



# Briefing

<b>Cabinet Paper - Standby Crown Credit Facility for Kāinga Ora – Approval of Capital Appropriation</b>			
<b>Date:</b>	26 March 2020	<b>Security level:</b>	Budget - Sensitive
<b>Priority:</b>	Urgent	<b>Report number:</b>	CAB19/20030054

<b>Action sought</b>		
	<b>Action sought</b>	<b>Deadline</b>
Minister of Housing	<b>Authorise</b> the attached Cabinet paper for lodgement with the Cabinet Office for consideration by Cabinet Business Committee on 1 April 2020	26 March 2020

<b>Contact for discussion</b>			
<b>Name</b>	<b>Position</b>	<b>Telephone</b>	<b>1<sup>st</sup> contact</b>
Glenn Phillips	Chief Financial Officer	s 9(2)(a)	✓
Steve Rylands	Principal Advisor, Kāinga Ora Programme		

## Minister's office to complete

<input type="checkbox"/> Noted <input type="checkbox"/> Seen <input type="checkbox"/> Approved <input type="checkbox"/> Needs change <input type="checkbox"/> Not seen by Minister <input type="checkbox"/> Overtaken by events <input type="checkbox"/> Declined <input type="checkbox"/> Referred to (specify)  <hr/>
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<b>Comments</b>          
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**Date returned to MHUD:**

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## Briefing

### Cabinet Paper – Standby Crown Credit Facility for Kāinga Ora – Approval of Capital Appropriation

For: Hon Dr Megan Woods, Minister of Housing

Date: 25 March 2020

Security level: Budget - Sensitive

Priority: Urgent

Report number: CAB19/20030054

#### Purpose

1. This briefing seeks your agreement to authorise the attached Cabinet paper to be lodged with the Cabinet Office for consideration by the Cabinet Business Committee (CBC) on 1 April 2020.

#### Background

2. In late 2019 Kāinga Ora approached the Treasury for a \$1.0 billion standby credit facility to assist with its short-term liquidity requirements in exceptional and temporary circumstances (e.g. a major banking crisis, natural disaster).

3. s 9(2)(ba)(i)

Following consultation with you, the Minister of Finance approved this credit facility on 9 March 2020. Cabinet approval is now required for a new non-departmental capital appropriation to enable the facility. It will then be included in the Appropriation (2020/21 Estimates) Bill as part of the 2020 Budget.

#### Urgency

4. Cabinet approval for the appropriation is required before the commencement of the 2020 Budget moratorium on 6 April.

s 9(2)(f)(iv)

#### Relation to the COVID-19 Economic and Financial Impacts

5. Kāinga Ora sought this facility some time before the start of the COVID-19 pandemic. Notwithstanding the impacts of the pandemic, Kāinga Ora has advised that a \$1.0 billion standby facility remains appropriate.

s 9(2)(ba)(i)

6. s 9(2)(ba)(i)

7.



**Recommended actions**

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8. It is recommended that you **authorise** the attached Cabinet paper for lodgement with the Cabinet Office.

*Agree / Disagree*

Glenn Phillips  
**Chief Financial Officer**  
25 March 2020

Hon Dr Megan Woods  
**Minister of Housing**

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