

Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 10 May 2024 **Security Level:** In Confidence
To: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/5/435

Options for the timing of the Cabinet paper seeking agreement to the third intermediate targets

Purpose of the report

- 1 This report sets out three main timing options for finalising the Cabinet paper to confirm the third intermediate child poverty reduction targets.

Recommended actions

It is recommended that you:

- 1 **note** the three potential timing options for finalising the child poverty targets Cabinet paper § 9(2)(h)

10 May 2024

Hannah Kerr
Director
Child Wellbeing and Poverty Reduction
Group

Date

Hon Louise Upston
Minister for Child Poverty Reduction

20240513

Date

Background

- Following your discussions with the Minister of Finance, you've indicated you'd like to defer the timing of the Cabinet paper seeking agreement to new child poverty targets. This will enable us to include updated income poverty forecasts from the Treasury, which are due to be publicly released by the Minister of Finance on Budget day (30 May 2024).

We have identified three main timing options

- The Child Poverty Reduction Act 2018 (the Act) requires the third intermediate targets to be set before, or "as soon as is reasonably practicable after", 1 July 2024.
- We've identified three main potential timing options set out in Table 1 below.

Table 1: timing options for finalising the third intermediate targets

	Option 1	Option 2	Option 3
Option description	More time for agency/ Ministerial consultation	More time for cross party discussion	Direct to Cabinet
Budget day (updated income poverty forecasts released)	30 May 2024		
Agency/Ministerial consultation	30 May - 10 June	30 May - 4 June	30 May - 10 June
Lodgement	13 June	6 June	13 June
Cabinet Committee	19 June (SOU)	10 June (CBC)	n/a
Cabinet decision	24 June	17 June	17 June
Cross-party discussions	25-26 June	18 June - 26 June	18 June - 26 June
Gazette targets	27 June ¹		

¹ It wouldn't be possible to gazette the targets on Friday 28 June owing to the Matariki holiday (when the Gazette Office is closed).

- 5 Under option 2 we've suggested aiming for Cabinet Business Committee (CBC) on 10 June because Social Outcomes Committee (SOC) does not meet in that week. A variation on this option would be to request an extra meeting of SOC Ministers on 12 June.

Implications for potential cross-party consultation vs agency/ Ministerial consultation

- 6 The main difference between the three timing options is the extent to which they allow time for cross-party discussions versus Ministerial/agency consultation, as shown in the table below.

Table 2: trade off between time for agency/ Ministerial vs cross-party discussion

	Days of agency/Ministerial consultation	Days of cross-party discussion	Cabinet committee vs direct to Cabinet
Timing Option 1	6	2	Cabinet committee
Timing Option 2	2	7	Cabinet committee
Timing Option 3	6	7	direct to Cabinet

- 7 We also note that your initial preference to seek cross-party agreement to new targets was under the assumption that you were seeking to change the 10-year targets set by the previous Government. If the revised Cabinet paper is focused only on setting the third intermediate targets, then you may decide that cross-party negotiations are a lower priority.

s 9(2)(h)

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s 9(2)(h)

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Next steps

- 10 The Child Wellbeing and Poverty Reduction Group will share a revised version of the Cabinet paper with your office in the coming week. s 9(2)(h)

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Author: Hugh Webb, Principal Analyst, Child Wellbeing and Poverty Reduction Group

Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction Group