Environment is 7.5% and the Commission needs to identify options to contribute to this level of savings. We suggest you use your operating funding for 2023/24, as outlined in the Vote Environment Estimates, as a baseline for identifying savings options to meet the 7.5% target. The final savings quantum from each agency will be confirmed through the decision-making phase of the Budget 2024 process.

Can you and your teams please complete the attached *Budget 2024 Initial Baseline Exercise Summary Template* as well as a *Budget 2024 Savings Template* for each savings initiative and return them to me by **COB Wednesday 17 January**. I appreciate that this is quite a lot of work with a short turnaround, please let me know if the deadline will cause any issues.

The Budget 2024 guidance refers to the Assurance Panel process that has been established. Please note that no information is required from you to inform the first Assurance Panel meeting.

We acknowledge that that the timelines and savings focus for this Budget will place pressure on your entity. Thank you in advance for your support as we work through the Budget 2024 process and implications of the wider Fiscal Sustainability Programme.

If you have any questions, concerns or need any further information, please get in touch. We'd be happy to meet to discuss this with you.

Ngā mihi

**Tiffany Vail**

Senior Advisor

Crown Entity Performance

Phone: 9(2)(a)



Ministry for the  
**Environment**  
*Manatū Mo Te Taiao*



**A flourishing environment  
for every generation.**  
He taiao tōnui mō ngā  
reanga katoa.

Out of scope



---

**From:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>

**Sent:** Tuesday, January 23, 2024 10:22 AM

**To:** Lisa Tumahai <lisa.tumahai@climatecommission.govt.nz>; Rod Carr <Roderick.Carr@climatecommission.govt.nz>

**Cc:** Jo Hendy <Jo.Hendy@climatecommission.govt.nz>; Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>

**Subject:** RE: [IN-CONFIDENCE] Seeking Chair approval on cost saving options for IBE (Budget 24)

[IN-CONFIDENCE]

Thanks, Lisa. We'll ensure the February RASH agenda allows enough time to talk this through in more detail within our current year forecast.

Ngā mihi  
Astrid

[IN-CONFIDENCE]

**From:** Lisa Tumahai <lisa.tumahai@climatecommission.govt.nz>  
**Sent:** Thursday, January 18, 2024 3:23 PM  
**To:** Astrid Nunns <Astrid.Nunns@climatecommission.govt.nz>; Rod Carr <Roderick.Carr@climatecommission.govt.nz>  
**Cc:** Jo Hendy <Jo.Hendy@climatecommission.govt.nz>; Kathy Stirrat <Kathy.Stirrat@climatecommission.govt.nz>  
**Subject:** Re: [IN-CONFIDENCE] Seeking Chair approval on cost saving options for IBE (Budget 24)

[IN-CONFIDENCE]

Kia ora Koutou

happy new year! Apologies for my slow response.

email content noted, while very concerning as we have a tight budget, I support the approach.

Ngā mihi

Lisa Tumahai - Deputy Chair

Climate Change Commission  
M 021 229 3033  
E [lisa.tumahai@climatecommission.govt.nz](mailto:lisa.tumahai@climatecommission.govt.nz)  
W [climatecommission.govt.nz](http://climatecommission.govt.nz)

[IN-CONFIDENCE]

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**From:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Sent:** Thursday, January 18, 2024 8:04 AM  
**To:** Rod Carr <[Roderick.Carr@climatecommission.govt.nz](mailto:Roderick.Carr@climatecommission.govt.nz)>; Lisa Tumahai <[lisa.tumahai@climatecommission.govt.nz](mailto:lisa.tumahai@climatecommission.govt.nz)>  
**Cc:** Jo Hendy <[Jo.Hendy@climatecommission.govt.nz](mailto:Jo.Hendy@climatecommission.govt.nz)>; Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>  
**Subject:** Re: [IN-CONFIDENCE] Seeking Chair approval on cost saving options for IBE (Budget 24)

[IN-CONFIDENCE]

Thanks, Rod. Will do re cc you and Lisa on final documentation to MfE.

Astrid

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[IN-CONFIDENCE]

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**From:** Rod Carr <[Roderick.Carr@climatecommission.govt.nz](mailto:Roderick.Carr@climatecommission.govt.nz)>  
**Sent:** Wednesday, January 17, 2024 4:09:50 PM  
**To:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>; Lisa Tumahai <[lisa.tumahai@climatecommission.govt.nz](mailto:lisa.tumahai@climatecommission.govt.nz)>  
**Cc:** Jo Hendy <[Jo.Hendy@climatecommission.govt.nz](mailto:Jo.Hendy@climatecommission.govt.nz)>; Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>  
**Subject:** Re: [IN-CONFIDENCE] Seeking Chair approval on cost saving options for IBE (Budget 24)

[IN-CONFIDENCE]

Noted.

Delegation to Jo to sign out is approved. Please copy me and Lisa on the submission to MfE.  
Rod

[IN-CONFIDENCE]

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**From:** Astrid Nunns <[Astrid.Nunns@climatecommission.govt.nz](mailto:Astrid.Nunns@climatecommission.govt.nz)>  
**Sent:** Wednesday, January 17, 2024 3:47:34 PM  
**To:** Rod Carr <[Roderick.Carr@climatecommission.govt.nz](mailto:Roderick.Carr@climatecommission.govt.nz)>; Lisa Tumahai <[lisa.tumahai@climatecommission.govt.nz](mailto:lisa.tumahai@climatecommission.govt.nz)>  
**Cc:** Jo Hendy <[Jo.Hendy@climatecommission.govt.nz](mailto:Jo.Hendy@climatecommission.govt.nz)>; Kathy Stirrat <[Kathy.Stirrat@climatecommission.govt.nz](mailto:Kathy.Stirrat@climatecommission.govt.nz)>  
**Subject:** [IN-CONFIDENCE] Seeking Chair approval on cost saving options for IBE (Budget 24)

[IN-CONFIDENCE]

Kia ora Rod and Lisa

Lisa – the email below (sent 10/01 from me to Rod) has background for you on Treasury kicking off Budget 24 by seeking information on cost saving options. We need to provide this to MfE this week. Details will be folded into the finance discussions with RASH in February, but in the meantime wanted to ensure you have the context.

Rod - After analysing the current financial position of the Commission, the known forward work programme over the next four years, and the cost pressures we are already managing, I am seeking approval from the Chair approval on:

9(2)(f)(iv)



2. delegating the sign out of the final documentation to the CE.

I note from our discussion this morning the importance of highlighting to MfE:

Ngā mihi  
Astrid

[IN-CONFIDENCE]

**From:** Astrid Nunns  
**Sent:** Wednesday, January 10, 2024 2:51 PM  
**To:** Rod Carr <[Roderick.Carr@climatecommission.govt.nz](mailto:Roderick.Carr@climatecommission.govt.nz)>; Jo Hendy <[Jo.Hendy@climatecommission.govt.nz](mailto:Jo.Hendy@climatecommission.govt.nz)>  
**Subject:** Update: Initial Baseline Exercise for Budget 24

Hi Rod and Jo

regarding the 22 December letter from James Palmer to CCC Board Chair re *FISCAL OBJECTIVES ACROSS THE TERM AND BUDGET 2024*, MfE have now been in touch. I will send you a more detailed update once the team come back to me tomorrow with their proposed plan of action. There are multiple threads to the task, and we need to turn it round within a week to meet Treasury's deadlines.

Key points to note in the meantime:

- Budget 2024 will be a targeted invitation only process to bid for cost pressures and new spending. The Commission has not been invited to bid at this stage. Agencies not invited to bid for cost pressures will be expected to fund pressures through reprioritisation or stopping or scaling programmes.
- An Initial Baseline Exercise (IBE) forms the basis of the Budget 2024 process. Given the Government's focus on fiscal sustainability, the exercise requires agencies, including Crown entities, to set out operating savings options and associated risks, implications and trade-offs.
- We are being asked to provide MfE with information on cost saving options and impacts as part of this IBE by 17 January, and I understand there will be subsequent steps Treasury may require.
- For context, in the early development of Budget 23 Treasury undertook a similar info gathering exercise so this is not an unusual process, the difference this year is the emphasis on cost saving options and impacts.

Thanks  
Astrid



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