

10. In line with this, Treasury has indicated to us that it will not support manifesto commitments not specified in one of these documents being submitted for consideration in Budget 2018 as a 'manifesto initiative'.
11. Work is now underway to develop proposals for Budget 2018 that would give effect to the education components of the Fiscal Plan, Labour Manifesto, Coalition Agreement, Confidence and Supply Agreement. However, we would like to discuss with you the sequencing of these initiatives and whether there are other manifesto commitments you wish to submit to the Minister of Finance on 26 January 2018 as manifesto initiatives.
12. To help inform an initial discussion about possible manifesto initiatives on Tuesday 19 December, we have provided you with an A3 (Budget 2018: Possible Manifesto Initiatives refer attached) that reflects the priority items you have already identified for inclusion in Budget 2018.
13. You will need to submit the manifesto initiatives you want to be considered in Budget 2018 to the Minister of Finance by 26 January 2018. Similar to the process for cost pressure initiatives, we are required to formally submit initiative templates to the Treasury on 26 January 2018.
14. In the week preceding 26 January 2018, we will seek your agreement to submit the manifesto initiatives to the Minister of Finance for Budget 2018 consideration. Prior to that, we would like to meet with you in the week commencing 15 January 2018 to finalise the list manifesto initiatives you want to submit to the Treasury for consideration as part of Budget 2018.

Reprioritisation initiatives

15. As you are aware, the Minister of Finance has written to each Vote Minister requesting that agencies undertake a thorough line-by-line review of the spending they have responsibility for, to identify funding that might be able to be reprioritised to fund initiatives in Budget 2018. Each Minister is expected to write to the Associate Minister of Finance (Hon Dr David Clark) on the outcome of agencies' reviews by 26 January 2018 and identify the reprioritisation initiatives that would free up funding for Government priorities.
16. The Ministry is currently undertaking a review of both Vote Education and Vote Tertiary Education expenditure. This work will focus on both potential savings for Budget 2018, and on an in-depth review of core policy settings which drive significant education sector costs. Each business area within the Ministry has been asked to identify potential savings across their allocated expenditure and what the impact of this would be.
17. As a backdrop to our discussion with you about the line-by-line review, on Wednesday 20 December, we also include an education report [METIS 1097595] that provides you with contextual information about our approach to the review. We would like to discuss this advice with you.
18. The process for releasing funding for reprioritisation is similar to the process for seeking funding for new initiatives. Templates must be submitted to the Treasury by 26 January 2018. In the report seeking your approval the submission of the manifesto initiatives (refer paragraph 14 above), we will also seek your agreement for the submission of the reprioritisation templates.