

# *Vote Social Development*

---

APPROPRIATION MINISTER(S): Minister for Disability Issues (M23), Minister of Housing (M37), Minister of Revenue (M57), Minister for Seniors (M61), Minister for Social Development and Employment (M63), Minister for Veterans (M75), Minister for Youth (M77)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Social Development (A25)

RESPONSIBLE MINISTER FOR MINISTRY OF SOCIAL DEVELOPMENT: Minister for Social Development and Employment

## Overview of the Vote

The Minister for Social Development and Employment is responsible for the appropriations in Vote Social Development for the 2025/26 financial year covering the following:

- a total of nearly \$24,691 million on payments of New Zealand Superannuation
- a total of nearly \$9,952 million on payments for the working-age benefits - Jobseeker Support, Sole Parent Support and Supported Living Payment
- a total of over \$2,289 million on accommodation assistance
- a total of nearly \$1,160 million on support to improve employment and social outcomes
- a total of over \$853 million on payments for non-recoverable hardship assistance, transitional assistance, entering or remaining in the workforce assistance and special circumstance assistance
- a total of nearly \$656 million on payments to assist people to obtain a qualification including Student Allowances, and Study Scholarships and Awards
- a total of over \$597 million on financial assistance for childcare, care of unsupported children and the extraordinary care fund
- a total of nearly \$577 million to support those in receipt of a benefit, including New Zealand Superannuation, to heat their homes in winter (the Winter Energy Payment)
- a total of nearly \$511 million on disability assistance for adults and children with disability costs
- a total of over \$322 million on community support services
- a total of over \$297 million on advance payment of benefits and other recoverable payments to assist with hardship
- a total of over \$169 million on purchasing services from non-governmental organisation service providers and Crown entities
- a total of nearly \$142 million on the provision of debt write-downs to achieve accurate valuations of outstanding Crown debt in accordance with generally accepted accounting practice
- a total of over \$80 million on payments supporting youth who are not able to live at home and payments to provide financial support to young parents
- a total of over \$75 million to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care
- a total of nearly \$73 million on income support and assistance to seniors and administration of service cards
- a total of nearly \$68 million on the Services for the Future Programme for the design and implementation of a modern system for administering welfare support and related interventions
- a total of nearly \$66 million for departmental capital expenditure

- a total of over \$65 million on prevention programmes to minimise errors and fraud of the benefit system and services for investigation and collection of overpayments and fraudulent payments
- a total of nearly \$64 million on social policy advice, and data, analytics and evidence services
- a total of nearly \$26 million on supporting employers of existing and incoming apprentices
- a total of nearly \$24 million on the Training Incentive Allowance
- a total of nearly \$24 million on management of student support
- a total of nearly \$21 million on supporting New Zealanders to obtain a driver licence
- a total of nearly \$20 million on corporate support services
- a total of nearly \$7 million on planning, correspondence and monitoring
- a total of \$937,000 on supporting the Social Workers Registration Board, and
- a total of \$400,000 on the independent monitoring and assurance of the Oranga Tamariki system.

The Minister for Social Development and Employment is also responsible for a capital injection of over \$16 million to the Ministry of Social Development.

The Minister of Housing is responsible for appropriations in the Vote for the 2025/26 financial year covering the following:

- a total of nearly \$171 million on housing support assistance for those in need to access or retain housing solutions
- a total of nearly \$95 million on services to support people to access accommodation
- a total of over \$60 million on payments for emergency housing assistance
- a total of nearly \$7 million on reimbursement to tenants of income related rent overpayments
- a total of \$917,000 on a housing place-based approach, and
- a total of \$750,000 on the Emergency Housing Support Package.

The Minister for Youth is responsible for an appropriation in the Vote for the 2025/26 financial year covering the following:

- a total of over \$18 million on partnering for youth development.

The Minister of Revenue is responsible for appropriations in the Vote for the 2025/26 financial year covering the following:

- a total of over \$1,990 million on payments for student loans, and
- a total of nearly \$24 million for management of student loans.

The Minister for Veterans is responsible for appropriations in the Vote for the 2025/26 financial year covering the following:

- a total of over \$132 million on payments of Veteran's Pension, and
- a total of \$757,000 for processing of Veteran's Pensions.

The Minister for Seniors is responsible for appropriations in the Vote for the 2025/26 financial year covering the following:

- a total of nearly \$2 million on promoting positive outcomes for seniors, and
- a total of nearly \$2 million on the enhancement and promotion of SuperGold Cards.

Details of these appropriations are set out in Parts 2-4.

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Departmental Output Expenses</b>			
<b>Administration of Service Cards (M63) (A25)</b> This appropriation is limited to assessing entitlement for and issuing the Community Services Card, SuperGold Card and Veteran SuperGold Card, and providing information about the Community Service Card.	8,025	8,025	7,165
<b>Corporate Support Services (M63) (A25)</b> This appropriation is limited to the provision of corporate support services to other agencies.	19,272	19,272	19,646
<b>Data, Analytics and Evidence Services (M63) (A25)</b> This appropriation is limited to providing data, analytics and evidence services to better inform government decision-making.	39,793	39,793	40,815
<b>Enhancement and Promotion of SuperGold Cards (M61) (A25)</b> This appropriation is limited to promoting, enhancing and delivering information about the SuperGold and Veteran SuperGold cards, and enlisting businesses to provide discounts to SuperGold cardholders.	1,729	1,729	1,734
<b>Income Support and Assistance to Seniors (M63) (A25)</b> This appropriation is limited to processing and administering New Zealand Superannuation payments, social security entitlements and international social security agreements to older people, providing advice to older people, and assessing financial entitlement to residential subsidies.	56,735	56,735	65,804
<b>Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (M63) (A25)</b> This appropriation is limited to services to minimise errors, fraud and abuse of the benefit system and Income-Related Rent, and services to manage the collection of overpayments, recoverable assistance loans and other balances owed by former clients.	63,767	63,767	65,448
<b>Management of Student Loans (M57) (A25)</b> This appropriation is limited to assessing, administering, processing and reviewing entitlements for Student Loan payments and providing guidance to students making financial and study decisions.	30,001	30,001	23,689
<b>Management of Student Support (M63) (A25)</b> This appropriation is limited to managing non-recoverable financial support to students, involving assessing, administering and processing Student Allowance payments and other income support to eligible secondary and tertiary students.	29,815	29,815	23,590
<b>Planning, Correspondence and Monitoring (M63) (A25)</b> This appropriation is limited to providing planning, reporting and monitoring advice (other than policy decision-making advice) on Crown entities, statutory appointment advice on Crown entities and statutory tribunals, and correspondence services to support Ministers to discharge their portfolio responsibilities.	7,775	7,775	6,584
<b>Policy Advice (M63) (A25)</b> This appropriation is limited to providing advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government social policy and related matters, including social sector issues.	23,668	23,668	23,047
<b>Processing of Veteran's Pensions (M75) (A25)</b> This appropriation is limited to the processing and administrative aspects of payment of Veteran's Pensions and related allowances.	785	785	757

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Promoting Positive Outcomes for Seniors (M61) (A25)</b> This appropriation is limited to providing information and facilitation to protect the rights and interests of older people, to promote local community involvement in senior issues, and ministerial services.	2,270	2,270	<b>1,870</b>
<b>Services to Support People to Access Accommodation (M37) (A25)</b> This appropriation is limited to assessing and reviewing eligibility for housing needs and Income-Related Rent, managing the public housing register and supporting the holistic needs of people and their families receiving housing-related case management support.	93,473	93,473	<b>94,834</b>
<b>Investigating and Responding to Alleged Social Work Offending (M63) (A25)</b> This appropriation is limited to services to investigate and respond to alleged offending under the Social Workers Registration Act 2003.	235	235	-
<b>Total Departmental Output Expenses</b>	377,343	377,343	374,983
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Social Development - Capital Expenditure PLA (M63) (A25)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Social Development, as authorised by section 24(1) of the Public Finance Act 1989.	88,926	88,926	65,972
<b>Total Departmental Capital Expenditure</b>	88,926	88,926	65,972
<b>Non-Departmental Output Expenses</b>			
<b>Children and Young People's Commission (M63) (A25)</b> This appropriation is limited to the provision of services from the Children and Young People's Commission including the discharge of the Commission's functions, duties and powers under the Children and Young People's Commission Act 2022.	5,250	5,250	<b>8,216</b>
<b>Community Participation Services (M63) (A25)</b> This appropriation is limited to the provision of services, resources, assistance and support to people so they can participate in and contribute to the wider community.	116,223	116,223	<b>133,647</b>
<b>Driver Licence Support (M63) (A25)</b> This appropriation is limited to providing driver licensing assistance to eligible people who face significant barriers to obtaining a driver licence.	19,460	19,460	<b>20,856</b>
<b>Housing Place-Based Approaches (M37) (A25)</b> This appropriation is limited to the delivery of housing-related services and operational support of collective initiatives utilising a place-based approach.	917	917	<b>917</b>
<b>Independent Children's Monitor (M63) (A25)</b> This appropriation is limited to the provision of services from the Independent Children's Monitor, including the discharge of the Monitor's functions, duties and powers under the Oversight of Oranga Tamariki System Act 2022.	-	-	<b>400</b>
<b>Social Workers Registration Board (M63) (A25)</b> This appropriation is limited to supporting the Social Workers Registration Board deliver mandatory registration and workforce planning for all social workers, and to services to investigate and respond to alleged offending under the Social Workers Registration Act 2003.	795	795	<b>937</b>
<b>Student Placement Services (M63) (A25)</b> This appropriation is limited to placement services for students for holiday and term employment.	3,737	3,737	<b>3,512</b>
<b>Supporting Equitable Pay for Care and Support Workers (M63) (A25)</b> This appropriation is limited to the additional costs of worker hours resulting from the Care and Support Workers (Pay Equity) Settlement Act 2017.	17,415	17,415	-
<b>Total Non-Departmental Output Expenses</b>	163,797	163,797	168,485

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Benefits or Related Expenses</b>			
<b>Accommodation Assistance (M63) (A25)</b> This appropriation is limited to payments for accommodation costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	2,277,408	2,227,908	<b>2,289,453</b>
<b>Childcare Assistance (M63) (A25)</b> This appropriation is limited to assistance for the costs of childcare that meets specific quality guidelines, where parents meet activity and income criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	183,046	170,446	<b>178,009</b>
<b>Disability Assistance (M63) (A25)</b> This appropriation is limited to the Disability Allowance for people with disability costs, the Child Disability Allowance to the caregivers of children with a serious disability, and the Special Disability Allowance for the purpose of defraying expenses from the hospitalisation of a spouse or partner, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018. The Special Disability Allowance may also be paid in accordance with criteria set out in the New Zealand Superannuation and Retirement Income Act 2001.	499,120	492,120	<b>510,529</b>
<b>Emergency Housing Assistance (M37) (A25)</b> This appropriation is limited to payments for emergency housing, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	78,849	75,849	<b>60,048</b>
<b>Hardship Assistance (M63) (A25)</b> This appropriation is limited to Civil Defence payments, Funeral Grants, Special Benefit, Special Needs Grants, Temporary Accommodation Assistance and Temporary Additional Support to provide means-tested temporary financial assistance to people with emergency or essential costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	785,330	758,330	<b>837,074</b>
<b>Jobseeker Support and Emergency Benefit (M63) (A25)</b> This appropriation is limited to means-tested income support for people who are eligible for Jobseeker Support or an Emergency Benefit, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	4,711,258	4,644,258	<b>4,838,669</b>
<b>New Zealand Superannuation (M63) (A25)</b> This appropriation is limited to an income for people who have reached the qualifying age of 65 years and fulfil the residency requirements, as provided for in the New Zealand Superannuation and Retirement Income Act 2001.	23,226,700	23,179,700	<b>24,690,940</b>
<b>Orphan's/Unsupported Child's Benefit (M63) (A25)</b> This appropriation is limited to the Orphan's/Unsupported Child's Benefit and additional assistance to provide income support for people charged with the responsibility for a child whose parents are dead or cannot be located, suffer a serious long-term disablement, or where there has been a breakdown in the child's family, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	410,499	402,199	<b>416,772</b>
<b>Sole Parent Support (M63) (A25)</b> This appropriation is limited to means-tested income support for people who are eligible for Sole Parent Support, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	2,285,475	2,257,175	<b>2,331,471</b>
<b>Special Circumstance Assistance (M63) (A25)</b> This appropriation is limited to financial assistance to people in special circumstances and comprises the Clothing Allowance, and providing assistance for community costs, domestic violence and witness protection relocation, home help, social rehabilitation assistance, telephone costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018; and Civilian Amputees Assistance, paid in accordance with criteria set out in the Disabled Persons Community Welfare Act 1975.	12,073	11,173	<b>11,859</b>

Titles and Scopes of Appropriations by Appropriation Type	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Student Allowances (M63) (A25)</b> This appropriation is limited to means-tested allowances for students on an approved study programme, paid in accordance with criteria set out in the Student Allowances Regulations 1998; and payment of Student Allowance Transfer Grants to students with dependants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	607,734	577,734	<b>635,207</b>
<b>Study Scholarships and Awards (M63) (A25)</b> This appropriation is limited to scholarships and awards to tertiary students awarded in accordance with Cabinet decisions; and Teach NZ Scholarships awarded in accordance with the Education and Training Act 2020.	22,546	22,546	<b>20,426</b>
<b>Supported Living Payment (M63) (A25)</b> This appropriation is limited to means-tested income support for people who are eligible for the Supported Living Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	2,691,452	2,669,452	<b>2,781,849</b>
<b>Training Incentive Allowance (M63) (A25)</b> This appropriation is limited to the Training Incentive Allowance, paid in accordance with delegated legislation made under the Social Security Act 2018.	18,155	16,355	<b>23,781</b>
<b>Transitional Assistance (M63) (A25)</b> This appropriation is limited to supplementary financial assistance to people who are adversely affected by changes in policy or legislation, so they will not be financially worse off at the point of change, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	126	126	<b>500</b>
<b>Veteran's Pension (M75) (A25)</b> This appropriation is limited to the provision of the Veteran's Pension, and lump sum payments upon the death of a qualifying veteran or a veteran's qualifying spouse or partner, to eligible veterans and their spouses, partners and dependent children, as set out in the Veterans' Support Act 2014 and delegated legislation made under that Act.	132,543	131,243	<b>132,278</b>
<b>Winter Energy Payment (M63) (A25)</b> This appropriation is limited to the Winter Energy Payment, paid to eligible people in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	578,335	560,335	<b>576,688</b>
<b>Work Assistance (M63) (A25)</b> This appropriation is limited to payments to beneficiaries, low-income earners, students and ex beneficiaries to assist them to obtain and maintain employment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	3,351	3,051	<b>3,916</b>
<b>Youth Payment and Young Parent Payment (M63) (A25)</b> This appropriation is limited to income support and incentive payments for people who are eligible for the Youth Payment or Young Parent Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	78,981	77,181	<b>80,202</b>
<b>Total Benefits or Related Expenses</b>	38,602,981	38,277,181	40,419,671
<b>Non-Departmental Other Expenses</b>			
<b>Apprentice Support (M63) (A25)</b> This appropriation is limited to supporting employers of existing and incoming apprentices through the Apprenticeship Boost Initiative in accordance with criteria established by Cabinet.	53,750	53,750	<b>25,729</b>
<b>Debt Write-downs (M63) (A25)</b> This appropriation is limited to the provision for write-downs of Crown debt administered by the Ministry of Social Development due to debt write offs or debt provisions resulting from the need to value debt in accordance with generally accepted accounting practice.	157,867	137,867	<b>141,870</b>



	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Emergency Housing Support Package (M37) (A25)</b> This appropriation is limited to the provision of products and services to help families with children who are living in emergency housing accommodation and who have received, and remain eligible to receive Emergency Housing Special Needs Grants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	1,450	1,450	<b>750</b>
<b>Extraordinary Care Fund (M63) (A25)</b> This appropriation is limited to providing financial assistance to carers receiving the Orphan's Benefit or Unsupported Child's Benefit to assist with costs for children in their care who are either experiencing difficulties that significantly impact on their development, or who are showing promise.	2,308	2,308	<b>2,308</b>
<b>Out of School Care and Recreation Programmes (M63) (A25)</b> This appropriation is limited to the provision of assistance to Out of School Care and Recreation programmes approved in accordance with regulations made under the Social Security Act 2018, to assist with the establishment and/or operating costs of OSCAR programmes.	23,901	23,901	<b>23,901</b>
<b>Reimbursement of Income-Related Rent Overpayments (M37) (A25)</b> This appropriation is limited to reimbursing overpayments resulting from the reassessment of the Income-Related Rent.	4,908	4,908	<b>6,811</b>
<b>Disability-related Legal Expenses (M23) (A25)</b> This appropriation is limited to funding the defence and settlement of disability-related legal claims against the Crown.	3,064	3,064	-
<b>Total Non-Departmental Other Expenses</b>	247,248	227,248	201,369
<b>Non-Departmental Capital Expenditure</b>			
<b>Recoverable Assistance (M63) (A25)</b> This appropriation is limited to recoverable assistance payments, as a facility for low-income earners and beneficiaries to access means-tested assistance to help them to meet essential and immediate needs, or costs in specific circumstances, and to meet costs of pre-employment drug tests, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	288,545	276,545	<b>297,475</b>
<b>Student Loans (M57) (A25)</b> This appropriation is limited to loans to tertiary students undertaking studies at approved tertiary institutions in accordance with Cabinet decisions.	1,772,811	1,725,711	<b>1,990,094</b>
<b>Children and Young People's Commission Capital Injection (M63) (A25)</b> This appropriation is limited to capital injections to the Children and Young People's Commission for its capital programme.	1,400	1,400	-
<b>Total Non-Departmental Capital Expenditure</b>	2,062,756	2,003,656	2,287,569
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Community Support Services MCA (M63) (A25)</b> The single overarching purpose of this appropriation is to prevent and reduce vulnerability and harm for individuals, families and communities.	352,648	352,648	<b>322,475</b>
<b>Departmental Output Expenses</b>			
<b>Developing and Managing Community Services</b> This category is limited to approving, monitoring, contracting and managing the relationships with community-based service providers; engaging with communities and developing services.	41,584	41,584	39,008
<b>Regional System Leadership Framework</b> This category is limited to co-ordinating and delivering public services at a regional level.	5,600	5,600	4,000

	2024/25		2025/26
Titles and Scopes of Appropriations by Appropriation Type	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Non-Departmental Output Expenses</b>			
<i>Community Support and Advice</i> This category is limited to services that build financial capability, develop community and provider capability and provide targeted advice and support for vulnerable individuals and families.	62,233	62,233	50,002
<i>Improving Children's Participation in Education</i> This category is limited to programmes and services that enable children to better engage and participate in education.	1,643	1,643	1,642
<i>Participation and Support Services for Seniors</i> This category is limited to services that address isolation, abuse and neglect of older people, and support participation in communities.	14,132	14,132	14,239
<i>Place-Based Approaches</i> This category is limited to the delivery of services and operational support of collective initiatives following a place-based approach.	6,691	6,691	6,691
<i>Supporting Victims and Perpetrators of Family and Sexual Violence</i> This category is limited to services that support victims of family and sexual violence and address perpetrator behaviour.	196,669	196,669	191,993
<i>Community Connectors</i> This category is limited to Community Connection services to provide targeted advice and support for vulnerable individuals, whānau and communities.	9,096	9,096	-
<b>Non-Departmental Other Expenses</b>			
<i>Community Response to Adverse or Emergency Events</i> This category is limited to financial support for communities that have been impacted by an adverse or emergency event.	15,000	15,000	14,900
<b>Housing Support Assistance MCA (M37) (A25)</b> The single overarching purpose of this appropriation is to support people to access or retain housing.	157,614	148,614	<b>170,811</b>
<b>Non-Departmental Output Expenses</b>			
<i>Provision to better prepare people to access and sustain private rentals</i> This category is limited to the provision of programmes to help prepare people to obtain and sustain private rental accommodation.	2,063	2,063	1,613
<b>Non-Departmental Other Expenses</b>			
<i>Non-Recoverable Housing Support Assistance</i> This category is limited to non-recoverable Housing Support Assistance, to help people obtain and/or retain housing, paid in accordance with criteria set out in delegated legislation made under the Social Security Act 2018.	1,601	1,601	2,396
<b>Non-Departmental Capital Expenditure</b>			
<i>Recoverable Housing Support Assistance</i> This category is limited to recoverable Housing Support Assistance, to help people obtain and/or retain housing, paid in accordance with criteria set out in delegated legislation made under the Social Security Act 2018.	153,950	144,950	166,802

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Improved Employment and Social Outcomes Support MCA (M63) (A25)</b>	1,151,986	1,151,986	<b>1,159,520</b>
The single overarching purpose of this appropriation is to operate the benefit system and associated interventions in such a way as to improve client outcomes (employment and social) by moving them closer to independence, with a focus on those at risk of long term benefit receipt.			
<b>Departmental Output Expenses</b>			
<i>Administering Income Support</i>	449,139	449,139	436,668
This category is limited to assessing, paying, reviewing entitlements and collecting balances owed by clients for income support, supplementary assistance, grants and allowances, and administering international social security agreements relating to disabled people, sole parents, and widows and widowers.			
<i>Improving Employment Outcomes</i>	447,095	447,095	563,520
This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people to help them move into and retain employment.			
<i>Improving Work-Readiness Outcomes</i>	142,730	142,730	116,514
This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people to address barriers to employment to help them become work-ready.			
<i>Jobs and Skills Hubs</i>	8,755	8,755	7,054
This category is limited to expenses incurred in establishing, operating and administering jobs and skills hubs to work with employers to facilitate job brokerage and training.			
<i>Improving Employment Outcomes to Support People Impacted by Extreme Weather Events</i>	10,212	10,212	-
This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people impacted by extreme weather events to help them move into and retain employment.			
<b>Non-Departmental Output Expenses</b>			
<i>He Poutama Rangatahi</i>	44,177	44,177	33,368
This category is limited to supporting training and employment programmes for young people not in education, employment or training and at risk of poor labour market outcomes in the long-term.			
<i>Pacific employment and training programmes</i>	2,396	2,396	2,396
This category is limited to expenses incurred on employment and training programmes that support Pacific peoples.			
<i>Māori Trades and Training Programmes</i>	20,911	20,911	-
This category is limited to expenses incurred on programmes that support Māori through Trades and Training.			
<b>Non-Departmental Other Expenses</b>			
<i>Flexi-Wage Employment Assistance</i>	26,571	26,571	-
This category is limited to providing Flexi-wage employment assistance, for eligible people to help them move into and retain sustainable employment, in accordance with criteria set out by Cabinet or approved by the Minister or in delegated legislation made under the Social Security Act 2018.			

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Partnering for Youth Development MCA (M77) (A25)</b> The single overarching purpose of this appropriation is to improve outcomes for young people through youth development.	23,722	23,722	<b>18,481</b>
<i><b>Departmental Output Expenses</b></i>			
<i>Administering Youth Development</i> This category is limited to developing, promoting and funding a positive youth development approach in partnership with businesses, iwi and the philanthropic and youth sectors.	6,305	6,305	3,882
<i><b>Non-Departmental Output Expenses</b></i>			
<i>Delivering Youth Development</i> This category is limited to purchasing youth development outcomes.	17,417	17,417	14,599
<b>Redress for Abuse in Care MCA (M63) (A25)</b> The single overarching purpose of this appropriation is to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.	38,089	38,089	<b>75,334</b>
<i><b>Departmental Output Expenses</b></i>			
<i>Delivering redress for abuse in care</i> This category is limited to responding to, designing, implementing and delivering redress for abuse in care	3,081	3,081	24,184
<i><b>Non-Departmental Output Expenses</b></i>			
<i>Support Services</i> This category is limited to providing third party support services to people who report experiencing abuse in state care.	-	-	12,150
<i><b>Non-Departmental Other Expenses</b></i>			
<i>Redress Payments</i> This category is limited to providing financial redress to people who experienced abuse in state care.	35,008	35,008	39,000
<b>Supporting Tāngata Whaikaha Māori and Disabled People MCA (M23) (A25)</b> The single overarching purpose of this appropriation is to support tāngata whaikaha Māori and disabled people and their families to create good lives for themselves.	2,605,566	2,605,566	-
<i><b>Departmental Output Expenses</b></i>			
<i>Connecting people with supports and communities</i> This category is limited to the provision, purchase, and support of services connect disabled people and their whānau to supports, information, and their communities.	12,774	12,774	-
<i>Stewardship of the Disability System</i> This category is limited to stewardship of the cross-government disability system and to provide advice and support to Ministers to discharge their portfolio responsibilities.	40,662	40,662	-
<i>Sustainability of Disability Support Services</i> This category is limited to activities supporting the sustainability of Disability Support Services.	12,100	12,100	-
<i><b>Non-Departmental Output Expenses</b></i>			
<i>Community-based support services</i> This category is limited to the provision, purchase, and support of services for disabled people living in a community-based setting.	1,012,629	1,012,629	-
<i>Connecting and strengthening disability communities</i> This category is limited to the provision, purchase, and support of services that connect disabled people and their whānau to supports and information and strengthen their communities.	66,901	66,901	-

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<i>Early intervention support services</i> This category is limited to the provision, purchase, and support of services for disabled people who are early in life, in life transitions, or in vulnerable situations.	66,127	66,127	-
<i>Environmental support services</i> This category is limited to the provision, purchase, and support of environmental support services for disabled people.	245,001	245,001	-
<i>Residential-based support services</i> This category is limited to the provision, purchase, and support of services for disabled people living in a residential-based setting.	1,148,293	1,148,293	-
<b>Non-Departmental Other Expenses</b>			
<i>Community Capacity and Support</i> This category is limited to providing financial assistance towards building capacity and support within disabled communities.	1,079	1,079	-
<b>Total Multi-Category Expenses and Capital Expenditure</b>	4,329,625	4,320,625	1,746,621
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	45,872,676	45,458,776	45,264,670

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Historic Claims (M63) (A25)</b> This appropriation is limited to resolving claims of people who report experiencing abuse or neglect prior to 1 April 2017 while in the care, custody, guardianship, or came to the notice, of the state, including assisting and responding to reviews and inquiries of the historic child welfare system and the redress and rehabilitation process.	Original Appropriation	81,869
	Adjustments to 2023/24	-
	Adjustments for 2024/25	(14,968)
	Adjusted Appropriation	66,901
Commences: 01 July 2024	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	66,901
Expires: 30 June 2027	Estimate for 2025/26	-
	Estimated Appropriation Remaining	-
<b>Departmental Other Expenses</b>		
<b>Ministry of Social Development - Services for the Future Programme (M63) (A25)</b> This appropriation is limited to the design and implementation of a modern system for administering welfare support and related interventions.	Original Appropriation	67,590
	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
	Adjusted Appropriation	67,590
Commences: 01 July 2025	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	-
Expires: 30 June 2030	Estimate for 2025/26	67,590
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Te Pae Tawhiti - Horizon One (M63) (A25)</b> This appropriation is limited to the design and implementation of a modern system for administering welfare support and related interventions.  Commences: 01 July 2023  Expires: 30 June 2026	Original Appropriation	20,000
	Adjustments to 2023/24	143,484
	Adjustments for 2024/25	-
	Adjusted Appropriation	163,484
	Actual to 2023/24 Year End	46,368
	Estimated Actual for 2024/25	117,116
	Estimate for 2025/26	-
	Estimated Appropriation Remaining	-

## Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	45,872,676	45,458,776	45,264,670
Total Forecast MYA Departmental Output Expenses	66,901	66,901	-
Total Forecast MYA Departmental Other Expenses	117,116	117,116	67,590
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>46,056,693</b>	<b>45,642,793</b>	<b>45,332,260</b>

## Capital Injection Authorisations

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry of Social Development - Capital Injection (M63) (A25)	15,128	15,128	16,052

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Addressing the Wrongs of the Past - Redress for Abuse in Care	<b>Historic Claims MYA (M63)</b>	-	(61,925)	-	-	-
	Departmental Output Expenses					
	<b>Redress for Abuse in Care MCA (M63)</b>					
	• Delivering Redress for Abuse in Care	3,081	24,184	38,094	40,395	41,765
	Departmental Output Expenses					
	• Redress Payments	35,008	39,000	51,000	55,500	55,500
	Non-Departmental Other Expenses					
	• Support Services	-	12,150	15,910	17,485	17,485
Adjusting Accommodation Supplement Area Boundaries	Non-Departmental Output Expenses					
	<b>Accommodation Assistance (M63)</b>	-	-	2,333	9,591	9,872
	<b>Hardship Assistance (M63)</b>	-	-	(673)	(2,779)	(2,718)
	Benefits or Related Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	148	1,333	-	-
	Departmental Net Assets					
	<b>Services to Support People to Access Accommodation (M37)</b>	-	151	548	370	721
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	Departmental Output Expenses					
	<b>Accommodation Assistance (M63)</b>	-	(420)	(6,767)	(13,272)	(17,771)
	<b>Disability Assistance (M63)</b>	-	(584)	(10,823)	(24,457)	(38,019)
	<b>Hardship Assistance (M63)</b>	-	(41)	(2,576)	(15,072)	(16,038)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	271	(2,768)	(8,489)	(12,349)
	<b>Supported Living Payment (M63)</b>	-	(712)	(9,170)	(19,766)	(30,409)
	<b>Winter Energy Payment (M63)</b>	-	(7)	(22)	(24)	(27)
	Benefits or Related Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Administering Income Support	21	1,465	9,280	24,503	24,544
	Departmental Output Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	417	5,288	2,634	-	-

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
	Departmental Net Assets					
	<b>Recoverable Assistance (M63)</b>	-	-	-	(228)	(245)
	Non-Departmental Capital Expenditure					
Changes to Welfare Settings to Support People into Employment and Off-Benefit	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	(12,882)	(9,963)	(10,202)	(10,202)
	Benefits or Related Expenses					
Child and Youth Strategy - Delivering on the Government's Priorities	<b>Community Support Services MCA (M63)</b>					
	• Improving Children's Participation in Education	-	1,642	376	-	-
	Non-Departmental Output Expenses					
Delivering Quality and Timely Primary Care: Next Steps and Implementation	<b>Student Allowances (M63)</b>	-	-	-	-	73
	Benefits or Related Expenses					
	<b>Student Loans (M57)</b>	-	264	536	760	1,364
	Non-Departmental Capital Expenditure					
Drawdown of Children and Young People's Commission Tagged Contingency	<b>Children and Young People's Commission (M63)</b>	-	5,059	5,059	5,059	5,059
	<b>Independent Children's Monitor (M63)</b>	-	400	400	400	400
	Non-Departmental Output Expenses					
	<b>Children and Young People's Commission Capital Injection (M63)</b>	1,400	-	-	-	-
	Non-Departmental Capital Expenditure					
	<b>Planning, Correspondence and Monitoring (M63)</b>	-	170	170	170	170
	Departmental Output Expenses					
Employment Services - Investing in Frontline Staff and Employment Programmes	<b>Accommodation Assistance (M63)</b>	-	(3,361)	(11,777)	(16,212)	(14,140)
	<b>Disability Assistance (M63)</b>	-	(179)	(602)	(831)	(741)
	<b>Hardship Assistance (M63)</b>	-	(1,471)	(5,130)	(7,208)	(6,500)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	(34,459)	(121,430)	(168,019)	(147,240)
	<b>Winter Energy Payment (M63)</b>	-	(721)	(2,549)	(3,579)	(3,161)
	Benefits or Related Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Improving Employment Outcomes	-	136,271	165,629	17,400	-
	• Improving Work-Readiness Outcomes	-	12,000	12,000	-	-
	Departmental Output Expenses					



Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	2,104	406	-	-
	Departmental Net Assets					
Food Secure Communities - Funding to Respond to Demand for Food Support	<b>Community Support Services MCA (M63)</b>					
	• Community Response to Adverse or Emergency Events	-	14,900	-	-	-
	Non-Departmental Other Expenses					
	<b>Data, Analytics and Evidence Services (M63)</b>	-	100	-	-	-
	Departmental Output Expenses					
Growing Up in New Zealand (GUINZ) Study - Recognising Savings	<b>Data, Analytics and Evidence Services (M63)</b>	(6,820)	-	-	-	-
	Departmental Output Expenses					
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	<b>Accommodation Assistance (M63)</b>	-	-	(4,671)	(18,648)	(17,521)
	<b>Hardship Assistance (M63)</b>	-	-	237	958	847
	Benefits or Related Expenses					
	<b>Services to Support People to Access Accommodation (M37)</b>	-	406	1,757	21	21
	Departmental Output Expenses					
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	<b>Accommodation Assistance (M63)</b>	-	(2,686)	(2,686)	(2,686)	-
	<b>Disability Assistance (M63)</b>	-	(69)	(69)	(69)	-
	<b>Hardship Assistance (M63)</b>	-	(718)	(718)	(718)	-
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	(12,958)	(12,958)	(12,958)	-
	Benefits or Related Expenses					
	<b>Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (M63)</b>	-	4,401	4,309	4,309	-
	Departmental Output Expenses					

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	<b>Accommodation Assistance (M63)</b>	-	-	-	-	(138,000)
	<b>Disability Assistance (M63)</b>	-	-	-	-	(4,000)
	<b>Hardship Assistance (M63)</b>	-	-	-	-	(31,000)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	-	-	-	(128,000)
	<b>New Zealand Superannuation (M63)</b>	-	-	-	-	(1,000)
	<b>Sole Parent Support (M63)</b>	-	-	-	-	(80,000)
	<b>Supported Living Payment (M63)</b>	-	-	-	-	(28,000)
	<b>Winter Energy Payment (M63)</b>	-	-	-	-	(2,000)
	<b>Youth Payment and Young Parent Payment (M63)</b>	-	-	-	-	(3,000)
	Benefits or Related Expenses					
	<b>Data, Analytics and Evidence Services (M63)</b>	-	-	-	300	300
	Departmental Output Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Administering Income Support	-	3,735	4,085	3,868	4,176
	Departmental Output Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	3,021	6,000	6,992	-
	Departmental Net Assets					
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	<b>Debt Write-downs (M63)</b>	-	-	-	6,736	6,560
	Non-Departmental Other Expenses					
	<b>Hardship Assistance (M63)</b>	-	-	-	39,172	38,153
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	-	-	(163,617)	(162,223)
	Benefits or Related Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Administering Income Support	-	582	3,983	16,266	15,906
	Departmental Output Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	172	1,545	-	-
	Departmental Net Assets					
	<b>Recoverable Assistance (M63)</b>	-	-	5,596	22,452	21,868
	Non-Departmental Capital Expenditure					

Policy Initiative	Appropriation	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
MSD - Services for the Future Programme - Year 3	<b>Ministry of Social Development - Services for the Future Programme MYA (M63)</b>	-	67,590	-	-	-
	Departmental Other Expenses					
Partial Drawdown from the Children and Young People's Commission Tagged Contingency Fund	<b>Children and Young People's Commission (M63)</b>	2,093	-	-	-	-
	Non-Departmental Output Expenses					
	<b>Policy Advice (M63)</b>	500	-	-	-	-
	Departmental Output Expenses					
Redress for Survivors of Abuse in Care: Work on an Improved Redress Pathway and Interim Enhancements to Current Process	<b>Historic Claims MYA (M63)</b>	4,435	12,889	-	-	-
	Departmental Output Expenses					
Stabilising Disability Support Services-Funded Residential Care	<b>Community Participation Services (M63)</b>	(18,410)	-	-	-	-
	Non-Departmental Output Expenses					
	<b>Supporting Tāngata Whaikaha Māori and Disabled People MCA (M23)</b>					
	• Residential-based Support Services	-	78,410	60,000	60,000	60,000
	Non-Departmental Output Expenses					
Tertiary Education - Increased Fees	<b>Student Loans (M57)</b>	-	36,337	45,133	46,164	47,273
	Non-Departmental Capital Expenditure					
<b>Total Initiatives</b>		<b>21,725</b>	<b>329,917</b>	<b>233,001</b>	<b>(109,963)</b>	<b>(542,247)</b>

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2020/21	2021/22	2022/23	2023/24	2024/25		2025/26			2026/27	2027/28	2028/29
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
<b>Appropriations</b>												
Output Expenses	482,154	450,940	454,547	483,253	541,140	541,140	374,983	168,485	543,468	490,787	489,471	482,919
Benefits or Related Expenses	28,545,299	29,890,295	32,440,292	35,663,484	38,602,981	38,277,181	N/A	40,419,671	40,419,671	41,811,678	43,208,654	44,305,165
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,266,999	5,563,065	606,326	319,651	361,300	341,300	67,590	201,369	268,959	203,050	212,204	214,524
Capital Expenditure	1,994,884	1,782,423	1,819,398	1,824,167	2,151,682	2,092,582	65,972	2,287,569	2,353,541	2,336,956	2,361,254	2,402,393
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	1,273,037	1,595,507	1,681,922	1,673,391	1,558,830	1,558,830	1,194,830	328,693	1,523,523	1,527,004	1,424,752	1,409,289
<i>Other Expenses</i>	52,583	213,116	126,893	61,781	78,180	78,180	-	56,296	56,296	53,597	58,233	58,250
<i>Capital Expenditure</i>	10,896	2,709	32,994	109,994	153,950	144,950	N/A	166,802	166,802	177,286	187,346	191,783
<b>Total Appropriations</b>	33,625,852	39,498,055	37,162,372	40,135,721	43,448,063	43,034,163	1,703,375	43,628,885	45,332,260	46,600,358	47,941,914	49,064,323
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	23,716	30,356	7,455	35,997	14,135	14,135	N/A	13,240	13,240	13,780	13,887	13,909
Capital Receipts	876,328	919,881	961,742	1,035,277	1,135,448	1,135,448	N/A	1,139,565	1,139,565	1,138,255	1,139,662	1,147,668
<b>Total Crown Revenue and Capital Receipts</b>	900,044	950,237	969,197	1,071,274	1,149,583	1,149,583	N/A	1,152,805	1,152,805	1,152,035	1,153,549	1,161,577

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

## Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

	2020/21 Adjustments \$000	2021/22 Adjustments \$000	2022/23 Adjustments \$000	2023/24 Adjustments \$000	2024/25 Final Budgeted Adjustments \$000	2024/25 Estimated Actual Adjustments \$000
<b>Appropriations</b>						
Output Expenses	(19,129)	(19,950)	(23,602)	(48,674)	(66,901)	(66,901)
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	-	-	(370)	(286)	(3,064)	(3,064)
Capital Expenditure	-	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	19,129	16,210	(2,037,180)	(2,280,336)	(2,537,586)	(2,537,586)
<i>Other Expenses</i>	-	-	-	(2,069)	(1,079)	(1,079)
<i>Capital Expenditure</i>	-	-	-	-	-	-
<b>Total Appropriations</b>	-	(3,740)	(2,061,152)	(2,331,365)	(2,608,630)	(2,608,630)
<b>Crown Revenue and Capital Receipts</b>						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	-	-	-	-	-

Two adjustments have been made to the historical vote amounts. Appropriations related to Disability Support Services have been removed as they were transferred to Vote Disability Support Services effective 1 July 2025. The Historic Claims Multi-Year Appropriation has been transferred to Output Expenses in the Multi-Category Expenses and Capital Expenditure section to align with the new appropriation, Redress for Abuse in Care.

## 1.3 - Analysis of Significant Trends

### *Output Expenses*

The reduction from 2020/21 to 2021/22 was mainly due to a decrease in corporate support services provided to Oranga Tamariki (\$36.212 million), with the trend then holding steady in 2022/23.

The trend increases from 2022/23 to 2023/24 mainly due to the Driver Licence Support initiative (\$13.547 million) and increased funding for Community Participation Services (\$6.899 million).

The trend then increases further from 2023/24 to 2024/25 mainly due to increases in Community Participation Services (\$20.646 million) largely due to expense transfers, and to Services to Support People to Access Accommodation (\$16.266 million) and Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (\$6.261 million) largely as a result of prior year reclassifications. Further variances resulted from additional expenditure for Management of Student Loans (\$6.067 million) along with increasing Driver Licence Support spending (\$5.913 million).

The output expenses trend remains stable for 2025/26 before decreasing in 2026/27 because of reduced funding for Services to Support People to Access Accommodation (\$40.472 million) as the initiative Emergency Housing - Tightening Gateway Settings and Continuing Support Services is completed.

The output expenses baseline trend is then stable from 2026/27 onwards.

### *Other Expenses*

The trend increased from 2020/21 to 2021/22 with expenditure on the COVID-19 business support subsidy scheme in the first half of the 2021/22 financial year (\$3,507 million). This was as a result of changes in alert levels throughout New Zealand in response to COVID-19 community outbreaks. There was also increased expenditure on the COVID-19 Leave Support Scheme (\$463.196 million).

The trend decreased significantly from 2021/22 to 2022/23 mainly due to a decrease in expenditure on the COVID-19 business support subsidy scheme (\$4,703 million) and the COVID-19 Leave Support Scheme (\$198.209 million).

There is a significant decrease in expenditure from 2022/23 to 2023/24 mainly due to time-limited funding ending for the COVID-19 Leave Support Scheme (\$259.711 million).

Forecast expenditure increases from 2023/24 to 2024/25 mainly due to the phasing of the MSD Services for the Future Programme (previously called Te Pae Tawhiti) (\$70.748 million), partially offset by reductions in the Apprenticeship Support Programme (\$35.970 million) as the programme scope was narrowed, and due to the COVID-19 Leave Support Scheme ending (\$13.481 million).

There is a further decrease in forecast expenditure from 2024/25 to 2025/26 primarily due to lower funding levels for Services for the Future Programme (\$49.526 million) and the Apprenticeship Support Programme (\$28.021 million), reflecting funding agreed at Budget 2024.

Forecast expenditure decreases from 2025/26 to 2026/27 are mainly due to time-limited funding ending for Services for the Future Programme (\$67.590 million) with future funding held in a contingency.

### *Non-Departmental Capital Expenditure*

The majority (around 80 percent) of Non-Departmental Capital Expenditure is for Student Loans. Student Loans expenditure fell from \$1,554 million in 2020/21 to \$1,362 million in 2022/23, due largely to a falling number of loans, before increasing to \$1,438 million in 2023/24, largely due to policy adjustments affecting the average loan size. Expenditure is expected to increase to \$1,726 million in 2024/25 due primarily to a higher number of loans and policy adjustments. Expenditure is expected to increase further to \$2,020 million in 2028/29 as loan values continue to increase largely reflecting ongoing Consumer Price Index (CPI) increments.

Recoverable Assistance is the next largest appropriation within Non-Departmental Capital Expenditure. Recoverable Assistance expenditure increased from \$349 million in 2020/21 to \$376 million in 2022/23, although there was a temporary fall in expenditure in 2021/22 following the impact of COVID-19 lockdowns and a lower number of people on a benefit. Expenditure decreased to \$301 million in 2023/24, largely due to housing-related grants being paid via the Housing Support Assistance MCA since March 2023. Expenditure is expected to rise to \$317 million by 2028/29 as demand for hardship assistance continues, the average payment per grant rises, and the Jobseeker Support - Tightening Eligibility for 18-19-year-olds policy is implemented.

### *Multi-Category Expenses and Capital Expenditure*

The trend significantly increased from 2020/21 to 2021/22 mainly due to increased expenditure on the community response to COVID-19 (\$111.568 million), an increase in expenditure on improving employment outcomes (\$142.391 million), an increase for Community Support and Advice in response to COVID-19 (\$80.292 million) and an increase for Flexi-Wage Employment Assistance (\$50.192 million). There was also an increase in expenditure for the employment programmes Māori Trades and Training and He Poutama Rangatahi that were transferred from Vote Labour Market on 1 July 2021 (\$32.022 million). Also, there was an increase in expenditure on Administering Income Support including from a change in the accounting treatment for Software as a Service arrangements (\$56.274 million).

The trend increased further from 2021/22 to 2022/23 with increases across a range of areas including increases to Recoverable Housing Assistance (\$30.285 million), further increases in the He Poutama Rangatahi (\$32.097 million) and Māori Trades and Training (\$29.417 million) employment programmes. Developing and Managing Community Services (\$32.786 million) and Supporting Victims and Perpetrators of Family and Sexual Violence (\$14.331 million) also had increases. This was partially offset by a reduction in Community Response to Adverse or Emergency Events (\$77.790 million).

The trend is stable from 2022/23 to 2023/24.

The trend decreases from 2023/24 to 2024/25 largely as a result of reductions in the Improving Employment Outcomes (\$106.469 million) and Administering Income Support (\$56.360 million) categories due to fiscal savings and the end of a number of time-limited funding initiatives. This is partially offset by increases in the expected costs of Redress for Abuse In Care (\$56.316 million) and Recoverable Housing Support Assistance (\$34.956 million).

Estimated MCA spending falls from 2024/25 to 2025/26 due to reductions in the expected cost of Redress for Abuse in Care (\$29.656 million) as some one-off costs occur in 2024/25 and further savings reduction across the Community Support Services (\$30.173 million) as funding ends for initiatives such as Community Connectors.

The Multi-Category Expenses and Capital Expenditure baseline trend is stable in 2026/27.

The trend declines from 2026/27 to 2027/28 mainly due to reductions in Improving Employment and Social Outcomes and Support (\$104.816 million) as the short-term investment related to Employment Services - Investing in Frontline Staff and Employment Programmes is completed.

The Multi-Category Expenses and Capital Expenditure baseline trend is then relatively stable from 2027/28 onwards.

### *Non-Departmental Benefits or Related Expenses*

Expenditure in Vote Social Development Benefits or Related Expenses (BoRE) increased by \$7,118 million (25 percent) from \$28,545 million in 2020/21 to \$35,663 million in 2023/24.

New Zealand Superannuation accounts for the majority of total BoRE expenditure. Expenditure on New Zealand Superannuation, as a proportion of total BoRE spending, has increased from 58 percent in 2020/21 to 60 percent in 2023/24, and is expected to rise further, reaching 65 percent by 2028/29.

The main drivers of expected growth in total BoRE spending between 2024/25 and 2028/29 are the increasing number of superannuitants, and inflation/wage adjustments to New Zealand Superannuation and inflation adjustments to main benefit payment rates.

### *Accommodation Assistance*

On 1 July 2024, Emergency Housing - Special Needs Grants was transferred from the Accommodation Assistance appropriation to the new Emergency Housing Assistance appropriation. As a result, we have excluded expenditure on Emergency Housing - Special Needs Grants from the Accommodation Assistance expenditure data between 2020/21 to 2023/24 to ensure a consistent series. The main component in the Accommodation Assistance appropriation is the Accommodation Supplement.

Expenditure increased by \$122 million (6 percent) from \$1,981 million in 2020/21 to \$2,104 million in 2023/24, largely due to an increasing average payment for Accommodation Supplement recipients. The number of people receiving Accommodation Supplement fell from 364,100 in 2020/21 to 347,000 in 2022/23, before increasing to 358,400 in 2023/24.

Expenditure is expected to increase to \$2,289 million in 2025/26 due to an increase in the number of people receiving Accommodation Supplement. The number of people receiving Accommodation Supplement is expected to increase by 22,400 (6 percent) to 380,900 in 2025/26.

Over the remainder of the forecast period, expenditure is expected to decrease to \$2,107 million in 2028/29 as the number of people receiving Accommodation Supplement is expected to fall to 363,000 in that year.

### *Jobseeker Support and Emergency Benefit*

Expenditure increased by \$839 million (26 percent) from \$3,224 million in 2020/21 to \$4,062 million in 2023/24. This was mainly driven by policy decisions to increase benefit payments in July 2021, April 2022, and April 2023. The average number of people receiving Jobseeker Support and Emergency Benefit fell from 211,000 in 2020/21 to 177,400 in 2022/23, before increasing to 194,200 in 2023/24.

Expenditure for this appropriation is expected to increase by \$776 million (19 percent) between 2023/24 and 2025/26, reaching \$4,839 million. The growth from 2023/24 to 2025/26 is largely driven by an increase in the average number of people receiving Jobseeker Support and Emergency Benefit, from 193,400 in 2023/24 to 221,200 in 2025/26.

Expenditure is then expected to decline, reaching \$4,420 million in 2028/29 as the number of people receiving Jobseeker Support and Emergency Benefit declines to 193,700.



### *New Zealand Superannuation*

Expenditure increased by \$5,006 million (30 percent) from \$16,569 million in 2020/21 to \$21,574 million in 2023/24. Expenditure is expected to increase by \$5,778 million (25 percent) from \$23,180 million in 2024/25 to \$28,957 million in 2028/29.

The number of people on New Zealand Superannuation grew by 73,900 people (9 percent) between 2020/21 and 2023/24 to an average of 898,700. The number of people is expected to continue growing, reaching an average of 1,052,000 by 2028/29.

Over the full nine-year period spanning 2020/21 to 2028/29, expenditure is expected to increase by \$12,389 million (75 percent); this reflects both an increase in the expected number of people receiving New Zealand Superannuation of 227,700 (28 percent), and accumulated inflation and wage adjustments.

### *Sole Parent Support*

Expenditure rose by \$642 million (44 percent) from \$1,455 million in 2020/21 to \$2,097 million in 2023/24. The number of people on Sole Parent Support increased by 9,500 (14 percent) between 2020/21 and 2023/24, from 66,300 to 75,800. Some of the increase reflects a policy change where the subsequent child policy was removed and around 5,700 sole parents on Jobseeker Support were transferred to Sole Parent Support. Policy decisions to increase benefit payments in July 2021, April 2022, and April 2023, further contributed to the increase in expenditure over this period.

Expenditure is expected to decrease by \$88 million (4 percent) from \$2,257 million in 2024/25 to \$2,169 million in 2028/29. This is due to the average number of people on Sole Parent Support, which after increasing from an expected 78,800 in 2024/25 to 79,600 in 2025/26, is expected to decrease to 71,800 in 2028/29. This is partly offset by the annual inflation adjustment of the payment rates.

### *Supported Living Payment*

Expenditure rose by \$705 million (39 percent) from \$1,826 million in 2020/21 to \$2,530 million in 2023/24, with the annual inflation adjustment of the payment rates contributing to most of this growth. The number of people on Supported Living Payment also rose over this period, from 97,100 in 2020/21 to 104,900 in 2023/24. Growth in the number of people receiving the Supported Living Payment reflects population growth coupled with an ageing population leading to increases in demand for health condition and disability benefits.

Expenditure for this appropriation is expected to increase by \$354 million (13 percent) from \$2,669 million in 2024/25 to \$3,023 million in 2028/29 with the annual inflation adjustment of the payment rates being expected to contribute to most of this growth. The average number of people is expected to increase by 5,300 (5 percent) from 107,700 in 2024/25 to 113,100 in 2028/29.

## 1.4 - Reconciliation of Changes in Appropriation Structure

2024/25 Appropriations in the 2024/25 Structure	2024/25 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2024/25 Appropriations in the 2025/26 Structure	2024/25 (Restated) \$000	2025/26 \$000
Non-Departmental Output Expenses		Non-Departmental Output Expenses		Non-Departmental Output Expenses		
Community Participation Services	116,223	Community Participation Services	17,415	Community Participation Services	133,638	133,647
Supporting Equitable Pay for Care and Support Workers	17,415	Supporting Equitable Pay for Care and Support Workers	(17,415)		-	-
Total	133,638		-		133,638	133,647

The pay equity settlement funding is consolidated into the Community Participation Services appropriation from 1 July 2025 to align disability support services contracts and simplify the administration of these contracts.

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Administration of Service Cards (M63) (A25)

##### *Scope of Appropriation*

This appropriation is limited to assessing entitlement for and issuing the Community Services Card, SuperGold Card and Veteran SuperGold Card, and providing information about the Community Service Card.

##### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,025	8,025	7,165
Revenue from the Crown	8,025	8,025	7,165
Revenue from Others	-	-	-

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve financial assistance to low-income New Zealanders and older people by the accurate and timely assessment and issuing of discount service cards.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of card entitlement assessments completed accurately will be no less than (see Note 1)	95%	95%	95%
The percentage of card entitlement assessments completed within five working days will be no less than (see Note 2)	90%	95%	90%

Note 1 - Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 2 - The timeframe is calculated from the day when all information required to complete an assessment is received to the day the client is advised of the outcome. This is based on a representative sample of completed applications.

##### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(62)	(77)	(77)	(77)	(77)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(25)	(25)	(25)	(25)	(25)
Reduction in Workforce - Ministry of Social Development	2024/25	(60)	(60)	(60)	(60)	(60)
<b>Previous Government</b>						
Ministry of Social Development - Frontline Staff to Maintain MSD Service Levels	2023/24	306	76	-	-	-
Ministry of Social Development - Departmental Price Pressures	2023/24	142	149	157	157	157
Ministry of Social Development - Collective Bargaining Commitments	2023/24	134	210	210	210	210
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	188	54	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	361	361	361	361	361
Community Connect - Public Transport Concessions for Community Services Cardholders	2022/23	737	737	737	737	737

## Reasons for Change in Appropriation

The decrease in this appropriation for 2025/26 is mainly due to:

- \$564,000 due to funding ending for technology infrastructure for Community Connect programme (Capital to operating swap)
- \$230,000 to retain frontline service levels for income support and employment services following the ending of COVID-19 funding, and
- \$134,000 for the Ministry's service delivery cost pressures initiative.

## Corporate Support Services (M63) (A25)

### Scope of Appropriation

This appropriation is limited to the provision of corporate support services to other agencies.

## Expenses and Revenue

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	19,272	19,272	19,646
Revenue from the Crown	-	-	-
Revenue from Others	19,272	19,272	19,646

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve quality and efficient corporate support services.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted under s15D(1) of the PFA, as this Departmental Output Expense appropriation relates exclusively to outputs supplied by the Ministry of Social Development to one or more other departments.

*Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to \$719,000 for the establishment of the Ministry of Disabled People in December 2024.

The above is partially offset by \$345,000 from a one-off increase to the appropriation in 2024/25 for shared services provided to Oranga Tamariki.

**Data, Analytics and Evidence Services (M63) (A25)***Scope of Appropriation*

This appropriation is limited to providing data, analytics and evidence services to better inform government decision-making.

*Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	39,793	39,793	40,815
Revenue from the Crown	39,793	39,793	40,815
Revenue from Others	-	-	-

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to improve the design and delivery of policy and services through more effective use of data and analytics. This includes public reporting of research, evaluation and performance information and data.

*How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of products produced by MSD that support more effective use of data and analytics will be no less than (see Note 1)	90%	90%	90%
The percentage of stakeholders surveyed that responded that they "agree" or "strongly agree" that the product(s) they received enabled them to make better decisions will be no less than (see Note 2)	80%	90%	80%
Average forecast variances for Vote Social Development - Benefits or Related Expenses (BoREs) in the 12 months to June are within the range of (see Note 3)	+/-2%	+/-2%	+/-2%

Note 1 - A sample of data and insights products produced (including reports, briefings, analysis, advice, tools, curated data, and responses to OIAs/PQs/Media) are assessed against a Quality Framework. The principles of the framework are:

- effective and intentional commissioning
- getting methodology and process right
- delivering to business needs
- building collective knowledge and capability.

Note 2 - Internal stakeholders and the Minister for Social Development and Employment are surveyed using pulse-check survey results. The recipients of the survey are the end users of a cross-section of data and insights products.

Note 3 - BoREs are a type of appropriation that cover transfers of resource from the Crown, usually to individuals, where nothing is expected directly in return (for example, Student Allowances). The Budget Standard is the average variance between forecast and actual monthly spend.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2027/28	-	-	-	300	300
Food Secure Communities - Funding to Respond to Demand for Food Support	2025/26	-	100	-	-	-
Growing Up in New Zealand (GUINZ) Study - Recognising Savings	2024/25	(6,820)	-	-	-	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(501)	(564)	(564)	(564)	(564)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(134)	(134)	(134)	(134)	(134)
Reduction in Workforce - Ministry of Social Development	2024/25	(912)	(912)	(912)	(912)	(912)
Minimum Wage Exemption - Discontinuation of the Wage Supplement	2023/24	(100)	(100)	-	(100)	(100)
<b>Previous Government</b>						
Wage Supplement to Replace Minimum Wage Exemption	2024/25	50	100	100	100	100
Employment Programmes - Direct Career Guidance Service	2023/24	150	-	-	-	-
Employment Programmes - Early Response Redeployment Support and Rapid Return to Work	2023/24	150	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Employment Programmes - Vocational Rehabilitation Services for Musculoskeletal Pain	2023/24	225	-	-	-	-
Employment Programmes - Oranga Mahi	2023/24	400	-	-	-	-
Growing Up in New Zealand Research - Cost Pressure	2023/24	7,083	11,739	344	-	-
Ministry of Social Development - Collective Bargaining Commitments	2023/24	593	930	930	930	930
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,641	1,641	1,641	1,641	1,641
Training Incentive Allowance - Supporting Eligible People to Study	2023/24	-	73	73	73	73
Wage Supplement to Replace Minimum Wage Exemption	2023/24	50	-	(100)	-	-
Driver licence support - Better access to licences for disadvantaged groups to improve employment and safety outcomes	2022/23	258	125	125	125	125
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2022/23	250	-	-	-	-
Preventing Family Violence and Sexual Violence: Actioning Te Aorerekura's Prevention Shift	2022/23	150	-	-	-	-
Community Services: Improving Access to Support Services for Communities in Regional New Zealand	2021/22	50	50	50	50	50
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	185	185	185	185	185
Enabling the Transfer of Three MBIE Skills and Employment Initiatives to MSD	2021/22	500	500	500	500	500
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	379	379	379	379	379
Main Benefit Increase and Other changes - 1 July 2021	2021/22	100	100	100	100	100
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	1,417	1,417	1,417	1,417	1,417
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	208	208	208	208	208

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$4.656 million to provide funding for four years to continue the Growing Up in New Zealand longitudinal study.

The above is partially offset by:

- \$2.609 million transfer from 2025/26 to 2027/28 for the revised timeframe of the Growing Up in New Zealand study, and
- \$925,000 in 2024/25 to provide for evaluation work on employment programmes.

## Enhancement and Promotion of SuperGold Cards (M61) (A25)

### *Scope of Appropriation*

This appropriation is limited to promoting, enhancing and delivering information about the SuperGold and Veteran SuperGold cards, and enlisting businesses to provide discounts to SuperGold cardholders.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,729	1,729	1,734
Revenue from the Crown	1,729	1,729	1,734
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to recognise the valued contribution of older New Zealanders by providing easy access to discounted products and services, and information about the use of the cards.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The number of new businesses joining the SuperGold card programme will be no less than (see Note 1)	375	400	375

Note 1 - The SuperGold Card is a free discounts and concessions card available to New Zealanders who are aged 65 years or over, as well as people who otherwise meet the eligibility criteria in regulation 287 of the Social Security Regulations 2018.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	7	12	12	12	12
Ministry of Social Development Departmental Price Pressures	2023/24	8	8	9	9	9
Public Sector Pay adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	14	14	14	14	14



## Income Support and Assistance to Seniors (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to processing and administering New Zealand Superannuation payments, social security entitlements and international social security agreements to older people, providing advice to older people, and assessing financial entitlement to residential subsidies.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	56,735	56,735	65,804
Revenue from the Crown	56,735	56,735	65,804
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the accurate and timely assessment and payment of entitlements to older people.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of entitlement assessments for payment of entitlements to older people completed accurately will be no less than (see Notes 1 and 2)	95%	90%	95%
The percentage of entitlement assessments for payment of entitlements to older people finalised within standard timeframes will be no less than (see Notes 1 and 3)	90%	80%	90%
The average score for client satisfaction for those who are receiving New Zealand Superannuation will be no less than (see Disclosure 1 and Note 4)	New measure	New measure	8

Disclosure 1 - This measure has been added to provide further performance information on this appropriation.

Note 1 - Entitlements to older people refer to applications for New Zealand Superannuation, and applications for supplementary benefits that MSD offers (such as Disability Allowance and Accommodation Supplement) for recipients of New Zealand Superannuation.

Note 2 - Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 3 - Standard timeframes are:

- six working days from the last piece of information received to be enable a decision to be made for domestic clients
- 20 working days from the date the first piece of information is received for overseas-based clients and Residential Care Services clients.

This is based on a representative sample of completed applications.

Note 4 - This measure is a question from MSD's Heartbeat survey which is provided to clients immediately following an engagement with MSD. It relates to their experience of the overall service they received on the day of their engagement and is on a scale of 1 to 10. The average score is based on all responses to this question from the cohort of clients who are receiving New Zealand Superannuation at the time of their engagement with MSD.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(931)	(1,156)	(1,156)	(1,156)	(1,156)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(378)	(378)	(378)	(378)	(378)
Reduction in Workforce - Ministry of Social Development	2024/25	(909)	(909)	(909)	(909)	(909)
<b>Previous Government</b>						
Frontline Staff to Maintain Ministry of Social Development Service Levels	2023/24	1,918	479	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	987	1,034	1,088	1,088	1,088
Ministry of Social Development - Collective Bargaining Commitments	2023/24	931	1,460	1,460	1,460	1,460
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	1,178	335	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	2,030	2,030	2,030	2,030	2,030
Enabling the separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	355	355	355	355	355
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	729	729	729	729	729
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	2,725	2,725	2,725	2,725	2,725
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	396	396	396	396	396

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$11 million due to a one-off decrease to the appropriation in 2024/25 to provide for changes in frontline activity in that financial year, and
- \$529,000 to fund remuneration increases arising from collective bargaining commitments.

The above is partially offset by:

- time limited funding of \$1.439 million to retain frontline service levels for income support and employment services reducing, and
- time limited funding of \$843,000 reducing for the Ministry's service delivery cost pressures initiative.

### **Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (M63) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to services to minimise errors, fraud and abuse of the benefit system and Income-Related Rent, and services to manage the collection of overpayments, recoverable assistance loans and other balances owed by former clients.

#### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	63,767	63,767	65,448
Revenue from the Crown	63,767	63,767	65,448
Revenue from Others	-	-	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve a welfare system that operates with fairness and integrity by ensuring that the right people receive the right entitlements and assistance, and identifies and resolves overpayments.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of cases of suspected fraud which are resolved through non-investigative intervention (see Note 1) will be no less than	60%	80%	60%
The percentage of fraud cases (see Notes 1 and 2) responded to through an investigations process that result in an entitlement change will be no less than	55%	60%	55%
The percentage of debt arrangements with non-current clients that remain in place for at least 60 days will be no less than (see Note 3)	66%	66%	66%

Note 1 - MSD has a three-tier approach to responding to fraud allegations. MSD's overall approach is to intervene early when concerns are raised, to make it easy for clients to do the right thing and avoid unnecessary overpayments and debt while still responding appropriately to serious fraud.

The first two tiers are non-investigative and are comprised of:

- early intervention - engaging with clients early to discuss any integrity issues raised, confirm obligations, and adjust entitlements, where appropriate
- facilitation - working more intensively with a client to assess their situation against their entitlements and adjust these entitlements where necessary. This could mean an overpayment debt for a client in some situations.

The third tier is:

- investigation - gathering information and acting on serious client integrity issues, which could result in an overpayment and in the most serious cases prosecution. Prosecutions are considered in line with MSD's Prosecution Policy and the Solicitor General's Prosecution guidelines, taking into account the full circumstances of each individual case.

Note 2 - The performance standard relates to the number of people that are subject to an investigation by specialist fraud staff (for example, one investigation can involve multiple people).

Note 3 - Non-current clients are people who no longer receive financial assistance from Work and Income but still have a debt to repay. MSD's approach to recovering debt from non-current clients has moved away from the limited focus of getting people repaying their debt as quickly as possible once they leave benefit, towards a broader focus on enabling a client to sustain repayment. MSD works with non-current clients to arrange a rate of repayment that is sustainable based on their income levels and situation after they exit the benefit.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	-	4,401	4,309	4,309	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(769)	(955)	(955)	(955)	(955)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(332)	(332)	(332)	(332)	(332)
Reduction in Workforce - Ministry of Social Development	2024/25	(823)	(823)	(823)	(823)	(823)
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	1,200	1,881	1,881	1,881	1,881
Ministry of Social Development - Departmental Price Pressures	2023/24	1,273	1,333	1,402	1,402	1,402
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	2,753	687	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	1,690	481	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	3,037	3,037	3,037	3,037	3,037
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	302	302	302	302	302
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	620	620	620	620	620
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	2,319	2,319	2,319	2,319	2,319
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	337	337	337	337	337

## Reasons for Change in Appropriation

The increase in this appropriation for 2025/26 is mainly due to:

- \$4.401 million due to the Income Charging - Phase 1 initiative which realises benefit savings by funding additional staff to increase the number of checks of client income against information from Inland Revenue, and
- \$681,000 to fund remuneration increases arising from collective bargaining commitments.

The above is partially offset by time limited funding ending for:

- \$2.066 million to retain frontline service levels for income support and employment services following the ending of COVID-19 funding, and
- \$1.209 million for the Ministry's service delivery cost pressures initiative.

## Management of Student Loans (M57) (A25)

### *Scope of Appropriation*

This appropriation is limited to assessing, administering, processing and reviewing entitlements for Student Loan payments and providing guidance to students making financial and study decisions.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	30,001	30,001	23,689
Revenue from the Crown	30,001	30,001	23,689
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve reduced financial barriers to tertiary study by providing accurate and timely assessment and payment of Student Loans.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of entitlement assessments for a Student Loan completed accurately (see Note 1) will be no less than	95%	95%	95%
The percentage of initial entitlement assessments for a Student Loan completed within five working days (see Note 2) will be no less than	95%	95%	95%

Note 1 - This refers to the final assessment, when all information required to assess has been received, which advises the student of the outcome of their application. Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 2 - The initial entitlement assessment is the first assessment to occur on the application. It does not include any subsequent action required, for example, where the application is incomplete and further information is received. Timeliness is counted from the date the application is received to the date the application is first assessed. This is based on a representative sample of completed applications.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Fees Free - Replacing First-Year with Final-Year Fees Free	2024/25	1,269	2,640	3,379	4,193	4,193
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(273)	(339)	(339)	(339)	(339)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(113)	(113)	(113)	(113)	(113)
Reduction in Workforce - Ministry of Social Development	2024/25	(276)	(276)	(276)	(276)	(276)
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	531	833	833	833	833
Ministry of Social Development Departmental Price Pressures	2023/24	563	590	621	621	621
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	1,250	312	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	768	218	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,406	1,406	1,406	1,406	1,406
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	113	113	113	113	113
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	232	232	232	232	232
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	867	867	867	867	867
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	126	126	126	126	126

## Reasons for Change in Appropriation

The decrease in this appropriation for 2025/26 is mainly due to:

- \$5 million due to a one-off increase to the appropriation in 2024/25 to provide for changes in frontline activity in that financial year
- time limited funding of \$938,000 to retain frontline service levels for income support and employment services reducing, and
- time limited funding of \$550,000 reducing for the Ministry's service delivery cost pressures initiative.

## Management of Student Support (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to managing non-recoverable financial support to students, involving assessing, administering and processing Student Allowance payments and other income support to eligible secondary and tertiary students.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	29,815	29,815	23,590
Revenue from the Crown	29,815	29,815	23,590
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve reduced financial barriers to tertiary study by providing accurate and timely assessment and payment of non-recoverable financial support for students.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of entitlement assessments for a Student Allowance completed accurately (see Note 1) will be no less than	95%	95%	95%
The percentage of initial entitlement assessments for a Student Allowance completed within five working days (see Note 2) will be no less than	95%	95%	95%

Note 1 - This refers to the final assessment, when all information required to assess has been received, which advises the student of the outcome of their application. Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 2 - The initial entitlement assessment is the first assessment to occur on the application. It does not include any subsequent action required, for example, where the application is incomplete and further information is required. Timeliness is counted from the date the application is received to the date the application is first assessed. This is based on a representative sample of completed applications.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.



## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(273)	(339)	(339)	(339)	(339)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(113)	(113)	(113)	(113)	(113)
Reduction in Workforce - Ministry of Social Development	2024/25	(276)	(276)	(276)	(276)	(276)
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	531	833	833	833	833
Ministry of Social Development Departmental Price Pressures	2023/24	563	590	621	621	621
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	1,250	312	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	768	218	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,406	1,406	1,406	1,406	1,406
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	114	114	114	114	114
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	233	233	233	233	233
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	872	872	872	872	872
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	127	127	127	127	127

## Reasons for Change in Appropriation

The decrease in this appropriation for 2025/26 is mainly due to:

- \$5 million due to a one-off increase to the appropriation in 2024/25 to provide for changes in frontline activity in that financial year
- time limited funding of \$938,000 to retain frontline service levels for income support and employment services reducing, and
- time limited funding of \$550,000 reducing for the Ministry's service delivery cost pressures initiative.

The above is partially offset by \$302,000 to fund remuneration increases arising from collective bargaining commitments.

## Planning, Correspondence and Monitoring (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to providing planning, reporting and monitoring advice (other than policy decision-making advice) on Crown entities, statutory appointment advice on Crown entities and statutory tribunals, and correspondence services to support Ministers to discharge their portfolio responsibilities.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,775	7,775	6,584
Revenue from the Crown	7,775	7,775	6,584
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve effective and efficient ministerial, advisory and administrative services to support Ministers to discharge their portfolio responsibilities.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Crown Entity Monitoring</b>			
The percentage of reports provided to responsible Ministers within agreed timeframes in relation to either the accountability of Crown entities or appointments to Crown entities and/or statutory tribunals will be no less than (see Disclosure 1)	95%	95%	Measure removed
The score for the Minister for Social Development and Employment's satisfaction with the services provided by the Crown entities monitoring and appointments function will be no less than (see Disclosure 1 and Note 1)	Replacement measure	Replacement measure	3.5
<b>Ministerial and Executive Services</b>			
The percentage of draft written parliamentary questions, ministerial correspondence and Official Information Act replies provided to Ministers that meet the agreed quality and timeliness standards (see Note 2) will be no less than	95%	95%	95%

Disclosure 1 - The existing measure is being replaced with a Ministerial satisfaction measure which better reflects the intent of the funding.

Note 1 - The Minister is surveyed annually, and the survey uses a five-point scale from 'very dissatisfied' to 'very satisfied'.

Note 2 - The quality standard is that a draft provided for the Minister's signature is factually accurate, meets all legislative requirements and contains no avoidable errors. Agreed timeframes are:

- ministerial correspondence replies completed within 20 working days of receipt by MSD, unless otherwise agreed
- responses to written parliamentary questions provided to the Minister's office so that answers can meet the timeframe set in Parliamentary Standing Orders
- replies to ministerial Official Information Act requests completed five days prior to the statutory time limit, unless otherwise agreed.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Drawdown of Children and Young People's Commission Tagged Contingency	2025/26	-	170	170	170	170
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(48)	(60)	(60)	(60)	(60)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(12)	(12)	(12)	(12)	(12)
Reduction in Workforce - Ministry of Social Development	2024/25	(17)	(17)	(17)	(17)	(17)
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	89	140	140	140	140
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	134	134	134	134	134

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to a one-off increase of \$1.400 million in 2024/25 to provide for increased Crown monitoring and Ministerial services costs in that financial year.

The above is partially offset by \$170,000 for monitoring the newly established Crown entity, Independent Children's Monitor.

## Policy Advice (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to providing advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government social policy and related matters, including social sector issues.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	23,668	23,668	23,047
Revenue from the Crown	23,668	23,668	23,047
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve high-quality policy advice to support decision-making.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The score for the Minister for Social Development and Employment's satisfaction with the services provided by the policy function, based on the common Ministerial Policy Satisfaction Survey and on a five-point scale, will be no less than	4	4	4
The score for the Minister for Child Poverty Reduction's satisfaction with the services provided by the policy function, based on the common Ministerial Policy Satisfaction Survey and on a five-point scale, will be no less than	4	4	4
In relation to the quality of policy advice, the average score for policy papers assessed using the common Policy Quality Framework, on a five-point scale, will be no less than (see Note 1)	3.5	3.5	3.5
In relation to the quality of policy advice, the distribution of scores for policy papers assessed using the common Policy Quality Framework:			
• score 4 or higher will be no less than	55%	55%	55%
• score 3 or higher will be no less than	90%	90%	90%
• score 2.5 or lower will be no more than	10%	10%	10%

Note 1 - A sample of MSD's policy papers are assessed by the New Zealand Institute for Economic Research (NZIER).

## End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Partial Drawdown from the Children and Young People's Commission Tagged Contingency Fund	2024/25	500	-	-	-	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(185)	(230)	(230)	(230)	(230)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(71)	(71)	(71)	(71)	(71)
Reduction in Workforce - Ministry of Social Development	2024/25	(577)	(577)	(577)	(577)	(577)
Return of Funding - Equitable Transitions Programme	2023/24	(325)	(200)	-	-	-
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	306	480	480	480	480
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	982	982	982	982	982
Equitable Transitions Programme - Drawdown of tagged contingency from Climate Emergency Response Fund	2022/23	325	200	-	-	-
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	83	83	83	83	83
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	171	171	171	171	171
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	638	638	638	638	638
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	93	93	93	93	93

## Reasons for Change in Appropriation

The decrease in this appropriation for 2025/26 is due to:

- \$500,000 in 2024/25 for legislative review work and for oversight of the Children's system, and
- \$250,000 transfer from 2023/24 to 2024/25 to complete the refresh of the Child and Youth Wellbeing Strategy and for the Ministry to develop a work programme and team structure for the Child Wellbeing and Poverty Reduction Group.

The above is partially offset by \$174,000 to fund remuneration increases arising from collective bargaining commitments.

## Processing of Veteran's Pensions (M75) (A25)

### *Scope of Appropriation*

This appropriation is limited to the processing and administrative aspects of payment of Veteran's Pensions and related allowances.

### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	785	785	757
Revenue from the Crown	785	785	757
Revenue from Others	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the accurate and timely assessment and payment of Veteran's Pensions and related allowances.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of Veteran's Pension entitlement assessments completed accurately will be no less than (see Note 1)	95%	95%	95%
The percentage of Veteran's Pension entitlement assessments completed within timeframes (see Note 2) will be no less than	90%	90%	90%

Note 1 - Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 2 - Standard timeframes are:

- six working days from the last piece of information received to be enable a decision to be made for domestic clients
- 20 working days from the date the first piece of information is received for overseas-based clients and Residential Care Services clients.

This is based on a representative sample of completed applications.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(6)	(7)	(7)	(7)	(7)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(3)	(3)	(3)	(3)	(3)
Reduction in Workforce - Ministry of Social Development	2024/25	(9)	(9)	(9)	(9)	(9)
<b>Previous Government</b>						
Ministry of Social Development Departmental Price Pressures	2023/24	14	15	15	15	15
Ministry of Social Development - Collective Bargaining Commitments	2023/24	13	21	21	21	21
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	30	8	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	19	5	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	43	43	43	43	43

## Promoting Positive Outcomes for Seniors (M61) (A25)

### Scope of Appropriation

This appropriation is limited to providing information and facilitation to protect the rights and interests of older people, to promote local community involvement in senior issues, and ministerial services.

### Expenses and Revenue

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,270	2,270	1,870
Revenue from the Crown	2,270	2,270	1,870
Revenue from Others	-	-	-

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve positive outcomes for seniors through supporting their inclusion in a society where older people can age positively, are highly valued and recognised as an integral part of families and communities, and by supporting greater advocacy of their issues by Ministers.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
The average service quality rating for support provided to the Minister for Seniors will be no less than (see Note 1)	3.5	3.5	3.5
The percentage of stakeholders who report being 'satisfied' or 'very satisfied' with the level of engagement of the Office for Seniors (see Note 2) will be no less than	75%	75%	75%
The Minister for Seniors has approved the Better Later Life Action Plan 2025-28 by 30 June 2025 (see Disclosure 1)	Achieved	Achieved	Measure expired

Disclosure 1 - The measure has been removed as it was time-limited to 30 June 2025.

Note 1 - Every six months the Minister for Seniors and the Office for Seniors in MSD discuss the quality of service provided to the Minister in the previous half-year and agree a service quality rating. These conversations are used to drive performance improvements in the following six months. The service quality rating is on a five-point scale.

Note 2 - Stakeholders are surveyed annually from seniors sector organisations, and central and local government. The survey uses a five-point scale from 'very dissatisfied' to 'very satisfied'.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(10)	(12)	(12)	(12)	(12)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(2)	(2)	(2)	(2)	(2)
Reduction in Workforce - Ministry of Social Development	2024/25	(3)	(3)	(3)	(3)	(3)
<b>Previous Government</b>						
Ministry of Social Development Departmental Price Pressures	2023/24	27	28	30	30	30
Ministry of Social Development - Collective Bargaining Commitments	2023/24	26	40	40	40	40
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	74	74	74	74	74
Better Later Life - Implementing the Strategy	2022/23	685	270	270	270	270
Implementation of the Better Later Life Strategy for Seniors	2021/22	490	490	490	490	490



### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to a reduction of \$415,000 for implementing the Better Later Life Strategy initiative.

### **Services to Support People to Access Accommodation (M37) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to assessing and reviewing eligibility for housing needs and Income-Related Rent, managing the public housing register and supporting the holistic needs of people and their families receiving housing-related case management support.

#### *Expenses and Revenue*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	93,473	93,473	94,834
Revenue from the Crown	93,473	93,473	94,834
Revenue from Others	-	-	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve accurate and efficient operation of the Public Housing Register so that people who are eligible for public housing are accurately assessed, and those who are capable of housing independence move closer towards that.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of Income-Related Rent assessments completed accurately will be no less than (see Notes 1 and 2)	95%	95%	95%
The average time to have a live application placed on to the Public Housing Register from first requesting assistance with emergency housing will be no more than (see Note 3)	30 working days	25 working days	30 working days

**Note 1 - Income-Related Rent** is a government-subsidised rent scheme for social housing tenants with low incomes. MSD calculates a client's rate in accordance with the Public and Community Housing Management Act 1992. Only tenants with verified income are included in this measure.

**Note 2 - Accuracy** measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

**Note 3 - The Public Housing Register** is a record of New Zealanders who are in need of public housing and is comprised of a Housing Register and a Transfer Register. The Housing Register is prioritised by need and consists of public housing applicants who have been assessed as being eligible. The Transfer Register is made up of people already in public housing, but who have requested and are eligible for a transfer to another property.

## End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

## Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Adjusting Accommodation Supplement Area Boundaries	2025/26	-	151	548	370	721
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2025/26	-	406	1,757	21	21
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	38,787	39,940	-	-	-
Housing Supports - Including Boarders' Contribution in the Calculation of Subsidies for Private and Social Housing	2024/25	2,017	3,968	2,407	2,273	2,273
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(968)	(1,202)	(1,202)	(1,202)	(1,202)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(368)	(368)	(368)	(368)	(368)
Reduction in Workforce - Ministry of Social Development	2024/25	(852)	(852)	(852)	(852)	(852)
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	1,010	1,582	1,582	1,582	1,582
Ministry of Social Development - Departmental Price Pressures	2023/24	1,070	1,121	1,179	1,179	1,179
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	2,137	533	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	1,312	373	-	-	-
Approval to Draw Down Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	51	56	58	58	58
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	2,558	2,558	2,558	2,558	2,558
Contracted Emergency Housing (Rotorua Response)	2022/23	3,000	3,000	3,000	3,000	3,000
Housing-related Hardship Assistance - Improving Support for Housing Insecure, and Low-income New Zealanders	2022/23	765	765	765	765	765
Public Housing Register- Supporting Clients on the Public Housing Register	2022/23	2,208	1,913	1,913	1,913	1,913
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	356	356	356	356	356
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	731	731	731	731	731
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	2,731	2,731	2,731	2,731	2,731
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	397	397	397	397	397

*Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$1.951 million for the Housing Supports - Including Boarders' Contributions in the Calculation of Subsidies for Private and Social Housing initiative
- \$1.153 million for the Emergency Housing - Tightening Gateway Settings and Continuing Support Services initiative, and
- \$572,000 to fund remuneration increases arising from collective bargaining commitments.

The above is partially offset by time limited funding reducing by:

- \$1.604 million to retain frontline service levels for income support and employment services, and
- \$939,000 for the Ministry's service delivery cost pressures initiative.

## 2.2 - Departmental Other Expenses

### Ministry of Social Development - Services for the Future Programme (M63) (A25)

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Ministry of Social Development - Services for the Future Programme (M63) (A25)</b> This appropriation is limited to the design and implementation of a modern system for administering welfare support and related interventions.  Commences: 01 July 2025  Expires: 30 June 2030	Original Appropriation	67,590
	Adjustments to 2023/24	-
	Adjustments for 2024/25	-
	Adjusted Appropriation	67,590
	Actual to 2023/24 Year End	-
	Estimated Actual for 2024/25	-
	Estimate for 2025/26	67,590
	Estimated Appropriation Remaining	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable the transformation of MSD's operating and service models.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
The MSD - services for the future programme is on track for its main workstreams (see Disclosure 1 and Notes 1 and 2)	New measure	New measure	Achieved
The score for the Minister for Social Development and Employment's satisfaction with the quality of advice and information provided on the MSD - services for the future programme will be no less than (see Disclosure 1 and Note 3)	New measure	New measure	3.5

Disclosure 1 - The measures in the previous Te Pae Tawhiti - Horizon One appropriation were time-limited to 30 June 2025. These new measures have been chosen as the most appropriate type of measures to cover the intention of the funding.

Note 1 - The main workstreams for the 2025/26 financial year from the Detailed Business Case approved by Cabinet in December 2024 include:

- Service Experience
- Digital Employment
- Effective Commissioning and Partnering (Kotahitanga)
- Contact Centre
- Client Engagement Practice
- Foundations.

Note 2 - The key milestones were agreed by Cabinet in December 2024. The workstreams are considered to be on track if the key milestones are met. Any adjustment to the agreed milestones or deliverables are via a change request to the MSD - Services for the Future Programme Delivery Steering Group or MSD - Services for the Future Programme Committee for agreement.

Note 3 - The Minister's satisfaction is calculated through the quality rating received on advice and information provided to the Minister through regular reporting and the Minister's engagement with MSD Officials. The satisfaction score is measured annually on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations.

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
MSD - Services for the Future Programme - Year 3	2025/26	-	67,590	-	-	-

*Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to \$67.590 million of new funding for Year 3 of the Ministry of Social Development's business transformation programme, which initially began in July 2023.

## 2.3 - Departmental Capital Expenditure and Capital Injections

### Ministry of Social Development - Capital Expenditure PLA (M63) (A25)

#### *Scope of Appropriation*

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Social Development, as authorised by section 24(1) of the Public Finance Act 1989.

#### *Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	40,133	40,133	33,555
Intangibles	48,793	48,793	32,417
Other	-	-	-
<b>Total Appropriation</b>	<b>88,926</b>	<b>88,926</b>	<b>65,972</b>

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the replacement or upgrade of assets in support of the delivery of MSD's services.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Capital expenditure is in accordance with MSD's capital plan (see Disclosure 1 and Note 1)	New measure	New measure	Achieved

Disclosure 1 - A measure has been added to align with performance reporting requirements.

Note 1 - MSD's capital plan aligns with its strategy. The programmes on the plan are for building, replacing and enhancing the assets that are critical for MSD to deliver services.

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

#### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to a revised capital programme of work at the Ministry of Social Development.

*Capital Injections and Movements in Departmental Net Assets***Ministry of Social Development**

Details of Net Asset Schedule	2024/25 Estimated Actual \$000	2025/26 Projected \$000	Explanation of Projected Movements in 2025/26
Opening Balance	351,374	356,327	
Capital Injections	15,128	16,052	Housing Supports - Including Boarders' Contributions in the Calculation of Subsidies for Private and Social Housing (\$5.319 million), Automated Decision-Making (ADM) remediation - implementation of remediation options (\$5.288 million), Income charging phase 2 - sharing Inland Revenue's income data with MSD to improve the accuracy of assistance MSD pays clients (\$3.021 million), Employment Services - Investing in Frontline Staff and Employment Programmes (\$2.104 million), Jobseeker Support - tightening eligibility for 18-19-year-olds (\$172,000), Adjusting Accommodation Supplement Area Boundaries and Introducing a Mechanism for Reflecting Urban Expansion (\$148,000).
Capital Withdrawals	(10,175)	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>356,327</b>	<b>372,379</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Children and Young People's Commission (M63) (A25)

##### *Scope of Appropriation*

This appropriation is limited to the provision of services from the Children and Young People's Commission including the discharge of the Commission's functions, duties and powers under the Children and Young People's Commission Act 2022.

##### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	5,250	5,250	8,216

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide the funding required to maintain the Children and Young People's Commission (previously the Office of the Children's Commissioner).

##### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of key deliverables agreed with the Minister for Social Development and Employment in the Children and Young People's Commission's Statement of Performance Expectations completed to agreed standards (see Note 1) will be no less than	90%	90%	90%
The percentage of key stakeholders that agree that the Children and Young People's Commission's advocacy activities contribute to improving the wellbeing of children and young people will be no less than (see Note 2)	80%	80%	80%

Note 1 - Agreed standards indicate achievement of performance measures, as set out in the Statement of Performance Expectations.

Note 2 - Key stakeholders are surveyed annually and may include mokopuna and communities, iwi and hapū, selected Ministers and government agencies, and youth/children's organisations.

##### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Children and Young People's Commission in its annual report.



### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Drawdown of Children and Young People's Commission tagged contingency	2025/26	-	5,059	5,059	5,059	5,059
Partial Drawdown from the Children and Young People's Commission Tagged Contingency Fund	2024/25	2,093	-	-	-	-

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to a drawdown of \$5.059 million to increase the Children and Young People's Commission's baseline to deliver on its legislated mandate and other functions for children and young people.

The above is partially offset by \$2.093 million in 2024/25 for a partial one-off drawdown from the Children and Young People's Commission tagged contingency fund.

## **Community Participation Services (M63) (A25)**

### *Scope of Appropriation*

This appropriation is limited to the provision of services, resources, assistance and support to people so they can participate in and contribute to the wider community.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	116,223	116,223	133,647

### *Components of the Appropriation*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Community Participation	87,589	87,589	100,307
Very High Needs Individualised assistance	28,634	28,634	33,340
Total	116,223	116,223	133,647

### *Comparators for Restructured Appropriation*

Vote, Type and Title of Appropriation	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Social Development Non-Departmental Output Expenses			
Equitable Pay for Care and Support Workers	17,415	17,415	
Total	133,638	133,638	133,647

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve an increase in opportunities for disabled people to fully participate in their communities by enhancing the skills, knowledge and services available to them.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
The number of disabled people supported to participate in their communities will be no fewer than (see Note 1)	10,200	10,200	10,200

Note 1 - The provider and the client discuss the client's aspirations and goals with respect to participating and contributing to their communities and develop an individual plan for realising these goals. Goals can include developing skills for everyday living, participating in community activities, and contributing to the community through voluntary work and training.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister for Social Development and Employment in the Vote Social Development Non-Departmental Appropriations Report.

### *Service Providers*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
IDEA Services Limited	31,375	31,375	31,375	30 June 2027
CCS Disability Action Incorporated	5,730	5,730	5,282	30 June 2027
Spectrum Care Limited	3,556	3,556	3,556	30 June 2027
Geneva Healthcare Limited	3,388	3,388	3,389	30 June 2027
Hōhepa Services Limited	3,174	3,174	3,342	30 June 2027
There are a further 147 providers with contracts that range from \$3,400 to \$2.163 million	69,000	69,000	86,703	
Total	116,223	116,223	133,647	

The table above presents the top five service providers with funding arrangements with the Ministry of Social Development under the output as at 19 March 2025.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Stabilising Disability Support Services-funded Residential Care	2024/25	(18,410)	-	-	-	-
<b>Previous Government</b>						
PREFU: Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	75	84	94	94	94
Community-Based Services for Disabled People-Expanding Accessibility	2022/23	3,000	3,000	3,000	3,000	3,000
Community Participation Services Appropriation Operating Contingency	2022/23	14,350	14,350	14,350	14,350	14,350

### *Reasons for Change in Appropriation*

The increase in the appropriation is mainly due to the transfer of \$17.415 million from the Supporting Equitable Pay for Care and Support Workers appropriation in 2025/26.

### **Driver Licence Support (M63) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to providing driver licensing assistance to eligible people who face significant barriers to obtaining a driver licence.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	19,460	19,460	20,856

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve equitable access to driver licences to improve employment, wellbeing and safety outcomes.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
The contracted provision for the number of driver licence support places offered aligns with sector capacity and provides coverage for no less than (see Disclosure 1 and Note 1)	19,000	19,000	20,000

Disclosure 1 - The standard has been increased to reflect the funding allocated for the 2025/26 financial year.

Note 1 - This is a multi-agency initiative led by MSD and Waka Kotahi. As it is shared, the measure relates to the driver licence support places across the entire initiative. The new MSD funding framework allows for associated programmes and partnerships at a regional level to contract driver licence support services.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister for Social Development and Employment in the Vote Social Development Non-Departmental Appropriations Report.

### *Service Providers*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
The Auckland Regional Chamber of Commerce & Industry (Incorporated)	1,690	1,690	1,570	30 June 2028
Rule Education Trust	1,570	1,570	1,560	30 June 2028
Blue Light Ventures Incorporated	1,344	1,344	1,063	30 June 2028
Moving Mountains NZ Limited	755	755	755	30 June 2028
MUMA Whanau Services Limited	681	681	681	30 June 2028
There are a further 56 providers with contracts that range from \$12,000 to \$678,000	13,420	13,420	15,227	
<b>Total</b>	<b>19,460</b>	<b>19,460</b>	<b>20,856</b>	

The table above presents the top five service providers who have funding arrangements with the Ministry of Social Development under this output as at 19 March 2025.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Driver Licence Support - Equitable Access to Driver Licences to Improve Employment, Wellbeing and Safety Outcomes	2022/23	19,000	20,000	20,000	20,000	20,000

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to:

- \$1 million for Driver Licence Support - equitable access to driver licences to improve employment, wellbeing and safety outcomes, and
- \$396,000 for the Refugee Driver Training Programme initiative.

## Housing Place-Based Approaches (M37) (A25)

### *Scope of Appropriation*

This appropriation is limited to the delivery of housing-related services and operational support of collective initiatives utilising a place-based approach.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	917	917	917

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to support the planning, delivery and evaluation of collective emergency housing pilot projects utilising place-based approaches, with a view to improving the wellbeing and housing outcomes of clients.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual appropriation for a Non-Departmental Output Expense is less than \$5 million.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Contracted Emergency Housing (Rotorua Response)	2022/23	917	917	917	917	917

## Independent Children's Monitor (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to the provision of services from the Independent Children's Monitor, including the discharge of the Monitor's functions, duties and powers under the Oversight of Oranga Tamariki System Act 2022.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	-	-	400

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve a strengthened independent monitoring and assurance function to provide oversight of the Oranga Tamariki system.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
The Independent Children's Monitor prepares and provides final reports as described in the Oversight of Oranga Tamariki System Act 2022	New measure	New measure	100%
The Independent Children's Monitor completes visits to at least three regions each year to understand how the Oranga Tamariki system is experienced (see Note 1)	New measure	New measure	Achieved
All agencies who are the subject of a final report make commitments to implement changes based on Independent Children's Monitor report findings	New measure	New measure	100%

These measures are in line with the measures in the previous Independent Monitoring and Assurance of the Oranga Tamariki System appropriation in Vote Education Review Office.

Note 1 - The Monitor will visit its ten regions every three years to inform the functions of the Monitor as set out in the Oversight of the Oranga Tamariki System Act 2022.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Independent Children's Monitor in its annual report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Drawdown of Children and Young People's Commission Tagged Contingency	2025/26	-	400	400	400	400

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to a \$400,000 drawdown for 2025/26 for the Independent Children's Monitor to fund the ongoing corporate and board costs.

## Social Workers Registration Board (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to supporting the Social Workers Registration Board deliver mandatory registration and workforce planning for all social workers, and to services to investigate and respond to alleged offending under the Social Workers Registration Act 2003.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	795	795	937

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve effective, strategic, cross-sectoral leadership provided on social worker registration and workforce planning for social workers, and protection for the public from harm caused by people practising as a social worker who may not be qualified or competent to practise as one.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of stakeholders surveyed who rate the leadership provided by the Social Workers Registration Board on work force planning as effective will be no less than (see Note 1)	80%	80%	80%

Note 1 - Stakeholders are surveyed annually and may include selected Ministers, the Aotearoa New Zealand Association of Social Workers, educators and employers.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Social Workers Registration Board in its annual report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Reduction in Crown-Funded Costs - Social Workers Registration Board	2024/25	(53)	(53)	(53)	(53)	(53)

*Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to \$142,000 funding for the social worker investigative function provided for by the Social Workers Registration Act 2003 from 1 July 2025.

**Student Placement Services (M63) (A25)***Scope of Appropriation*

This appropriation is limited to placement services for students for holiday and term employment.

*Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,737	3,737	3,512

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve reduced financial barriers to tertiary study through the effective operation of the Student Job Search placement service so that more students are earning income through paid employment.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual appropriation for a Non-Departmental Output Expense is less than \$5 million.

*Service Providers*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
Student Job Search Aotearoa Incorporated	3,737	3,737	-	30 June 2025
Yet to be determined with contract negotiations.	-	-	3,512	
Total	3,737	3,737	3,512	

The funding is paid to Student Job Search Aotearoa Inc for operation of the Student Job Search placement service.

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is due to a \$225,000 one-off increase in 2024/25 for a three-month period of wind-down for the Permanent Placement Initiative programme operated by Student Job Search.



## 3.2 - Non-Departmental Benefits or Related Expenses

### Accommodation Assistance (M63) (A25)

#### *Scope of Appropriation*

This appropriation is limited to payments for accommodation costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,277,408	2,227,908	2,289,453	2,243,760	2,232,573	2,106,978

#### *Components of the Appropriation*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Budgeted \$000	Estimated Actual \$000	Estimated Actual \$000	Estimated \$000	Estimated \$000	Estimated \$000
Accommodation Supplement	2,227,906	2,227,906	2,289,451	2,243,758	2,232,571	2,106,976
Special Transfer Allowance	2	2	2	2	2	2
Supplementary Estimates Add-on	49,500	-	-	-	-	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social outcomes by providing targeted financial support to help eligible people meet the costs of accommodation.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Accommodation Assistance under the Social Security Act 2018 or any legislation that replaces that Act. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(138,000)
Adjusting Accommodation Supplement Area Boundaries	2026/27	-	-	2,333	9,591	9,872
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2026/27	-	-	(4,671)	(18,648)	(17,521)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	(420)	(6,767)	(13,272)	(17,771)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	(3,361)	(11,777)	(16,212)	(14,140)
Housing Supports - Including Boarders' Contribution in the Calculation of Subsidies for Private and Social Housing	2025/26	-	(6,471)	(33,616)	(36,766)	(36,766)
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	-	(2,686)	(2,686)	(2,686)	-
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	(379,325)	(390,354)	(396,416)	(409,718)	(409,718)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(500)	(1,640)	(2,465)	(2,432)	(2,432)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(3,213)	886	4,846	6,010	6,010
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(7,895)	(7,895)	(7,895)	(7,895)	(7,895)
Public and Transitional Housing - Maintaining and Increasing Public, Transitional and COVID-19 housing supply	2023/24	(638)	(836)	(836)	(836)	(836)
Updating and Reopening the Parent Category Resident Visa	2023/24	137	259	415	415	415
Social Security (Accommodation Supplement) Amendment Bill: Approval for Introduction	2022/23	321	312	304	304	304
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	(2,895)	(964)	(1,846)	(1,846)	(1,846)
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	4,003	4,003	4,003	4,003	4,003
Initial Working for Families Changes to Support Low-income Families	2021/22	(3,618)	(3,618)	(3,618)	(3,618)	(3,618)
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	(19,394)	(19,394)	(19,394)	(19,394)	(19,394)
Main Benefit Increase and Other changes - 1 July 2021	2021/22	(15,111)	(15,111)	(15,111)	(15,111)	(15,111)

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$35 million for an expected increase in the average payment per person, and
- \$33 million for an expected increase in the number of people.

The above is partially offset by:

- \$50 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26, and
- \$6 million for the impact of policy adjustments relating to Investing in Employment Services to achieve the Jobseeker Support reduction target, Income Charging Phase 1 - Additional Integrity Checks of MSD Payments, and Automated Decision-Making (ADM) remediation.

### *Conditions on Use of Appropriation*

Reference	Conditions
Accommodation Supplement is paid under section 65 of the Social Security Act 2018	The Accommodation Supplement provides a 70 percent subsidy for housing costs that exceed a set percentage of the recipient's 'base rate' income (for renters, boarders or homeowners), up to a set maximum amount. The level of assistance depends on the recipient's accommodation costs, tenure type, benefit payment rate, where the recipient lives and on their family size. The Supplement is a non-taxable payment that is asset-tested and income-tested.
Away from Home Allowance is paid under the Away from Home Allowance Welfare Programme pursuant to section 124(1)(d) of the Social Security Act 1964 saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Away from Home Allowance provides assistance with accommodation costs for the caregivers of dependent 16-17 year olds who move away from home to undertake tertiary study or an approved employment related training course. The level of Allowance is based on the same formula as for the Accommodation Supplement. The Allowance is a non-taxable payment.
Special Transfer Allowance is paid under the Special Transfer Allowance Programme 2000 pursuant to section 124(1)(d) of the Social Security Act 1964 saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Special Transfer Allowance provides assistance with accommodation costs to recipients of the Special Transfer Allowance prior to November 2000 and to former Tenure Protection Allowance recipients who have had their present house sold to a private landlord by Housing New Zealand Corporation. Tenure Protection Allowance ceased to exist with the introduction of the Income-Related Rental Subsidy in November 2000. This Allowance is a non-taxable payment.

## Childcare Assistance (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to assistance for the costs of childcare that meets specific quality guidelines, where parents meet activity and income criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	183,046	170,446	178,009	187,365	199,314	204,918

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing financial support to assist caregivers and parents with childcare costs.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Childcare Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2025/26	-	1	-	-	-
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	191	813	874	732	732
Reversing the 20 Hours Early Childhood Education Initiative	2023/24	13,179	13,492	13,867	13,867	13,867
<b>Previous Government</b>						
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	185	260	326	326	326
Extending and Enhancing the Early Learning 20 Hours Free Programme	2023/24	(13,179)	(13,492)	(13,867)	(13,867)	(13,867)
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(915)	(915)	(915)	(915)	(915)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
20 Hours Early Childhood Education Funding Conditions for Home-Based Early Childhood Education Services	2023/24	586	597	603	559	559
Supporting Child Wellbeing by Enhancing Social and Emotional Learning	2022/23	42,235	43,224	43,224	43,224	43,224
Improving Childcare Assistance for Low and Middle-income Families	2021/22	5,989	5,989	5,989	5,989	5,989
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	(100)	(100)	(100)	(100)	(100)
Main Benefit Increase and Other changes - 1 July 2021	2021/22	4,496	4,496	4,496	4,496	4,496

### *Conditions on Use of Appropriation*

Reference	Conditions
<p>Childcare Assistance includes the Childcare Subsidy and the Out of School Care and Recreation Subsidy (OSCAR subsidy). These are paid under sections 76-77 of the Social Security Act 2018 and Part 2 subpart 6 of the Social Security Regulations 2018, pursuant to section 424 of the Social Security Act 2018</p> <p>Specific eligibility for Childcare Subsidy is in r 30 of the Regulations</p> <p>Specific eligibility to OSCAR subsidy is in r 38 of the Regulations</p>	<p>The Childcare Subsidy assists with pre-school costs for caregivers. The Subsidy covers children aged up to 6 years old (not enrolled in school). Childcare Subsidy is payable for up to 50 hours per week of attendance in approved Early Childhood Education (ECE) where a caregiver is engaged in an approved activity such as employment or training, has serious illness or disability or whose dependent child or children have a serious illness or disability, or up to 9 hours per week for caregivers not in employment, training or study. The Childcare Subsidy cannot be used for the same hours as those covered by 20 Hours ECE for 3, 4 and 5 year olds. Childcare Subsidy can be used toward ECE costs where hours exceed six per day or 20 per week. The Childcare Subsidy can be used to cover top-up payments charged by home-based ECE providers for hours covered by 20 hours ECE.</p> <p>The OSCAR subsidy assists with out-of-school care costs for caregivers to take up or remain in paid employment. OSCAR covers 5 to 13 year-olds, and children older than 14 if a Child Disability Allowance is also payable. OSCAR subsidy is available for approved before and after school care for up to 20 hours per week and up to 50 hours per week in approved school holiday programmes. The caregiver must be participating in an approved activity such as employment or training. OSCAR is also payable if the child's principal caregiver has a serious disability or illness. The rates depend on the number of dependent children per household and the income of the principal caregiver/temporary caregiver. Both subsidies are non-taxable and income-tested payments.</p>
Early Learning Programme Assistance is paid under the Family Start and Early Start (Childcare Assistance) Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Early Learning Programme Assistance is provided to caregivers of a dependent child aged between 18 months and 3 years who attend an approved early learning education programme or service. The child's family must also either be enrolled in selected Family Start or Early Start programmes, or had previously been enrolled in the programmes and had received Early Learning Programme Assistance in respect of the child. The Assistance is a non-taxable payment.
Guaranteed Childcare Assistance Payment is paid under the Guaranteed Childcare Assistance Payment Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	The Guaranteed Childcare Assistance Payment (GCAP) provides financial assistance towards the costs of ECE to help young parents who are receiving young parent payments, or who are spouses or partners of specified beneficiaries, to comply with their youth activity obligations (section 170(1)(a) to (c) of the Social Security Act 2018), and young parents who are not beneficiaries to return to, or remain in, courses of secondary instruction. GCAP can be used to cover a top-up payments charged by home-based ECE providers for hours covered by 20 Hours ECE.

## Disability Assistance (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to the Disability Allowance for people with disability costs, the Child Disability Allowance to the caregivers of children with a serious disability, and the Special Disability Allowance for the purpose of defraying expenses from the hospitalisation of a spouse or partner, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018. The Special Disability Allowance may also be paid in accordance with criteria set out in the New Zealand Superannuation and Retirement Income Act 2001.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	499,120	492,120	510,529	512,147	512,400	505,803

### *Components of the Appropriation*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Child Disability Allowance	171,105	171,105	189,858	206,313	221,418	233,878
Disability Allowance	321,015	321,015	320,671	305,834	290,982	271,925
Supplementary Estimates Add-on	7,000	-	-	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social outcomes by providing financial support to help people meet disability-related living costs.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Disability Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(4,000)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2026/27	-	-	(3)	1	-
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	(584)	(10,823)	(24,457)	(38,019)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	(179)	(602)	(831)	(741)
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	-	(69)	(69)	(69)	-
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(196)	(196)	(196)	(196)	(196)
Removing Prescription Co-Payments for All New Zealanders	2023/24	(24,070)	(23,859)	(23,718)	(23,718)	(23,718)
Updating and Reopening the Parent Category Resident Visa	2023/24	15	29	46	46	46
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	264	264	264	264	264

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$8 million for an expected increase in the number of people
- \$6 million for an expected increase in the average payment per person (before inflation adjustments), and
- \$5 million for inflation adjustments to the payment rates.

The above is partially offset by:

- \$7 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

### *Conditions on Use of Appropriation*

Reference	Conditions
Child Disability Allowance is paid under section 78 of the Social Security Act 2018	Child Disability Allowance is a non-taxable allowance that is available to the principal caregiver of a dependent child who has a serious disability. The child must have a disability, need constant care and attention as a result of that disability and be likely to need that care for more than 12 months.
Disability Allowance is paid under section 85 of the Social Security Act 2018 and the Ministerial Direction - Disability Allowance pursuant to section 7 of the Social Security Act 2018	This Allowance assists with additional costs arising from a disability that is likely to continue for a minimum of six months. Disability Allowance only covers additional costs that are not funded or provided by MSD or other agencies. Disability Allowance may be paid to those receiving main benefits and, on an income-tested basis, to New Zealand Superannuation and Veteran's Pension recipients, and low-income earners.
Special Disability Allowance is paid under section 89 of the Social Security Act 2018	This Allowance assists with expenses incurred by a person receiving New Zealand Superannuation or Veteran's Pension, Supported Living Payment on ground of health condition, injury, disability, or total blindness, Jobseeker Support, or a related Emergency Benefit as a result of the hospitalisation of the person's spouse or partner in long-term hospital care or publicly funded long-term residential care.

### **Emergency Housing Assistance (M37) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to payments for emergency housing, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	78,849	75,849	60,048	73,752	77,979	79,087

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social outcomes by providing targeted financial support to help eligible people meet the costs of emergency housing when no alternative housing options are available.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Emergency Housing Assistance under the Social Security Act 2018 or any legislation that replaces that Act. Performance information relating to the administration of the payment is provided under the Improved Employment and Social Outcomes Support MCA.



### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	318,185	294,914	270,064	265,116	265,116

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- \$17 million for an expected decline in the number of grants, and
- \$3 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

The above is partially offset by:

- \$1 million for an expected increase in the average payment per grant.

### *Conditions on Use of Appropriation*

Reference	Conditions
Emergency housing grants are paid under clause 15 of the Emergency Housing Grants Programme established under section 101 of the Social Security Act 2018	<p>A grant may be made to a person with an immediate emergency housing need to access emergency housing under clause 15 of the Emergency Housing Grants Programme</p> <p>The person must comply with the responsibilities in clause 19 of the programme from their 8th night onwards in emergency housing with 3 instances of non-compliance during the same emergency housing event resulting in a non-entitlement period</p>

## **Hardship Assistance (M63) (A25)**

### *Scope of Appropriation*

This appropriation is limited to Civil Defence payments, Funeral Grants, Special Benefit, Special Needs Grants, Temporary Accommodation Assistance and Temporary Additional Support to provide means-tested temporary financial assistance to people with emergency or essential costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	785,330	758,330	837,074	852,548	897,308	890,641

### Components of the Appropriation

	2024/25		2025/26	2026/27	2027/28	2028/29
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Special Benefit	3,471	3,471	2,957	2,500	2,110	1,799
Special Needs Grants	202,641	202,641	210,694	205,304	234,300	229,544
Temporary Accommodation Assistance	1,736	1,736	-	-	-	-
Temporary Additional Support	550,482	550,482	623,423	644,744	660,898	659,298
Supplementary Estimates Add-on	27,000	-	-	-	-	-

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve social outcomes by providing financial support to meet essential or emergency costs for people living in financial hardship.

### How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Hardship Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(31,000)
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	-	39,172	38,153
Adjusting Accommodation Supplement Area Boundaries	2026/27	-	-	(673)	(2,779)	(2,718)
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2026/27	-	-	273	958	847
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	(41)	(2,576)	(15,072)	(16,038)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	(1,471)	(5,130)	(7,208)	(6,500)
Housing Supports - Including Boarders' Contribution in the Calculation of Subsidies for Private and Social Housing	2025/26	-	(8,491)	(26,766)	(28,096)	(28,096)
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	-	(718)	(718)	(718)	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(1,348)	(1,803)	(2,053)	(2,059)	(2,059)
Seeking decisions on the future of the interim Temporary Accommodation Assistance Programme	2024/25	(3,864)	-	-	-	-
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(203)	574	8	(1,717)	(1,717)
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-Commitment Funding	2023/24	(17,155)	(17,155)	(17,155)	(17,155)	(17,155)
Removing Prescription Co-Payments for All New Zealanders	2023/24	(1,311)	(1,231)	(1,195)	(1,195)	(1,195)
Updating and Reopening the Parent Category Resident Visa	2023/24	31	59	86	86	86
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	10,674	10,941	10,941	10,941	10,941
Housing-Related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	(6,712)	(6,606)	(6,606)	(6,606)	(6,606)
Special Needs Grants for Dental Treatment - Improving Adequacy and Accessibility	2022/23	35,160	37,403	37,403	37,403	37,403
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	(839)	(616)	(294)	(294)	(294)
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	(487)	(487)	(487)	(487)	(487)
Initial Working for Families Changes to Support Low-income Families	2021/22	(2,545)	(2,545)	(2,545)	(2,545)	(2,545)
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	(4,680)	(4,680)	(4,680)	(4,680)	(4,680)
Main Benefit Increase and Other changes - 1 July 2021	2021/22	1,094	1,094	1,094	1,094	1,094

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$39 million for an expected increase in the number of people for Temporary Additional Support
- \$36 million for an expected increase in the average payment per person for Temporary Additional Support, and
- \$6 million for an expected increase in the number of grants for Special Needs Grants.

The above is partially offset by:

- \$27 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26, and
- \$6 million for an expected decline in the number of people for Temporary Accommodation Assistance as this payment no longer exists from 1 July 2025.

## Conditions on Use of Appropriation

Reference	Conditions
Funeral Grants are paid under section 90 of the Social Security Act 2018	Funeral Grants are discretionary payments designed to help people with actual and reasonable funeral costs up to a set maximum. The Grant depends on the assessable estate of the deceased person, and on the assets and income of the surviving spouse or partner (if any) or, if the deceased is a child, on the assets and income of the parents and other people liable in law to maintain the child. The Grant is a non-taxable payment.
Special Benefit is continued under clause 19 of Schedule 1 of the Social Security Act 2018, and the Direction in Relation to Special Benefit as saved by clause 2(1) of Schedule 1 of the Social Security Act 2018 as if it were given to MSD under section 7 of the Act	Special Benefit provides assistance to clients whose particular financial circumstances and commitments are causing them financial hardship. Special Benefit is available to beneficiaries and low-income earners who were receiving it immediately before 1 April 2006 and for whom Special Benefit has not been cancelled (except temporarily). Special Benefit is not intended as a long-term solution to a client's financial shortfall. It is instead paid to help clients meet essential costs while they make efforts to reduce their commitments and live within their usual income. This Benefit is a non-taxable payment.
Special Needs Grants are paid under the Special Needs Grants Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	The Special Needs Grant Programme assists people with an immediate, essential, emergency or otherwise qualifying need where they have no other means of paying for it. Grants include Special Assistance to the Rural Sector, which assists farmers who are unable to meet living expenses because of adverse events (such as flooding). Special Need Grants are income and cash asset-tested. The Grants are generally one-off recoverable or non-recoverable, non-taxable financial assistance, although grants can be made on a continuing basis for living expenses to some people (for example, under the rural assistance provisions).
Temporary Additional Support is paid under section 96 of the Social Security Act 2018 and part 2 subpart 10 of the Social Security Regulations 2018 made pursuant to section 428 of the Social Security Act 2018	Temporary Additional Support (TAS) provides financial assistance as a last resort to alleviate financial hardship for people whose essential costs cannot be met from their chargeable income and other resources. This support became available from 1 April 2006. This non-taxable payment is made to help meet essential living costs while clients reduce their commitments and live within their usual income. The standard period for each TAS granted is 13 weeks.

## Jobseeker Support and Emergency Benefit (M63) (A25)

### Scope of Appropriation

This appropriation is limited to means-tested income support for people who are eligible for Jobseeker Support or an Emergency Benefit, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### Expenses

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	4,711,258	4,644,258	4,838,669	4,715,403	4,496,691	4,419,972

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve employment and social outcomes by providing means-tested income support to people not in employment but seeking it, temporarily unable to work, or who are in hardship and not eligible for another main benefit.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Jobseeker Support and Emergency Benefit under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(128,000)
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	-	(163,617)	(162,223)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	271	(2,768)	(8,489)	(12,349)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	(34,459)	(121,430)	(168,019)	(147,240)
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	-	(12,958)	(12,958)	(12,958)	-
Changes to Welfare Settings to Support People into Employment and Off-Benefit	2025/26	-	(12,882)	(9,963)	(10,202)	(10,202)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(27,144)	(29,346)	(28,889)	(28,746)	(28,746)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	15,382	(68,624)	(143,935)	(201,500)	(201,500)
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(4,039)	(4,039)	(4,039)	(4,039)	(4,039)
Updating and Reopening the Parent Category Resident Visa	2023/24	1,912	3,174	4,674	4,674	4,674
Addressing Issues with the Fair Residency Bill	2022/23	686	686	686	686	686
Changes to the Fair Residency Bill	2022/23	(514)	(719)	(965)	(1,232)	(1,232)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	47,402	47,259	47,915	47,915	47,915
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	14,899	14,899	14,899	14,899	14,899
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	394,656	394,656	394,656	394,656	394,656
Main Benefit Increase and Other Changes - 1 July 2021	2021/22	286,788	286,788	286,788	286,788	286,788
Reinstating the Training Incentive Allowance for levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	6,988	-	-	-	-
Welfare Overhaul: Removing the Subsequent Child policy	2021/22	(104,695)	(104,695)	(104,695)	(104,695)	(104,695)

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$283 million for inflation adjustments to the payment rates, and
- \$128 million for an expected increase in the number of people.

The above is partially offset by:

- \$150 million for an expected decrease in the average payment per person (before inflation adjustments)
- \$67 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26
- \$47 million for the impact of policy adjustments, mainly relating to Investing in Employment Services to achieve the Jobseeker Support reduction target, and Income Charging Phase 1 - Additional Integrity Checks of MSD Payments, and
- \$20 million for an expected increase in the amount of debt establishments.

### *Conditions on Use of Appropriation*

Reference	Conditions
Jobseeker support is paid under sections 20-28 of the Social Security Act 2018 as set out in the Direction in relation to Emergency Benefit and Benefits on Ground of Hardship saved by clause 2(1) of Schedule 1 of the Social Security Act 2018 as if it were a Ministerial direction given under section 7 the Social Security Act 2018	<p>Jobseeker Support is available for people who are not in full-time employment but are either:</p> <ul style="list-style-type: none"> <li>• looking for and available for work</li> <li>• would be looking for and available for work but for circumstances that would qualify the person for an exemption under section 105, or</li> <li>• willing to undertake work but limited in their capacity to work due to sickness, injury or disability.</li> </ul> <p>It is also payable to people who are in employment but losing earnings because, through sickness, injury, or disability, they are not working at all or working only at a reduced level. It is also available from the 27th week of pregnancy (or earlier if there are complications). It is a work-tested benefit, though some are expected to prepare for work if they have a deferral from work obligations. Net weekly rates depend on age and family status. The sole parent rate is the same as for Sole Parent Support. This Benefit is taxable and is paid after deductions for debt and overseas pension recoveries are made. Jobseeker Support may also be paid to full-time students between the end of one academic year and the start of the next if they are experiencing hardship.</p> <p>From 1 July 2025, Jobseeker Support is a temporary benefit paid for up to 26 weeks. If clients still require Jobseeker Support after 26 weeks, they must complete the 26-week reapplication process.</p> <p>Jobseeker Support is sometimes payable on grounds of hardship, as set out in the Emergency Benefit and Benefits on Ground of Hardship Ministerial Direction. This is provided the applicant meets the job seeking or sickness criteria for Jobseeker Support, but not the residency requirements and is in hardship, and does not qualify for any other main benefit.</p>
Emergency Benefit is paid under section 63 and 64 of the Social Security Act 2018 and the Direction in relation to Emergency Benefit and Benefits on Ground of Hardship saved by clause 2(1) of Schedule 1 of the Social Security Act 2018 as if it were a direction given to MSD under section 7 of the Social Security Act 2018	<p>Emergency Benefit is payable on the grounds of hardship to people who are unable to earn a sufficient livelihood and are not eligible to receive any other main benefit. Emergency Benefit can also be paid instead of, or in substitution for, specified main benefits under the Act the person is otherwise eligible to receive (otherwise known as the "analogous benefit"), with the exception of New Zealand Superannuation. Rates of payment can vary but cannot exceed the rate of the analogous benefit that would be otherwise payable. This appropriation is inclusive of tax and is after deductions for debt establishments and overseas pension recoveries.</p>

## New Zealand Superannuation (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to an income for people who have reached the qualifying age of 65 years and fulfil the residency requirements, as provided for in the New Zealand Superannuation and Retirement Income Act 2001.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	23,226,700	23,179,700	24,690,940	26,116,079	27,604,618	28,957,231

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social participation and independence for superannuitants by providing them with financial support.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of New Zealand Superannuation under the New Zealand Superannuation and Retirement Income Act 2001. Performance information relating to the administration of the payments is provided under the Income Support and Assistance to Seniors appropriation.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(1,000)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	34,349	179,763	304,798	318,681	318,681
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-Commitment Funding	2023/24	(24)	(24)	(24)	(24)	(24)
Addressing Issues with the Fair Residency Bill	2022/23	(4,231)	(4,231)	(4,231)	(4,231)	(4,231)
Changes to the Fair Residency Bill	2022/23	3,167	4,493	6,033	7,706	7,706

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$777 million for an expected increase in the number of people, and
- \$776 million for inflation and wage adjustments to the payment rates.

The above is partially offset by:

- \$47 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26
- \$19 million for an expected decrease in the average payment per person (before inflation and wage adjustments), and
- \$18 million for the impact of other technical changes relating to changes to the ACC earners levy.

### *Conditions on Use of Appropriation*

Reference	Conditions
New Zealand Superannuation is paid under Part 1 of the New Zealand Superannuation and Retirement Income Act 2001	New Zealand Superannuation provides income for people who have reached the qualifying age of 65 and fulfilled the residency requirements. It includes different rates for a person who lives alone, shares accommodation or is married or in a civil union or de facto relationship. The varying rates of New Zealand Superannuation paid is set out in Schedule 1 of the New Zealand Superannuation and Retirement Income Act 2001. This appropriation is inclusive of tax and is after deductions for debt establishments and overseas pension recoveries.

## **Orphan's/Unsupported Child's Benefit (M63) (A25)**

### *Scope of Appropriation*

This appropriation is limited to the Orphan's/Unsupported Child's Benefit and additional assistance to provide income support for people charged with the responsibility for a child whose parents are dead or cannot be located, suffer a serious long-term disablement, or where there has been a breakdown in the child's family, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	410,499	402,199	416,772	429,014	439,873	447,080

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social outcomes by providing income support to the principal caregivers of orphans and unsupported children.



### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Orphan's/Unsupported Child's Benefit under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Improving Financial Assistance for Caregivers	2021/22	17,979	17,979	17,979	17,979	17,979
Initial Working for Families Changes to Support Low-income Families	2021/22	6,923	7,293	7,293	7,293	7,293

### *Conditions on Use of Appropriation*

Reference	Conditions
The Orphan's and Unsupported Child's Benefits are paid under sections 43-48 of the Social Security Act 2018 and additional assistance is paid under the Orphan's and Unsupported Child's Benefit (Additional Assistance) Programme which is saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018. The Establishment Grant and School and Year Start-up payments are included in the Orphan's and Unsupported Child's Benefit (Additional Assistance) Programme	Orphan's Benefit and Unsupported Child's Benefit, and associated grants, are paid to a principal caregiver or principal temporary caregiver of a dependent child whose parent(s) cannot support them or care for them because the parents are dead, cannot be located, or the child has a serious long-term disablement or there has been a breakdown in the child's family. Both Benefits are not income-tested on the caregiver's income or assets but are on the child's income excluding the personal earnings of the child. Both Benefits are non-taxable payments.

## Sole Parent Support (M63) (A25)

### Scope of Appropriation

This appropriation is limited to means-tested income support for people who are eligible for Sole Parent Support, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### Expenses

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,285,475	2,257,175	2,331,471	2,302,578	2,270,412	2,169,461

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve employment and social outcomes by providing means-tested income support to sole parents while they are caring for dependent children.

### How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Sole Parent Support under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(80,000)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(9,657)	(10,307)	(10,055)	(9,972)	(9,972)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	7,911	(35,639)	(75,446)	(106,325)	(106,325)
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(21,989)	(21,989)	(21,989)	(21,989)	(21,989)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	22,896	23,462	23,366	23,366	23,366
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	3	3	3	3	3

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	72,927	72,927	72,927	72,927	72,927
Main Benefit Increase and Other changes - 1 July 2021	2021/22	100,308	100,308	100,308	100,308	100,308
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	18,107	-	-		-
Welfare Overhaul: Removing the Subsequent Child Policy	2021/22	104,695	104,695	104,695	104,695	104,695

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$57 million for inflation adjustments to the payment rates, and
- \$23 million for an expected increase in the number of people.

The above is partially offset by:

- \$28 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

### *Conditions on Use of Appropriation*

Reference	Conditions
Sole Parent Support is paid under Sections 29 to 33 of the Social Security Act 2018	Sole Parent Support provides income support for sole parents with a dependent child younger than 14 years of age. Work preparation obligations usually apply to Sole Parent Support recipients with a child younger than three years of age. Part-time work obligations usually apply to Sole Parent Support recipients whose youngest child is aged three and less than 14. The weekly amounts quoted in Schedule 4 Part 2 of the Social Security Act 2018, are before Family Tax Credit payments. The benefit is income-tested. The appropriation is inclusive of tax and is after deductions for debt establishments and overseas pension recoveries.

## Special Circumstance Assistance (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to financial assistance to people in special circumstances and comprises the Clothing Allowance, and providing assistance for community costs, domestic violence and witness protection relocation, home help, social rehabilitation assistance, telephone costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018; and Civilian Amputees Assistance, paid in accordance with criteria set out in the Disabled Persons Community Welfare Act 1975.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	12,073	11,173	11,859	12,291	12,932	13,383

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social outcomes by providing financial support to people to meet costs arising from special circumstances as described in the Conditions on Use of Appropriation table.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Special Circumstance Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Conditions on Use of Appropriation*

Reference	Conditions
Civilian Amputee Assistance is paid under a Ministerial arrangement under section 30 of the Disabled Persons Community Welfare Act 1975	The Civilian Amputee Assistance payment is made to assist people with travel, accommodation and other costs incurred when attending a limb centre.
Clothing Allowance is paid under section 71 of the Residential Care and Disability Support Services Act 2018 and the Residential Care and Disability Support Services Regulations 2018 (made pursuant to section 74 of the Residential Care and Disability Support Services Act 2018)	The Clothing Allowance is available to all recipients of a Residential Care Subsidy or Residential Care Loan. It is payable annually. This assistance is non-taxable.
Home Help is paid under the Home Help Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Home Help is available to families who require temporary part-time domestic help (such as housework, laundry and food preparation) because of a domestic emergency, multiple births or other reason (other than for age, ill health or disability-related reasons). This assistance is subject to a means test except in multiple birth cases. This assistance is non-taxable.

Reference	Conditions
Social Rehabilitation Assistance is paid under the Social Rehabilitation Assistance Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Social Rehabilitation Assistance provides financial assistance to help people in approved residential social rehabilitation programmes to pay the cost of their treatment or care in those programmes. Payment is made direct to the social rehabilitation provider. To be eligible a resident must receive an income-tested benefit, New Zealand Superannuation or Veteran's Pension and cannot receive Accommodation Supplement, Disability Allowance, Special Benefit or Temporary Additional Support at the same time. This assistance is non-taxable.
Telephone Costs Payment is paid under the Telephone Costs Payment Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	The Telephone Costs Payment provides assistance with telephone rental costs to those people that received a Disability Allowance for telephone rental costs as at 31 March 1999. The rate of payment is adjusted so the Telephone Costs Payment plus any Disability Allowance payable does not exceed the maximum payment rate for Disability Allowance. These payments are non-taxable.
Community Costs payments are paid under the Community Costs Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	The Community Costs payment assists people in certain short-term residential treatment programmes to help them to re-integrate into the community at the end of their treatment programme. This assistance helps clients to meet essential costs in the community that they are not able to meet from their personal allowances or other resources. This assistance is non-taxable and income and cash asset-tested.

## Student Allowances (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to means-tested allowances for students on an approved study programme, paid in accordance with criteria set out in the Student Allowances Regulations 1998; and payment of Student Allowance Transfer Grants to students with dependants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	607,734	577,734	635,207	640,093	637,369	627,826

### *Components of the Appropriation*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Student Allowances	577,207	577,207	634,614	639,486	636,765	627,232
Student Allowance Transfer Grant	527	527	593	607	604	594
Supplementary Estimates Add-on	30,000	-	-	-	-	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing financial support to eligible students to undertake tertiary study.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Student Allowances under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Management of Student Support appropriation.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Delivering Quality and Timely Primary Care: Next Steps and Implementation	2028/29	-	-	-	-	73
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	28	122	209	300	300
Training 25 more Doctors	2024/25	23	63	103	195	195
<b>Previous Government</b>						
Increasing Medical School Enrolments for the 2024 Intake	2026/27	-	-	160	361	443
Waiving Student Support Residency Rules for Families of Those Directly Affected by the Christchurch Mosques Attack	2023/24	335	137	(122)	(70)	(18)
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	56,190	56,190	56,190	56,190	56,190
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	(25,228)	-	-	-	-

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$33 million for an expected increase in the number of people, and
- \$26 million for inflation adjustments to the payment rates.

The above is partially offset by:

- \$30 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

## Conditions on Use of Appropriation

Reference	Conditions
Student Allowances are paid under the Student Allowances Regulations 1998, specifically regulations 7-12	<p>Student Allowances are paid to assist eligible students with their living expenses while they undertake full-time study. This appropriation also includes an accommodation benefit payable to Student Allowance recipients meeting certain criteria under Regulation 9 of the Student Allowances Regulations 1998. A student may be eligible for a Student Allowance if he or she is:</p> <ul style="list-style-type: none"> <li>• a New Zealand citizen, or is ordinarily resident <i>and has lived in New Zealand for at least three years</i> and entitled to reside indefinitely in New Zealand, or meets the criteria in regulation 12 of the Student Allowances Regulations 1998</li> <li>• enrolled in a full-time course/programme at a tertiary provider or a secondary school, is approved to study overseas, or is approved to study in a part-time course, and</li> <li>• aged 18 to 65 if undertaking secondary or tertiary study (under certain circumstances 16-17-year-old students may be eligible) and meets certain income tests.</li> </ul> <p>The rate of allowances payable to students aged under 24 years (previously 25 years) who do not have supported children is dependent on the taxable income of both parents and include an "at home" or "away from home" rate depending on the student's living circumstances. Allowances payable to single students aged 24 years or over are not dependent on parental income and also include an "at home" or "away from home" rate depending on the student's living circumstances. Rates of allowances can also vary depending on the student's relationship status and whether or not they have dependent children. This Allowance is inclusive of taxation and is after deductions for debt establishments.</p>
Student Allowance Transfer Grant is paid under the Student Allowance Transfer Grant Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	<p>The Student Allowance Transfer Grant Programme pays a non-taxable amount to students with a dependant (spouse or child) who would otherwise suffer hardship during the stand-down period while transferring from a Student Allowance to a working-age benefit. The amount payable is equal to one week of the net benefit amount (after abatement) and after deducting any other payment made.</p>

## Study Scholarships and Awards (M63) (A25)

### Scope of Appropriation

This appropriation is limited to scholarships and awards to tertiary students awarded in accordance with Cabinet decisions; and Teach NZ Scholarships awarded in accordance with the Education and Training Act 2020.

### Expenses

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	22,546	22,546	20,426	20,426	20,426	20,426

### Components of the Appropriation

	2024/25		2025/26	2026/27	2027/28	2028/29
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Scholarship and NQF/NCEA Awards	4,639	4,639	4,639	4,639	4,639	4,639
TeachNZ Scholarships	17,907	17,907	15,787	15,787	15,787	15,787

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve employment and social outcomes by providing financial support to eligible students to undertake tertiary study.

### How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Study Scholarships and Awards under the Education and Training Act 2020. Performance information relating to the administration of the payments is provided under the Management of Student Support appropriation.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Repurposing Projected Underspends to Address Ongoing COVID-19 Related Pressures in the Education Sector	2022/23	2,120	-	-	-	-

### Conditions on Use of Appropriation

Reference	Conditions
Scholarship and NQF/NCEA Awards are paid under Cabinet decisions	Scholarship and NQF/NCEA Awards are paid under Cabinet decisions.
TeachNZ Scholarships are awarded under section 616 of the Education and Training Act 2020	TeachNZ Scholarships assist with study to become an early childhood education teacher, a Māori medium teacher or a teacher of specific secondary school subjects. Scholarship recipients have fees paid, and full-time students receive an additional non-taxable allowance for costs. Scholarship recipients are bonded to teach in New Zealand for a period equivalent to the period of assistance, and may have all or part of their scholarship payments recovered as a Student Loan under Schedule 9, Clause 11 of the Education and Training Act 2020 if the bond is breached.



## Supported Living Payment (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to means-tested income support for people who are eligible for the Supported Living Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,691,452	2,669,452	2,781,849	2,881,180	2,975,252	3,023,191

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing income support to people who are permanently and severely restricted in their capacity to work, or who are giving full-time care at home to a person who would otherwise require hospital or similar care.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Supported Living Payment under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Policy Initiative</b>						
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(28,000)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	(712)	(9,170)	(19,766)	(30,409)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(13,461)	(14,751)	(14,722)	(14,706)	(14,706)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	8,790	(40,171)	(85,714)	(121,920)	(12,920)
<b>Previous Government</b>						
Updating and Reopening the Parent Category Resident Visa	2025/26	-	60	153	153	153
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(2,938)	(2,938)	(2,938)	(2,938)	(2,938)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Addressing Issues with the Fair Residency Bill	2022/23	850	850	850	850	850
Changes to the Fair Residency Bill	2022/23	(636)	(892)	(1,197)	(1,529)	(1,529)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	25,675	26,628	27,431	27,431	27,431
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	23	23	23	23	23
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	98,388	98,388	98,388	98,388	98,388
Main Benefit Increase and Other changes - 1 July 2021	2021/22	149,095	149,095	149,095	149,095	149,095

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$68 million for inflation adjustments to the payment rates, and
- \$52 million for an expected increase in the number of people.

The above is partially offset by:

- \$22 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26, and
- \$5 million for an expected decrease in the average payment per person (before inflation adjustments).

### *Conditions on Use of Appropriation*

Reference	Conditions
Sections 34-42 of the Social Security Act 2018 cover the Supported Living Payment and the Supported Living Payment on ground of caring for another person	<p>The Supported Living Payment is paid on medical grounds to people aged 16 years or older who are assessed as being permanently and severely restricted in their capacity for work because of a health condition, injury or disability (ie, one that will last for not less than two years, or is expected to be terminal within that period) that prevents them from regularly working 15 hours or more a week in open employment. They also qualify if they are totally blind.</p> <p>The Supported Living Payment is paid on caring grounds to people who are caring full-time for someone other than their partner who would need hospital or similar care if not in this care. This is paid to people 20 years or older, or 18 if the applicant does not have a dependent child. The benefit is income-tested and subject to income abatement but all earnings from efforts of a totally blind person are excluded. Net weekly rates depend on age, marital and family status. The weekly amounts quoted are before Family Tax Credit payments. This appropriation is inclusive of tax and is after deductions for debt establishments and overseas pension recoveries. The Social Security Agreement between New Zealand and Australia allows New Zealand to make direct payments to recipients of Supported Living Payment for applications made after 1 July 2002, provided they meet the Australian eligibility criteria for a reciprocal benefit.</p>

## Training Incentive Allowance (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to the Training Incentive Allowance, paid in accordance with delegated legislation made under the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	18,155	16,355	23,781	23,569	23,565	23,382

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and work-readiness outcomes by providing financial support to people to assist with training or study related costs.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative as this appropriation is solely for the payment of the Training Incentive Allowance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Training Incentive Allowance - Supporting Eligible People to Study	2024/25	10,187	19,676	19,676	19,676	19,976
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	12,606	-	-	-	-
Transfer of funding for the Training Incentive Allowance up to Level 3 on the New Zealand Qualifications Framework	2021/22	960	960	960	960	960

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to \$7 million for an expected increase in the number of people.

The above is partially offset by \$2 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

### *Conditions on Use of Appropriation*

Reference	Conditions
Training Incentive Allowance (TIA) is paid under clause 6 of the Training Incentive Allowance Programme authorised under section 101 of the Social Security Act 2018	Provision of assistance with costs of undertaking approved study toward qualifications at levels 7 (degree level) and below under the NZQCF. Eligible recipients are sole parents with dependent children in receipt of an eligible benefit under the Social Security Act 2018 and disabled people and carers in receipt of a Supported Living Payment. It contributes towards actual costs the clients incur from attending study, including tuition fees, books, transport and childcare up to a maximum.

### **Transitional Assistance (M63) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to supplementary financial assistance to people who are adversely affected by changes in policy or legislation, so they will not be financially worse off at the point of change, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	126	126	500	500	500	500

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing supplementary financial assistance to people who are adversely affected by changes in policy or legislation.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Transitional Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

#### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to the cumulative impact of previous policy decisions, such as the Families Package.

### *Conditions on Use of Appropriation*

Reference	Conditions
Transitional Assistance is paid in accordance with special assistance programmes approved and established under section 101 of the Social Security Act 2018	The delegated legislation provides for financial assistance to people who are financially disadvantaged as an unintended consequence of the net effects of certain policy packages.

## Veteran's Pension (M75) (A25)

### *Scope of Appropriation*

This appropriation is limited to the provision of the Veteran's Pension, and lump sum payments upon the death of a qualifying veteran or a veteran's qualifying spouse or partner, to eligible veterans and their spouses, partners and dependent children, as set out in the Veterans' Support Act 2014 and delegated legislation made under that Act.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	132,543	131,243	132,278	130,066	128,445	126,816

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve social participation and independence for veterans by providing financial support.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Veteran's Pension under the War Pensions Act 1954 and the Veterans' Support Act 2014. Performance information relating to the administration of the payments is provided under the Processing of Veteran's Pensions appropriation.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	189	909	1,416	1,352	1,352
<b>Previous Government</b>						
Addressing Issues with the Fair Residency Bill	2022/23	(22)	(22)	(22)	(22)	(22)
Changes to the Fair Residency Bill	2022/23	17	21	25	29	29

## Conditions on Use of Appropriation

Reference	Conditions
Veteran's Pension paid in accordance with the criteria set out in the Veterans' Support Act 2014 see s 161 of the Veterans' Support Act 2014	The Veteran's Pension includes payment to ex-service personnel who served in the armed forces in a declared war or emergency and have either: reached the qualifying age for New Zealand Superannuation and qualify Superannuation or who were entitled to receive a Veteran's Pension under the War Pensions Act 1954. A veteran can also be entitled to a pension if he or she was receiving a Veteran's Pension under the War Pensions Act 1954 by reason of infirmity and has not reached the New Zealand Superannuation qualification age, or if he or she were receiving a war disablement pension immediately before the commencement of Part 3 of Veterans' Support Act 2014. The rates of payment are the same as for New Zealand Superannuation. The spouses of deceased Veteran's Pension recipients continue to receive it if entitled under the Veterans' Support Act 2014.

## Winter Energy Payment (M63) (A25)

### Scope of Appropriation

This appropriation is limited to the Winter Energy Payment, paid to eligible people in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### Expenses

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	578,335	560,335	576,688	582,623	586,156	595,736

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve positive social outcomes by providing financial support to meet heating related costs during winter.

### How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of the Winter Energy Payment under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(2,000)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	-	(7)	(22)	(24)	(27)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	(721)	(2,549)	(3,579)	(3,161)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2024/25	(8)	(41)	(86)	(118)	(118)
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2023/24	(97)	(97)	(97)	(97)	(97)
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	1,315	-	-	-	-

### *Conditions on Use of Appropriation*

Reference	Conditions
The Winter Energy Payment is paid under section 72 of the Social Security Act 2018	The Winter Energy Payment is payable to recipients of a qualifying benefit (a main benefit, New Zealand superannuation or a Veteran's Pension) by weekly or fortnightly instalments during the winter period of 22 weeks starting on 1 May. If a couple are both receiving a qualifying benefit, only one of them is eligible for the Winter Energy Payment. It is not generally payable to people receiving funded long-term residential care or residential care services or to people who have elected not to receive it. The payment is payable for up to a maximum of 28 days for any one or more absences of the beneficiary from New Zealand during the winter period. The rate of the payment depends on family status.

## **Work Assistance (M63) (A25)**

### *Scope of Appropriation*

This appropriation is limited to payments to beneficiaries, low-income earners, students and ex beneficiaries to assist them to obtain and maintain employment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	3,351	3,051	3,916	4,002	4,095	4,161

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing financial support to people who are transitioning or have recently transitioned into employment to sustain their employment.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Work Assistance under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to:

- \$780,000 for an expected increase in the number of people, and
- \$85,000 for inflation adjustments to the payment rates.

The above is partially offset by \$300,000 as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

### *Conditions on Use of Appropriation*

Reference	Conditions
New Employment Transition Grants are paid under the New Employment Transition Grant Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	New Employment Transition Grants provide payments to clients with a dependent child or children during the first six months that their benefit is stopped due to gaining employment. A payment can be made when the client is unable to work because they, their partner or dependent children become sick or because of a breakdown in childcare arrangements. Payments are non-taxable and non-recoverable.
Employment Transition Assistance is paid under the Employment Transition Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	The Employment Transition Assistance pays assistance to former Supported Living Payment - sickness, injury, or disability recipients who have completed an Employment Trial (this is when a person on Supported Living Payment can work 15 hours or more in open employment for an agreed period of up to six months without losing eligibility to Supported Living Payment) and who would otherwise experience a drop in income when they lose eligibility to Supported Living Payment at the end of the trial. The Assistance is non-taxable.
Seasonal Work Assistance is paid under the Seasonal Work Assistance Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Seasonal Work Assistance provides assistance to people who left benefit to take up seasonal horticultural and viticulture work and who cannot work and lose income due to adverse weather conditions. It pays a non-taxable weekly amount up to the net income lost for the week, subject to a maximum that depends on the client's family circumstances. The Assistance is non-recoverable.
Work Bonus is paid under the Work Bonus Programme, saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were a special assistance programme approved and established under section 101 of the Social Security Act 2018	Work Bonus provides a non-recoverable financial incentive to people who leave benefit for paid employment. It is an entitlement available to qualifying recipients of Sole Parent Support who do not have work-test obligations and Supported Living Payment on grounds of sickness, injury, disability or total blindness, and Emergency Benefit analogous to either of these two benefits. The Work Bonus incentive is non-taxable.



## Youth Payment and Young Parent Payment (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to income support and incentive payments for people who are eligible for the Youth Payment or Young Parent Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

### *Expenses*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	78,981	77,181	80,202	84,282	88,746	88,573

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing income support and incentive payments to young people and young parents.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Youth Payment and Young Parent Payment under the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	-	(3,000)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(424)	(473)	(483)	(491)	(491)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	260	(1,162)	(2,558)	(3,716)	(3,716)
<b>Previous Government</b>						
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2024/25	(7)	(7)	(7)	(7)	(7)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	740	783	822	822	822
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	2	2	2	2	2
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	5,809	5,809	5,809	5,809	5,809
Main Benefit Increase and Other Changes - 1 July 2021	2021/22	5,081	5,081	5,081	5,081	5,081

*Conditions on Use of Appropriation*

Reference	Conditions
Youth Payment and Young Parent Payment are paid under sections 49-62 of the Social Security Act 2018	<p>Youth Payment provides support to 16-17 year-olds with nil or minimum income who are in or available for full-time education, training or work-based learning, where it is inappropriate for them to obtain financial support from their parents or guardians or any other person. Youth Payment can continue after the young person turns 18 in some circumstances.</p> <p>Young Parent Payment provides support to 18 and 19 year-old parents with nil or minimum income who are in or available for full-time education, training or work-based learning, and 16 and 17 year old parents who are in or available for full-time education, training or work-based learning, where it is inappropriate for them to obtain financial support from their parents or guardians or any other person. In addition to the obligation to be in or available for full-time education, training or work-based learning, Youth Payment and Young Parent Payment recipients have an obligation to participate in budgeting activities. The Young Parent Payment can continue after the young parent turns 20 in some circumstances.</p> <p>These Payments are taxable and are after deductions for debt establishments. The Young Parent and Youth Payments can include the payment of additional incentive payments for meeting education and training, budgeting and parenting obligations. The incentive payments are non-taxable.</p>

## 3.4 - Non-Departmental Other Expenses

### Apprentice Support (M63) (A25)

#### *Scope of Appropriation*

This appropriation is limited to supporting employers of existing and incoming apprentices through the Apprenticeship Boost Initiative in accordance with criteria established by Cabinet.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	53,750	53,750	25,729

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve continued employment and training for first and second year apprentices by providing financial support to employers, ensuring New Zealand grows its skilled workforces.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments through the Apprenticeship Boost Initiative. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA.

#### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Apprenticeship Boost Scheme Continuation	2024/25	(22,771)	25,729	25,729	25,729	25,729
<b>Previous Government</b>						
Continuing Support for Apprenticeships	2022/23	56,475	-	-	-	-

#### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- \$56.475 million in 2024/25 to extend Apprentice Boost mainly from COVID-19 funding to the end of June 2025, and
- a one-off \$21.803 million transfer from 2023/24 to 2024/25 for the continuation of Apprenticeship Boost Scheme.

The above is partially offset by \$48.500 million for the Apprenticeship Boost Scheme Continuation initiative from Budget 2024.

## Debt Write-downs (M63) (A25)

### *Scope of Appropriation*

This appropriation is limited to the provision for write-downs of Crown debt administered by the Ministry of Social Development due to debt write offs or debt provisions resulting from the need to value debt in accordance with generally accepted accounting practice.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	157,867	137,867	141,870

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve accurate valuations of outstanding debt in accordance with generally accepted accounting practice.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this is a technical accounting appropriation solely to record the amount of debt write-downs and provisions for debt write-down resulting from the need to value the amount of outstanding debt in accordance with generally accepted accounting practice.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	-	6,736	6,560
Return of Funding - Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	(898)	(234)	-	-	-
<b>Previous Government</b>						
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	898	234	-	-	-
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	3,384	3,469	3,469	3,469	3,469
Housing-Related Hardship Assistance - Improving Support for Housing insecure and Low-income New Zealanders	2022/23	12,729	13,111	13,111	13,111	13,111

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to \$20 million for a one-off increase to the appropriation in 2024/25 for Supplementary Estimates add-on to manage unanticipated increases in demand.

### **Emergency Housing Support Package (M37) (A25)**

#### *Scope of Appropriation*

This appropriation is limited to the provision of products and services to help families with children who are living in emergency housing accommodation and who have received, and remain eligible to receive Emergency Housing Special Needs Grants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,450	1,450	750

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve support for the children of families receiving Emergency Housing Special Needs Grants living in an emergency housing environment, to support meeting the education, early childhood and wellbeing needs that are associated with the stresses of living in an emergency housing environment and where these needs/costs cannot be met through existing policies, services and initiatives or funding.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual appropriation for a Non-Departmental Other Expense is less than \$5 million.

#### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	1,450	750	-	-	-
<b>Previous Government</b>						
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	997	1,181	1,361	1,361	1,361

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is due to \$700,000 for the Emergency Housing: Tightening the Gateway Settings and Continuing Support Services initiative.

**Extraordinary Care Fund (M63) (A25)***Scope of Appropriation*

This appropriation is limited to providing financial assistance to carers receiving the Orphan's Benefit or Unsupported Child's Benefit to assist with costs for children in their care who are either experiencing difficulties that significantly impact on their development, or who are showing promise.

*Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	2,308	2,308	2,308

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve more children in care reaching their full potential.

*How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual appropriation for a Non-Departmental Other Expense is less than \$5 million.

**Out of School Care and Recreation Programmes (M63) (A25)***Scope of Appropriation*

This appropriation is limited to the provision of assistance to Out of School Care and Recreation programmes approved in accordance with regulations made under the Social Security Act 2018, to assist with the establishment and/or operating costs of OSCAR programmes.

*Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	23,901	23,901	23,901

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve increased opportunities for parents and caregivers to gain and sustain employment.

### *How Performance will be Assessed and End of Year Reporting Requirements*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of identified service gaps filled a year (see Disclosure 1)	100%	100%	Measure removed
Provide an opportunity for additional eligible programmes to access grant funding within the financial year (see Disclosure 1 and Note 1)	Replacement measure	Replacement measure	Achieved
Percentage of providers that successfully meet attendance record quality sampling (see Disclosure 2)	90%	90%	Measure removed
Percentage of Out of School Care and Recreation (OSCAR) programmes that successfully meet monitoring requirements (see Disclosure 2)	90%	90%	Measure removed
The percentage of OSCAR providers receiving a grant that are assessed as having met monitoring standards will be no less than (see Disclosure 2 and Note 2)	Replacement measure	Replacement measure	90%

Disclosure 1 - The existing measure is being replaced with a higher-level measure which better reflects the intent of the funding to be widely available to eligible providers.

Disclosure 2 - The existing measures have been combined as the attendance record checking occurs during a monitoring assessment.

Note 1 - This measure reflects MSD's aim to achieve an active and fair market by periodically providing opportunities for eligible programmes to apply for a grant.

Note 2 - MSD visit a sample of providers each year to undertake monitoring assessments. The assessments include ensuring that providers maintain their requirements for having received a grant, reviewing the attendance records to ensure that attendance matches or exceeds funded places, assessing the general quality of delivery and observing child engagement. All providers are visited over time with priority to those who are new or those at risk.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry for Social Development in the Vote Social Development Non-Departmental Appropriations Report.

### *Service Providers*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
SKIDS Programme Management Limited	1,223	1,223	1,058	30 June 2027
Bizzy Bodz Limited	490	490	502	30 June 2026
YMCA North Incorporated	454	454	433	30 June 2026
Schools Out Limited	435	435	-	30 June 2025
Auckland Council	331	331	331	30 June 2026
There are a further 478 providers with contracts that range from \$1,000 to \$320,000	20,968	20,968	21,577	
Total	23,901	23,901	23,901	

The table above presents the top five service providers who have funding arrangements with the Ministry of Social Development under this output as at 19 March 2025.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Increasing Places Available within Out of School Care and Recreation Service (OSCAR) Providers for Low-income Families	2021/22	2,250	2,250	2,250	2,250	2,250

## **Reimbursement of Income-Related Rent Overpayments (M37) (A25)**

### *Scope of Appropriation*

This appropriation is limited to reimbursing overpayments resulting from the reassessment of the Income-Related Rent.

### *Expenses*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	4,908	4,908	6,811

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to ensure that MSD can reimburse a tenant who has been assessed as overpaying their Income-Related Rent, following any review of their entitlement.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative as this appropriation is solely for the reimbursement to tenants that have been assessed as overpaying their Income-Related Rent. Also, this is a demand-driven transactional based appropriation impacted by changes in market rent conditions for tenants. Performance information relating to the administration of the payments is provided under the Services to Support People to Access Accommodation appropriation.

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is due to the higher level of reimbursements paid to clients resulting from the reassessment of their Income-Related Rent.



## 3.5 - Non-Departmental Capital Expenditure

### Recoverable Assistance (M63) (A25)

#### *Scope of Appropriation*

This appropriation is limited to recoverable assistance payments, as a facility for low-income earners and beneficiaries to access means-tested assistance to help them to meet essential and immediate needs, or costs in specific circumstances, and to meet costs of pre-employment drug tests, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Capital Expenditure*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	288,545	276,545	297,475	302,820	319,565	316,754

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing recoverable financial support to, or in respect of, people in financial hardship in specific circumstances.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for recoverable assistance payments as a facility for low-income earners and beneficiaries to access means-tested assistance in accordance with criteria set out in the Social Security Act 2018. Performance information relating to the administration of the payments is provided under the Improved Employment and Social Outcomes Support MCA and the Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments appropriation.

#### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2027/28	-	-	-	(228)	(245)
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2026/27	-	-	5,596	22,452	21,868
Return of Funding - Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	(1,795)	(467)	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	1,795	467	-	-	-
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	11,281	11,563	11,563	11,563	11,563
Housing-Related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	(95,551)	(96,141)	(96,141)	(96,141)	(96,141)
Special Needs Grants for Dental Treatment - Improving Adequacy and Accessibility	2022/23	(18,223)	(19,281)	(19,281)	(19,281)	(19,281)
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	(34)	(34)	(34)	(34)	(34)

### *Conditions on Use of Appropriation*

Reference	Conditions
<p>Payments are made under the Recoverable Assistance Programme for non-beneficiaries, and relevant parts of the Special Needs Grants Programme - both saved by clause 21 of Schedule 1 of the Social Security Act 2018 as they were a special assistance programme approved and established under section 101 of the Social Security Act 2018</p> <p>Payments are also made under section 347 of the Social Security Act 2018 and in accordance with the Direction on Advance Payments of Instalments of Benefits. The direction on Advance Payments of Instalments of Benefit is saved by clause 2(1) of Schedule 1 of the Social Security Act 2018 as if it were a direction given to MSD under to section 7 of the Social Security Act 2018</p> <p>The Sole Parent Study Assistance Programme is saved by clause 21 of Schedule 1 of the Social Security Act 2018 as if it were approved and established under section 101 of the Social Security Act 2018</p>	<ul style="list-style-type: none"> <li>The Recoverable Assistance Programme provides non-taxable, interest free, recoverable financial assistance to non-beneficiaries to meet essential immediate needs for specific items or services.</li> <li>All clients getting a main benefit, Orphans Benefit, Unsupported Childs Benefit, New Zealand Superannuation or Veteran's Pension who need assistance to meet a particular immediate need for an essential item or service, may get an advance of up to six weeks of their benefit.</li> <li>Special Needs Grants provides non-taxable, one-off recoverable or non-recoverable financial assistance to clients to meet immediate needs.</li> <li>The Sole Parent Study Assistance Loan provides non-taxable, interest-free recoverable assistance to help with study costs for courses at level 4 or above on the National Qualifications Framework.</li> </ul>
The provisions of the Social Security Act 2018 that cover pre-employment or pre-training drug tests are sections 257-266	Work-tested beneficiaries are required to pass pre-employment or pre-training drug tests required by a prospective employer or training course. Third parties can be reimbursed for drug-tests.

## Student Loans (M57) (A25)

### *Scope of Appropriation*

This appropriation is limited to loans to tertiary students undertaking studies at approved tertiary institutions in accordance with Cabinet decisions.

### *Capital Expenditure*

	2024/25		2025/26	2026/27	2027/28	2028/29
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	1,772,811	1,725,711	1,990,094	1,968,564	1,975,906	2,020,224

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve employment and social outcomes by providing financial support to eligible students to undertake tertiary study.

### *How Performance will be Assessed and End of Year Reporting Requirements*

An exemption was granted, as the appropriation is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Student Loans under the Student Loans Scheme Act 2011. Performance information relating to the administration of the Loans is provided under the Management of Student Loans appropriation.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
Delivering Quality and Timely Primary Care: Next Steps and Implementation	2025/26	-	264	536	760	1,364
Tertiary Education - Increased Fees	2025/26	-	36,337	45,133	46,164	47,273
Fees Free - Replacing First-Year with Final-Year Fees Free	2024/25	195,000	233,000	233,000	233,000	233,000
Managing Tertiary Education and Training System Pressures: Increased Fees	2024/25	27,109	31,744	32,166	32,555	34,209
Training 25 more Doctors	2024/25	277	563	857	1,453	1,825

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
Training Incentive Allowance - Supporting Eligible People to Study	2024/25	4,774	5,791	5,890	5,890	5,890
Waiving Student Support Residency Rules for Families of Those Directly Affected by the Christchurch Mosques Attack	2024/25	149	(14)	(37)	(12)	(2)
Increasing Medical School Enrolments for the 2024 Intake	2023/24	1,229	1,892	3,142	4,687	5,178
Main Benefit Increase and Other Changes - 1 April 2022	2021/22	52,208	54,082	54,082	54,082	54,082
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	1,596	200	-	-	-

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$196 million for an expected increase in the average payment per student loan (before inflation adjustments)
- \$37 million for the impact of policy adjustments, mainly relating to the Tertiary Education - Increased Fees policy
- \$23 million for inflation adjustments to the living cost payments, and
- \$8 million for an expected increase in the number of loan recipients.

The above is partially offset by \$47 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

### *Conditions on Use of Appropriation*

Reference	Conditions
Student Loan Scheme Act 2011	<p>The Student Loan Scheme Act 2011 provides for the collection of Student Loan repayment and Bonded Scholarships. It provides for the establishment of the loan and the transfer of loan balances to IRD. The Act applies despite anything to the contrary in the Student Loan contract.</p> <p>The policy decisions (as agreed to by Cabinet and recorded in Cabinet Minutes) set out the eligibility and entitlement 'rules' - who can access a Student Loan and on what basis.</p>

# Part 4 - Details of Multi-Category Expenses and Capital Expenditure

## 4 - Multi-Category Expenses and Capital Expenditure

### Community Support Services (M63) (A25)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to prevent and reduce vulnerability and harm for individuals, families and communities.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

###### *Developing and Managing Community Services*

This category is limited to approving, monitoring, contracting and managing the relationships with community-based service providers; engaging with communities and developing services.

###### *Regional System Leadership Framework*

This category is limited to co-ordinating and delivering public services at a regional level.

##### **Non-Departmental Output Expenses**

###### *Community Connectors*

This category is limited to Community Connection services to provide targeted advice and support for vulnerable individuals, whānau and communities.

###### *Community Support and Advice*

This category is limited to services that build financial capability, develop community and provider capability and provide targeted advice and support for vulnerable individuals and families.

###### *Improving Children's Participation in Education*

This category is limited to programmes and services that enable children to better engage and participate in education.

###### *Participation and Support Services for Seniors*

This category is limited to services that address isolation, abuse and neglect of older people, and support participation in communities.

###### *Place-Based Approaches*

This category is limited to the delivery of services and operational support of collective initiatives following a place-based approach.

###### *Supporting Victims and Perpetrators of Family and Sexual Violence*

This category is limited to services that support victims of family and sexual violence and address perpetrator behaviour.

##### **Non-Departmental Other Expenses**

###### *Community Response to Adverse or Emergency Events*

This category is limited to financial support for communities that have been impacted by an adverse or emergency event.

*Expenses, Revenue and Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>352,648</b>	<b>352,648</b>	<b>322,475</b>
<b>Departmental Output Expenses</b>			
Developing and Managing Community Services	41,584	41,584	39,008
Regional System Leadership Framework	5,600	5,600	4,000
<b>Non-Departmental Output Expenses</b>			
Community Connectors	9,096	9,096	-
Community Support and Advice	62,233	62,233	50,002
Improving Children's Participation in Education	1,643	1,643	1,642
Participation and Support Services for Seniors	14,132	14,132	14,239
Place-Based Approaches	6,691	6,691	6,691
Supporting Victims and Perpetrators of Family and Sexual Violence	196,669	196,669	191,993
<b>Non-Departmental Other Expenses</b>			
Community Response to Adverse or Emergency Events	15,000	15,000	14,900
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>45,184</b>	<b>45,184</b>	<b>43,008</b>
Developing and Managing Community Services	41,584	41,584	39,008
Regional System Leadership Framework	3,600	3,600	4,000
<b>Revenue from Others</b>	<b>2,000</b>	<b>2,000</b>	<b>-</b>
Regional System Leadership Framework	2,000	2,000	-

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to improve access for families and whānau to services which address hardship and adverse life outcomes.

*How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The number of people accessing Community Support services will be no less than (see Note 1)	84,100	84,100	84,100

Note 1 - This measure includes the key programmes and services funded through this MCA where the number of people accessing them is reported on by the provider.

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Developing and Managing Community Services</b>			
This category is intended to achieve effective and efficient community services that meet community needs and reduce vulnerability.			
<b><i>Te Kāhui Kāhu (formerly Social Services Accreditation):</i></b>			
The percentage of providers who rate their accreditation assessment (see Note 1) as a fair and professional service will be no less than	80%	80%	80%
The percentage of accreditation assessments completed within the specified timeframe (see Note 2) will be no less than	80%	85%	80%
<b><i>Result Measurement Framework:</i></b>			
The percentage of all contracted services which achieved or exceeded the target for their primary contracted measure will be no less than (see Note 3)	75%	75%	75%
<b>Regional System Leadership Framework</b>			
This category is intended to achieve strengthened regional system leadership by supporting Regional Public Service Commissioners in working to co-ordinate and align central government decision-makers.			
The score for the Minister for Social Development and Employment's satisfaction with the Regional Public Service Commissioners' leadership and co-ordination across the public service in the regions which contributes to improving outcomes for people, families and communities, will be no less than (see Note 4)	3.5	3.5	3.5
<b>Non-Departmental Output Expenses</b>			
<b>Community Support and Advice</b>			
This category is intended to improve the wellbeing and financial capability of vulnerable individuals and families.			
<b><i>Building Financial Capability:</i></b>			
The percentage of clients who report progress towards achieving their financial capability goals will be no less than (see Note 5)	80%	80%	80%
<b><i>Sector Umbrella Groups:</i></b>			
The percentage of member agencies who report that they are better able to deliver their services as a result of the support offered by the umbrella organisation will be no less than (see Note 6)	90%	90%	90%
<b><i>Microfinance Partnership:</i></b>			
The percentage of completed loan applications approved will be no less than	60%	65%	60%

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Improving Children's Participation in Education</b>			
This category is intended to achieve an improvement in children's engagement and participation in education.			
An exemption was granted, as the category is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual category for a Non-Departmental Output Expense is less than \$5 million	Exempted	Exempted	Exempted
<b>Participation and Support Services for Seniors</b>			
This category is intended to support older people who have experienced abuse and neglect to have greater control over their lives.			
The percentage of clients who indicate they have greater control over their lives after receiving the Elder Abuse Response service will be no less than (see Note 7)	80%	85%	80%
<b>Place-Based Approaches</b>			
This category is intended to achieve the successful implementation and functioning of place-based initiatives to improve outcomes for at-risk children, young people and their families.			
The number of demonstrable examples of whānau-centred system improvement insights produced by the Place-Based Initiatives will be no less than (see Note 8)	8	8	8
<b>Supporting Victims and Perpetrators of Family and Sexual Violence</b>			
This category is intended to help victims and perpetrators of family and sexual violence to get the support they need.			
The number of people accessing family and sexual violence services will be no less than	30,500	40,000	30,500
The percentage of victims of family violence who reported they are satisfied or very satisfied with the family violence response services will be no less than (see Disclosure 1)	80%	90%	Measure removed
The percentage of victims of family violence who reported they received the support they needed will be no less than (see Disclosure 1)	Replacement measure	Replacement measure	80%
The percentage of victims of sexual violence who reported they received the support they needed, when they needed it will be no less than (see Disclosure 1)	80%	85%	Measure removed
The percentage of victims of sexual violence who reported they received the support they needed will be no less than (see Disclosure 1)	Replacement measure	Replacement measure	80%
The percentage of non-mandated harmful sexual behaviour clients who show a decrease in risk factors will be no less than (see Note 9)	80%	95%	80%
<b>Non-Departmental Other Expenses</b>			
<b>Community Response to Adverse or Emergency Events</b>			
This category is intended to achieve increased local resilience through the use of community grants or essential community-led solutions.			
The number of organisations engaged to provide infrastructure support to the community food sector will be no less than (see Note 10)	42	42	42



Disclosure 1 - These measures have been replaced to better align with the primary outcome of the services provided.

Note 1 - Te Kāhui Kāhu assesses social service providers against the Social Service Accreditation Standards to ensure they can safely deliver social services to their community.

Note 2 - The specified timeframe is 30 working days following a site visit for single site providers, and 50 working days following the last site visit for multi-site providers.

Note 3 - Contracts between MSD and service providers outline the primary measures for that contract depending on what services are being procured. These can include measures of the number of staff funded, projects undertaken, services provided or outcomes achieved.

Note 4 - The Minister's satisfaction is calculated through the quality rating received on advice provided to the Minister through reporting provided by the Regional Public Service Office hosted by MSD and the Minister's engagement with the Regional Public Service Commissioners. The satisfaction score is measured on a scale from 1 to 5, where 1 means never met expectations and 5 means always exceeded expectations.

Note 5 - Progress is measured as a positive shift in at least one of a client's goals, as measured via a survey at the end of their use of a service using a scale of 1-10. Provider-administered client surveys are undertaken every quarter (results are aggregated by the provider and reported to MSD as per contractual requirements). The year-end result is an average of total surveys within the financial year.

Note 6 - Provider-administered client surveys are undertaken annually (results are aggregated by the provider and reported to MSD as per contractual requirements).

Note 7 - Provider-administered client surveys are undertaken every six months (results are aggregated by the provider and reported to MSD as per contractual requirements). The year-end result is an average of total surveys within the financial year.

Note 8 - The Place-Based Initiatives (PBIs) are funded by MSD to enable collaboration and collective action across government agencies by working with them and local leaders, including iwi Māori, to identify opportunities for operational and system changes to improve outcomes for whānau. The demonstrable examples, provided through reporting, are assessed against standardised quality specifications that align with the purpose of the PBIs' funding.

Note 9 - This service is only for non-mandated clients. Non-mandated means that they are not required by law to attend. Mandated clients will be supported through other parts of the system including Corrections and Justice.

Note 10 - Infrastructure support includes storage and distribution of large quantities of food through key partners or food hubs such as New Zealand Food Network (NZFN).

*Service Providers for the Multi-Category Appropriation*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
<b>Community Connectors</b>				
The Fono Trust	464	464	-	30 June 2025
South Seas Health Care Trust	444	444	-	30 June 2025
Visionwest Community Trust	359	359	-	30 June 2025
Turuki Health Care Limited	296	296	-	30 June 2025
Affirming Works Limited	296	296	-	30 June 2025
There are a further 42 providers with contracts that range from \$7,000 to \$294,600	7,237	7,237	-	
Total Community Connectors	9,096	9,096	-	
<b>Community Support and Advice</b>				
National Building Financial Capability Charitable Trust	1,891	1,891	1,891	30 June 2027
National Collective Of Independent Women's Refuges Nga Whare Whakaruruhau O Aotearoa Incorporated	1,765	1,765	1,765	30 June 2028
Emerge Aotearoa Limited	1,378	1,378	1,378	30 June 2027
Good Shepherd New Zealand Limited	1,354	1,354	-	30 June 2025
Fonua Ola Network	1,190	1,190	1,190	30 June 2027
There are a further 145 providers with contracts that range from \$15,000 to \$810,000	54,655	54,655	43,778	
Total Community Support and Advice	62,233	62,233	50,002	
<b>Improving Children's Participation in Education</b>				
Fonterra Co-Operative Group Limited	967	967	-	30 June 2025
KidsCan Charitable Trust	376	376	-	30 June 2025
New Zealand Health Association Limited	300	300	-	30 June 2025
There are no further providers with contracts for this service.			1,642	
Total Improving Children's Participation in Education	1,643	1,643	1,642	
<b>Participation and Support for Seniors</b>				
Age Concern Auckland Incorporated	1,247	1,247	1,263	30 June 2026
Age Concern Canterbury Incorporated	723	723	726	30 June 2026
Wesley Wellington Mission Incorporated	718	718	726	30 June 2026
Kaitia And District Age Concern Regional Council Incorporated	711	711	711	30 June 2026
Age Concern Hamilton Incorporated	585	585	585	30 June 2026
There are a further 34 providers with contracts that range from \$20,000 to \$584,000	10,148	10,148	10,228	
Total Participation and Support for Seniors	14,132	14,132	14,239	

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
<b>Place Based Approaches</b>				
Health New Zealand	3,161	3,161	-	30 June 2025
Te Runanga-O-Turanganui-A-Kiwa	2,203	2,203	-	30 June 2025
Impact Collective (2020)	400	400	-	30 June 2025
Rongo Mauri Trust	325	325	-	30 June 2025
North Shore Womens Centre	275	275	-	30 June 2025
Yet to be determined with contract negotiations.	327	327	6,691	
Total Place Based Approaches	6,691	6,691	6,691	
<b>Supporting Victims and Perpetrators of Family and Sexual Violence</b>				
National Collective Of Independent Women's Refuges Nga Whare Whakaruruhau O Aotearoa Incorporated	30,191	30,191	30,034	30 June 2028
Whakarongorau Aotearoa New Zealand Telehealth Services LP	5,813	5,813	4,257	30 November 2029
Auckland Sexual Abuse Help Foundation Charitable Trust	3,642	3,642	-	10 December 2025
He Waka Tapu Limited	3,598	3,598	3,221	30 June 2029
Tuu Oho Mai Services	3,470	3,470	3,446	30 June 2028
There are a further 326 providers with contracts that range from \$2,000 to \$3.224 million	149,955	149,955	151,035	
Total Supporting Victims and Perpetrators of Family and Sexual Violence	196,669	196,669	191,993	
<b>Community Responses Adverse or Emergency Events</b>				
New Zealand Food Network Limited	5,200	5,200	-	30 June 2025
The Salvation Army New Zealand Trust	903	903	-	30 November 2025
Auckland City Mission	875	875	-	30 November 2025
Aotearoa Food Rescue Alliance Incorporated	400	400	-	30 June 2025
Social Service Council of the Diocese of Christchurch	340	340	-	30 June 2025
There are a further 106 providers with contracts that range from \$2,000 to \$324,500	7,282	7,282	14,900	
Total Community Responses Adverse or Emergency Events	15,000	15,000	14,900	

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<i>Developing and Managing Community Services</i>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(498)	(618)	(618)	(618)	(618)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(118)	(118)	(118)	(118)	(118)
Reduction in Workforce - Ministry of Social Development	2024/25	(173)	(173)	(173)	(173)	(173)
<b>Non-Departmental Output Expenses</b>						
<i>Community Connectors</i>						
Return of Funding - Community Connectors - Social Sector Commissioning in Action	2024/25	(7,400)	-	-	-	-
<i>Community Support and Advice</i>						
Return of Funding for Community Innovation Fund	2024/25	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Return of Funding - Growing a Diverse and Resilient Social Sector	2023/24	(900)	-	-	-	-
<i>Improving Children's Participation in Education</i>						
Child and Youth Strategy - Delivering on the Government's Priorities	2025/26	-	1,642	376	-	-
<b>Non-Departmental Other Expenses</b>						
<i>Community Responses Adverse or Emergency Events</i>						
Food Secure Communities - Funding to Respond to Demand for Food Support	2025/26	-	14,900	-	-	-
<b>Previous Government</b>						
<b>Departmental Output Expenses</b>						
<i>Developing and Managing Community Services</i>						
Building Financial Capability - Cost Pressure	2023/24	297	297	297	297	297
Maintaining Momentum Across Te Aorerekura - Accessible Family Violence and Sexual Violence Services for Disabled People	2023/24	438	-	-	-	-
Maintaining Momentum Across Te Aorerekura - Child Advocates to Support Children in Women's Refuge	2023/24	371	146	146	146	146
Maintaining Momentum Across Te Aorerekura - Family Violence Help Portal	2023/24	147	147	147	147	147
Maintaining Momentum Across Te Aorerekura - Kaupapa Māori Specialist Sexual Violence Services for Whānau	2023/24	938	569	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	1,045	1,095	1,151	1,151	1,151
Ministry of Social Development - Collective Bargaining Commitments	2023/24	985	1,544	1,544	1,544	1,544

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	2,911	2,911	2,911	2,911	2,911
Preventing Family Violence and Sexual Violence: Actioning Te Aorerekura's Prevention Shift	2022/23	5,799	-	-	-	-
Enabling the Separation of the Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	184	184	184	184	184
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	377	377	377	377	377
Preventing Family Violence and Sexual Violence: Extending Early Wrap-Around Support to Help People Stop Using Violence	2021/22	147	147	147	147	147
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	1,410	1,410	1,410	1,410	1,410
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	205	205	205	205	205
<b>Non-Departmental Other Expenses</b>						
<i>Community Responses Adverse or Emergency Events</i>						
Food Secure Communities - Cost Pressure	2022/23	11,000	-	-	-	-
<b>Non-Departmental Output Expenses</b>						
<i>Community Connectors</i>						
Community Connectors	2022/23	15,901	-	-	-	-
<i>Community Support and Advice</i>						
Building Financial Capability - Cost Pressure	2023/24	7,000	7,000	7,000	7,000	7,000
Continuing to Grow a Diverse and Resilient Social Sector	2023/24	900	-	-	-	-
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	17,961	19,662	21,154	21,154	21,154
Approval to Draw Down Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	34	37	38	38	38
Relational Approach and Building Partnership with Māori - Te Hiku O Te Ika Social Accord	2022/23	1,500	1,500	1,500	1,500	1,500
Relational Approach and Building Partnership with Māori - He Tapuae: Tuhoe Service Management Plan	2022/23	1,000	-	-	-	-
<i>Improving Children's Participation in Education</i>						
Continued funding for KickStart Breakfasts for School Children to Support Families in Need	2021/22	1,266	-	-	-	-
Working in Partnership with KidsCan to Support Families in Need	2021/22	350	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b><i>Place-Based Approaches</i></b>						
Maintaining Momentum Across Te Aorerekura - Enabling a Multi-disciplinary Family Harm Approach in Counties Manukau	2023/24	960	-	-	-	-
Place-Based Initiatives - Final Drawdown of Budget 2019 Early Years Violence Prevention Sites Contingency	2021/22	1,891	1,891	1,891	1,891	1,891
<b><i>Supporting Victims and Perpetrators of Family and Sexual Violence</i></b>						
Maintaining Momentum Across Te Aorerekura - Accessible Family Violence and Sexual Violence Services for Disabled People	2023/24	1,265	-	-	-	-
Maintaining Momentum Across Te Aorerekura - Child Advocates to Support Children in Women's Refuge	2023/24	1,240	1,240	1,240	1,240	1,240
Maintaining Momentum Across Te Aorerekura - Family Violence Help Portal	2023/24	2,270	2,480	2,655	2,655	2,655
Maintaining Momentum Across Te Aorerekura - Kaupapa Māori Specialist Sexual Violence Services for Whānau	2023/24	2,050	2,050	-	-	-
Approval to Draw Down Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	402	437	459	459	459
Preventing Family Violence and Sexual Violence: Actioning Te Aorerekura's Prevention Shift	2022/23	5,746	-	-	-	-
Preventing Family Violence and Sexual Violence: Extending Early Wrap-Around Support to Help People Stop Using Violence	2021/22	3,060	3,060	3,060	3,060	3,060

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2025/26 is mainly due to:

- reductions in time limited funding of \$12 million to provide for the Resilience to Organised Crime in Communities work programme
- time limited funding \$9.906 million in 2024/25 to fund Community Connectors ending
- \$4.676 million for family violence and sexual violence initiatives, and
- \$1.600 million for Regional System Leadership Framework programme.

## Housing Support Assistance (M37) (A25)

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to support people to access or retain housing.

### *Scope of Appropriation*

#### **Non-Departmental Output Expenses**

##### *Provision to better prepare people to access and sustain private rentals*

This category is limited to the provision of programmes to help prepare people to obtain and sustain private rental accommodation.

#### **Non-Departmental Other Expenses**

##### *Non-Recoverable Housing Support Assistance*

This category is limited to non-recoverable Housing Support Assistance, to help people obtain and/or retain housing, paid in accordance with criteria set out in delegated legislation made under the Social Security Act 2018.

#### **Non-Departmental Capital Expenditure**

##### *Recoverable Housing Support Assistance*

This category is limited to recoverable Housing Support Assistance, to help people obtain and/or retain housing, paid in accordance with criteria set out in delegated legislation made under the Social Security Act 2018.

### *Expenses, Revenue and Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>157,614</b>	<b>148,614</b>	<b>170,811</b>
<b>Non-Departmental Output Expenses</b>			
Provision to better prepare people to access and sustain private rentals	2,063	2,063	1,613
<b>Non-Departmental Other Expenses</b>			
Non-Recoverable Housing Support Assistance	1,601	1,601	2,396
<b>Non-Departmental Capital Expenditure</b>			
Recoverable Housing Support Assistance	153,950	144,950	166,802

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to support people into a non-public housing solution. This includes people who are on the Housing Register, in public housing or have otherwise contacted us for support.

### *How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
The percentage of all Housing Support Product (HSP) recipients who 90 days later are not on the Housing Register, and have not received an Emergency Housing Special Needs Grant will be no less than (see Disclosure 1 and Notes 1, 2 and 3)	70%	85%	80%

Disclosure 1 - The wording of this measure has been adjusted for clarity and the standard has been increased to better align with the performance trend.

Note 1 - To avoid double counting, people who may have gone onto the Housing Register and moved into public housing (or emergency housing) in the 90 calendar days after receipt of an HSP will be counted only as being in public housing or emergency housing.

Note 2 - The Housing Register is a record of New Zealanders who are not currently in public housing and who have been assessed as being eligible. The Emergency Housing Special Needs Grant helps individuals and families with the cost of staying in short-term accommodation if they are unable to access a contracted transitional housing place.

Note 3 - Housing Support Products are individual products that provide financial assistance for clients needing help to obtain and retain rental housing.

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Non-Departmental Output Expenses</b>			
<b>Provision to better prepare people to access and sustain private rentals</b>			
This category is intended to better prepare people for private rental accommodation, providing education and support to enable people to access and/or retain a housing tenancy.			
An exemption was granted, as the category is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(iii) of the PFA, the amount of this annual category for a Non-Departmental Output Expense is less than \$5 million	Exempted	Exempted	Exempted
<b>Non-Departmental Other Expenses</b>			
<b>Non-Recoverable Housing Support Assistance</b>			
This category is intended to better prepare people for private rental accommodation, providing non-recoverable support that can reduce barriers that people may face in accessing and/or retaining a housing tenancy.			
The percentage of non-recoverable Housing Support Product (HSP) recipients who 90 days later are not on the Housing Register, and have not received an Emergency Housing Special Needs Grant will be no less than (see Disclosure 1 and Notes 1, 2 and 3)	70%	85%	80%



	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Non-Departmental Capital Expenditure</b>			
<b>Recoverable Housing Support Assistance</b>			
This category is intended to better prepare people for private rental accommodation, providing recoverable support that can reduce barriers that people may face in accessing and/or retaining a housing tenancy.			
The percentage of recoverable Housing Support Product (HSP) recipients who 90 days later are not on the Housing Register, and have not received an Emergency Housing Special Needs Grant will be no less than (see Disclosure 2 and Notes 1, 2 and 3)	New measure	New measure	80%

Disclosure 1 - The wording of this measure has been adjusted for clarity and the standard has been increased to better align with the performance trend.

Disclosure 2 - The new measure has been introduced to provide performance information on this category.

Note 1 - To avoid double counting, people who may have gone onto the Housing Register and moved into public housing (or emergency housing) in the 90 calendar days after receipt of an HSP will be counted only as being in public housing or emergency housing.

Note 2 - The Housing Register is a record of New Zealanders who are not currently in public housing and who have been assessed as being eligible. The Emergency Housing Special Needs Grant helps individuals and families with the cost of staying in short-term accommodation if they are unable to access a contracted transitional housing place.

Note 3 - Housing Support Products are individual products that provide financial assistance for clients needing help to obtain and retain rental housing. Most HSPs are recoverable grants which include moving costs, bond and rent in advance. Some HSPs are non-recoverable grants, including transitions to alternative housing, which is an incentive payment for clients who are ready and able to move out of social housing and into alternative housing.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Non-Departmental Output Expenses</b>						
<i>Provision to better prepare people to access and sustain private rentals</i>						
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	1,500	1,050	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Previous Government</b>						
<b>Non-Departmental Other Expenses</b>						
<i>Non-Recoverable Housing Support Assistances</i>						
Housing-related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	241	244	244	244	244
<b>Non-Departmental Capital Expenditure</b>						
<i>Recoverable Housing Support Assistances</i>						
Housing-related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	137,982	139,846	139,846	139,846	139,846

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$18 million for an expected increase in the number of people, and
- \$5 million for an expected increase in the average payment per person.

The above is partially offset by \$9 million as no Supplementary Estimates add-on to manage unanticipated increases in demand is required for 2025/26.

## **Improved Employment and Social Outcomes Support (M63) (A25)**

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to operate the benefit system and associated interventions in such a way as to improve client outcomes (employment and social) by moving them closer to independence, with a focus on those at risk of long term benefit receipt.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *Administering Income Support*

This category is limited to assessing, paying, reviewing entitlements and collecting balances owed by clients for income support, supplementary assistance, grants and allowances, and administering international social security agreements relating to disabled people, sole parents, and widows and widowers.

##### *Improving Employment Outcomes*

This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people to help them move into and retain employment.

***Improving Employment Outcomes to Support People Impacted by Extreme Weather Events***

This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people impacted by extreme weather events to help them move into and retain employment.

***Improving Work-Readiness Outcomes***

This category is limited to providing assistance, services and other interventions, including associated administrative expenses, either in accordance with delegated legislation made under the Social Security Act 2018, or as approved by Cabinet or the appropriation Minister, or consistent with strategic direction set by Cabinet or the appropriation Minister, to eligible people to address barriers to employment to help them become work-ready.

***Jobs and Skills Hubs***

This category is limited to expenses incurred in establishing, operating and administering jobs and skills hubs to work with employers to facilitate job brokerage and training.

**Non-Departmental Output Expenses*****He Poutama Rangatahi***

This category is limited to supporting training and employment programmes for young people not in education, employment or training and at risk of poor labour market outcomes in the long-term.

***Māori Trades and Training Programmes***

This category is limited to expenses incurred on programmes that support Māori through Trades and Training.

***Pacific employment and training programmes***

This category is limited to expenses incurred on employment and training programmes that support Pacific peoples.

**Non-Departmental Other Expenses*****Flexi-Wage Employment Assistance***

This category is limited to providing Flexi-wage employment assistance, for eligible people to help them move into and retain sustainable employment, in accordance with criteria set out by Cabinet or approved by the Minister or in delegated legislation made under the Social Security Act 2018.

***Expenses, Revenue and Capital Expenditure***

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>1,151,986</b>	<b>1,151,986</b>	<b>1,159,520</b>
<b>Departmental Output Expenses</b>			
Administering Income Support	449,139	449,139	436,668
Improving Employment Outcomes	447,095	447,095	563,520
Improving Employment Outcomes to Support People Impacted by Extreme Weather Events	10,212	10,212	-
Improving Work-Readiness Outcomes	142,730	142,730	116,514
Jobs and Skills Hubs	8,755	8,755	7,054

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Non-Departmental Output Expenses</b>			
He Poutama Rangatahi	44,177	44,177	33,368
Māori Trades and Training Programmes	20,911	20,911	-
Pacific employment and training programmes	2,396	2,396	2,396
<b>Non-Departmental Other Expenses</b>			
Flexi-Wage Employment Assistance	26,571	26,571	-
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>1,054,331</b>	<b>1,054,331</b>	<b>1,120,156</b>
Administering Income Support	445,539	445,539	433,068
Improving Employment Outcomes	447,095	447,095	563,520
Improving Employment Outcomes to Support People Impacted by Extreme Weather Events	10,212	10,212	-
Improving Work-Readiness Outcomes	142,730	142,730	116,514
Jobs and Skills Hubs	8,755	8,755	7,054
<b>Revenue from Others</b>	<b>3,600</b>	<b>3,600</b>	<b>3,600</b>
Administering Income Support	3,600	3,600	3,600

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve improved employment and social outcomes.

### *How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Assessment of Performance</b>			
The number of exits from a main benefit during the calendar year for reason of employment following an employment intervention will be no less than (see Notes 1 and 2)	18,000	18,600	18,000
Of those clients who have exited a main benefit during the calendar year for reason of employment, following an employment intervention, the percentage that did not access a main benefit again in the following six months will be no less than (see Notes 1 and 2)	55%	60%	55%
The percentage of Employment Assistance programmes rated 'effective' or 'promising' will be no less than (see Note 3)	90%	90%	90%

Note 1 - MSD offers several main benefits such as Jobseeker Support, Supported Living Payment and Sole Parent Support.

Note 2 - Clients will appear multiple times if they exit the main benefit multiple times and have been assessed for pre-exit activity each time. As the measurement of clients not accessing a main benefit again is taken six months after each exit, the clients included in this count have exited a main benefit within the calendar year rather than the financial year.

Note 3 - Employment Assistance programmes have the objective of helping people prepare for, find and stay in work. Effectiveness is measured against up to five outcome domains: net income earned, time in employment, highest qualification gained, time in corrections services, and income support expenditure. Of the programmes funded from this MCA that MSD is able to evaluate, 'Effective' indicates that the intervention has significant positive overall impacts on one or more outcome domains specified in the report, and no negative impacts for any other domain. 'Promising' indicates that the trend in impacts across outcome domains indicate the intervention is expected to have a significant positive overall impact over the medium to long term.

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Administering Income Support</b>			
This category is intended to achieve accurate and efficient operation of the benefit system so that the correct amount is paid to the correct people on time.			
The percentage of benefit entitlement assessments completed accurately will be no less than (see Notes 1 and 2)	95%	80%	95%
The percentage of benefit entitlement assessments completed within five working days will be no less than (see Notes 1 and 3)	90%	90%	90%
The average score for client satisfaction for those receiving a Jobseeker benefit will be no less than (see Disclosure 1 and Note 4)	New measure	New measure	7.5
The average score for clients receiving a Jobseeker benefit for their awareness of their obligations will be no less than (see Disclosure 1 and Note 5)	New measure	New measure	4.5
<b>Improving Employment Outcomes</b>			
This category is intended to achieve an increase in the number of people (from those who are currently receiving or are likely to receive working-age benefits and are work-ready) moving into sustainable employment.			
The number of exits from a main benefit during the calendar year for reason of employment, following an employment outcomes intervention will be no less than (see Notes 6, 7 and 8)	17,000	16,700	17,000
Of those clients who have exited a main benefit during the calendar year for reason of employment, following an employment outcomes intervention, the percentage that did not access a main benefit again in the following six months will be no less than (see Notes 6, 7 and 8)	55%	60%	55%
The number of people supported through the Direct Career Service will be no less than (see Disclosure 2 and Note 9)	13,500	14,500	12,000
The number of disabled people placed or supported to remain in open paid employment will be no fewer than (see Note 10)	5,800	5,800	5,800
The percentage of Apprenticeship Boost payments processed accurately will be no less than (see Notes 11 and 12)	95%	95%	95%

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Improving Work-Readiness Outcomes</b>			
This category is intended to improve the skills and capabilities of people who are receiving or are likely to receive working-age benefits and reduce barriers to employment, to assist them to become work-ready and increase their chances of entering into sustainable work.			
The number of exits from a main benefit during the calendar year for reason of employment, following a work-readiness intervention will be no less than (see Notes 6, 8 and 13)	2,500	3,700	2,500
Of those clients who have exited a main benefit during the calendar year for reason of employment, following a work-readiness intervention, the percentage that did not access a main benefit again in the following six months will be no less than (see Disclosure 3 and Notes 6, 8 and 13)	60%	60%	55%
<b>Employment Programmes - Vocational Rehabilitation Services for Musculoskeletal Pain</b>			
Conduct a Rapid Appraisal of the two new test Vocational Rehabilitation Services by 30 June 2025 (see Disclosure 4)	Achieved	Achieved	Measure expired
<b>Jobs and Skills Hubs</b>			
This category is intended to support large-scale construction and infrastructure projects by building community workforce capability and capacity (see Note 14).			
The number of training interventions completed to support industry and major projects will be no less than (see Disclosure 5 and Note 15)	2,500	3,000	2,835
The number of project vacancies filled will be no less than (see Disclosure 5)	850	1,000	950
<b>Non-Departmental Output Expenses</b>			
<b>He Poutama Rangatahi</b>			
This category is intended to achieve support for communities to link rangatahi directly to employers and support those employers willing to invest in employing them.			
The number of young people supported by the He Poutama Rangatahi programme will be no less (see Disclosure 6)	2,500	2,500	2,500
<b>Pacific employment and training programmes</b>			
This category is intended to achieve an improvement in employment outcomes for Pacific peoples through their participation in training and upskilling programmes delivered by Pacific organisations.			
The percentage of participants who achieve an improvement in their employment outcome, and have retained or improved that outcome for at least 90 days, will be no less than (see Note 16)	70%	70%	70%

Disclosure 1 - These measures have been added to provide further performance information on this category.

Disclosure 2 - The standard has been reduced to reflect the expiration of the time-limited expansion funding received through Budget 2023.

Disclosure 3 - The standard has been reduced to align with the related overarching and employment outcomes intervention measures in this MCA.

Disclosure 4 - The measure has been removed as it was time-limited to 30 June 2025, and the time-limited funding has expired.

Disclosure 5 - The standards have been increased to reflect expected activity across the Hubs that are in place for 2025/26.

Disclosure 6 - The wording of these measures has been adjusted for clarity.

Note 1 - 'Benefit' refers to the main and supplementary benefits that MSD offers, such as Jobseeker Support and Accommodation Supplement.

Note 2 - Accuracy measures the percentage of client assessments that are processed correctly. This is based on a representative sample of completed applications.

Note 3 - The timeframe is calculated from the day when all information required to complete an assessment is received to the day the client is advised of the outcome. This is based on a representative sample of completed applications.

Note 4 - This measure is a question from MSD's Heartbeat survey which is provided to clients immediately following an engagement with MSD. It relates to their experience of the overall service they received on the day of their engagement and is on a scale of 1 to 10. The average score is based on all responses to this question from the cohort of clients who are receiving a Jobseeker benefit at the time of their engagement with MSD.

Note 5 - This measure is a question from MSD's Heartbeat survey which is provided to clients immediately following an engagement with MSD. It relates to the client's level of knowledge of their obligations to MSD in order to receive a benefit and is on a scale of 1 to 5. The average score is based on all responses to this question from the cohort of clients who are receiving a Jobseeker benefit at the time of their engagement with MSD, who had an interaction in a Service Centre only.

Note 6 - MSD offers several main benefits such as Jobseeker Support, Supported Living Payment and Sole Parent Support.

Note 7 - 'Employment outcomes intervention' is a subset of the broader 'Employment interventions' included in the overarching measure for this MCA, and it specifically refers to vacancy placements and some employment products and programmes.

Note 8 - Clients will appear multiple times if they exit a main benefit multiple times and have been assessed for pre-exit activity each time. As the measurement of clients not accessing a main benefit again is taken six months after each exit, the clients included in this count have exited a main benefit within the calendar year rather than the financial year.

Note 9 - The Direct Career Service provides personalised career advice from qualified, professional career practitioners and is available to all New Zealanders who want to transition into new or different work.

Note 10 - Open employment is where people with and without disability work together in the same workplace in roles that are open to everyone in the workforce. This compares with supported or sheltered employment which provides specific employment for disabled people.

Note 11 - Apprenticeship Boost provides subsidies to employers of eligible apprentices to help keep them employed and training towards their qualification and to incentivise employers to take on new apprentices. This is a cross-Vote initiative with Vote Tertiary Education. The policy regarding the initiative is led by the Ministry of Education, and the administration of the scheme is led by MSD.

Note 12 - Accuracy measures the percentage of payments that are processed correctly. This is based on a representative sample of payments made under Apprenticeship Boost.

Note 13 - 'Work-readiness intervention' is a subset of the broader 'Employment interventions' included in the overarching measure for this MCA, and it specifically refers to an external service that helps remove barriers to a client or partner to become ready for work.

Note 14 - Jobs and Skills Hubs are a recruitment and training facilitation service to support Aotearoa New Zealand's construction and infrastructure sectors. They support major projects which improve employment and skills outcomes for communities through close collaboration between government agencies, employers and industry partners.

Note 15 - Training interventions refer to any activity undertaken with a candidate that results in learning, upskilling, gaining a certification or micro credentials, achieving a new skill or refreshing skill levels to increase the chance of employment.

Note 16 - An improvement in a participant's employment outcome can include obtaining more secure employment or leadership roles and moving into a high-growth or sustainable sector. The intent of the programmes is to work with participants over time to improve the sustainability of their improved outcomes.

### *Service Providers for the Multi-Category Appropriation*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
<b>He Poutama Rangatahi</b>				
The Development Hub Limited	1,236	1,236	450	30 June 2026
Bay of Plenty Youth Development Trust	1,108	1,108	260	30 June 2026
Kaipatiki Community Facilities Trust	970	970	200	30 June 2026
Digital Natives Academy	847	847	300	30 June 2026
Smart Waikato Trust	711	711	240	30 June 2026
There are a further 72 providers with contracts that range from \$16,000 to \$664,000	39,305	39,305	31,918	
<b>Total He Poutama Rangatahi</b>	<b>44,177</b>	<b>44,177</b>	<b>33,368</b>	
<b>Māori Trades and Training Programmes</b>				
Te Runanga O Toa Rangatira Incorporated	1,063	1,063	-	30 June 2025
Tupoho Investments Limited	895	895	-	30 June 2025
Te Puna Ora O Mataatua Charitable Trust	880	880	-	30 June 2025
Whatukura Limited	875	875	-	30 June 2025
WERA Consultants Limited	828	828	-	30 June 2025
There are a further 47 providers with contracts that range from \$74,000 to \$756,000	16,370	16,370	-	
<b>Total Māori Trades and Training Programmes</b>	<b>20,911</b>	<b>20,911</b>	<b>-</b>	



Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
<b>Pacific employment and training programmes</b>				
Zeducation Limited	340	340	340	30 June 2026
Oceania Career Academy Limited	340	340	340	30 June 2026
Affirming Works Limited	340	340	340	30 June 2026
KidsCoin Limited	264	264	264	30 June 2026
Puatala Limited	163	163	163	30 June 2026
There are a further 8 providers with contracts that range from \$57,500 to \$153,000	949	949	949	
Total Pacific employment and training programmes	2,396	2,396	2,396	
<b>Flexi-Wage Employment Assistance</b>				
Te Matau a Maui	974	974	-	
MCNZ Group Limited T/A Workforce Solutions	433	433	-	
Titan Collective Limited	373	373	-	
Chevron Traffic Services Limited	288	288	-	
Free For All Charitable Trust	236	236	-	
There are a further 2,612 providers with contracts that range from \$316 to \$235,000	24,267	24,267	-	We do not budget at provider level. Our budgets are at the product level.
Total Flexi-Wage Employment Assistance	26,571	26,571	-	

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<i>Administering Income Support</i>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2025/26	-	3,735	4,085	3,868	4,176
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2025/26	-	582	3,983	16,266	15,906
Return of Funding - Employment and Financial Support Response to COVID-19	2025/26	-	(20,000)	(20,000)	(20,000)	(20,000)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2024/25	21	1,465	9,280	24,503	24,544

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(4,458)	(5,537)	(5,537)	(5,537)	(5,537)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(2,089)	(2,089)	(2,089)	(2,089)	(2,089)
Reduction in Workforce - Ministry of Social Development	2024/25	(5,379)	(5,379)	(5,379)	(5,379)	(5,379)
Return of Funding - Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	(264)	(81)	-	-	-
Personal income Tax Policy	2023/24	695	313	313	313	313
Progressing the Family Boost Tax Credit	2023/24	1,604	1,322	1,322	1,322	1,322
<b>Improving Employment Outcomes</b>						
Apprenticeship Boost Scheme Continuation	2025/26	-	2,894	2,894	2,894	2,894
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	136,271	165,629	17,400	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(3,340)	(4,147)	(4,147)	(4,147)	(4,147)
Reduction in Operating funding - Ministry of Social Development	2024/25	(1,856)	(1,856)	(1,856)	(1,856)	(1,856)
Reduction in Workforce - Ministry of Social Development	2024/25	(5,141)	(5,141)	(5,141)	(5,141)	(5,141)
Minimum Wage Exemption - Discontinuation of the Wage Supplement	2023/24	(939)	(1,254)	(3,290)	(3,290)	(3,290)
<b>Improving Work Readiness Outcomes</b>						
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	-	12,000	12,000	-	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(236)	(293)	(293)	(293)	(293)
Reduction in Operating funding - Ministry of Social Development	2024/25	(435)	(435)	(435)	(435)	(435)
Reduction in Workforce - Ministry of Social Development	2024/25	(1,505)	(1,505)	(1,505)	(1,505)	(1,505)
<b>Jobs and Skills Hubs</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(65)	(80)	(80)	(80)	(80)
Reduction in Operating funding - Ministry of Social Development	2024/25	(15)	(15)	(15)	(15)	(15)
Reduction in Workforce - Ministry of Social Development	2024/25	(22)	(22)	(22)	(22)	(22)
<b>Previous Government</b>						
<b>Departmental Output Expenses</b>						
<b>Administering Income Support</b>						
Training Incentive Allowance - Supporting Eligible People to Study	2024/25	565	1,114	1,114	1,114	1,114
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	2,500	3,270	3,270	3,270	3,270
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	264	81	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Ministry of Social Development Departmental Price Pressures	2023/24	9,327	9,771	10,274	10,274	10,274
Ministry of Social Development - Collective Bargaining Commitments	2023/24	8,798	13,789	13,789	13,789	13,789
Ministry of Social Development - Departmental Savings from 2023/24 Onwards	2023/24	(15,523)	(27,830)	(28,124)	-	-
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	22,319	5,568	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	13,698	3,898	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	23,090	23,090	23,090	23,090	23,090
Special Needs Grants for Dental Treatment - Improving Adequacy and Accessibility	2022/23	714	724	724	724	724
Supporting Child Wellbeing by Enhancing Social and Emotional Learning	2022/23	5,366	5,357	5,339	5,339	5,339
Te Haoroa: Ministry of Social Development Data Warehouse Replacement	2022/23	5,024	2,296	2,296	2,296	2,296
Continued Investment to Address At-Risk Ministry of Social Development Service Delivery Systems	2021/22	2,195	2,195	2,195	2,195	2,195
Continuing the Investment in the Ministry of Social Development's Financial Management and Payroll System Replacements	2021/22	12,537	12,537	12,537	12,537	12,537
Enabling the separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	2,455	2,455	2,455	2,455	2,455
Improving Childcare Assistance for Low and Middle-income Families	2021/22	100	100	100	100	100
Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	2021/22	624	624	624	624	624
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	5,041	5,041	5,041	5,041	5,041
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2021/22	8,470	8,366	8,366	8,366	8,366
Paying a Living Wage Rate to Security Guards Working at the Ministry of Social Development	2021/22	262	262	262	262	262
Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	2021/22	2,315	-	-	-	-
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	18,843	18,843	18,843	18,843	18,843
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	2,742	2,742	2,742	2,742	2,742
Third Draw-down from the "Reducing Risk in Critical Systems and Implementing Legislative Change" Contingencies	2021/22	10,206	10,206	10,206	10,206	10,206
Welfare Overhaul: Removing the Subsequent Child policy	2021/22	(12)	(12)	(12)	(12)	(12)

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b><i>Improving Employment Outcomes</i></b>						
\$5K to Work Employment Programme - Return of Funding	2024/25	(9,146)	(9,147)	(9,147)	(9,147)	(9,147)
Employment Programmes - Addressing Time-Limited Funding	2023/24	8,000	2,500	2,500	2,500	2,500
Employment Programmes - Direct Career Guidance Service	2023/24	850	-	-	-	-
Employment Programmes - Mayors Taskforce for Jobs and Nga Puna Pukenga	2023/24	14,000	-	-	-	-
Employment Programmes - Oranga Mahi	2023/24	17,677	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	6,776	7,099	7,466	7,466	7,466
Ministry of Social Development - Collective Bargaining Commitments	2023/24	6,393	10,018	10,018	10,018	10,018
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	14,674	3,661	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	9,006	2,564	-	-	-
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	28	28	27	27	27
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	16,420	17,276	17,276	17,276	17,276
Wage Supplement to Replace Minimum Wage Exemption	2023/24	939	1,254	3,290	3,290	3,290
Driver Licence Support - Better Access to Licences for Disadvantaged Groups to Improve Employment and Safety Outcomes	2022/23	986	986	986	986	986
Māori Trades and Training Fund - Continuing to Support Māori Entities Delivering Training and Employment for Māori	2022/23	1,335	1,335	-		-
Continued Investment to Address At-Risk Ministry of Social Development Service Delivery Systems	2021/22	2,380	2,380	2,380	2,380	2,380
Enabling the Separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	2,663	2,663	2,663	2,663	2,663
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	5,468	5,468	5,468	5,468	5,468
Paying a Living Wage Rate to Security Guards Working at the Ministry of Social Development	2021/22	284	284	284	284	284
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	20,435	20,435	20,435	20,435	20,435
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	2,972	2,972	2,972	2,972	2,972
<b><i>Improving Employment Outcomes to Support People Impacted by Extreme Weather Events</i></b>						
Employment Recovery Response	2023/24	9,600	-	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b><i>Improving Work Readiness Outcomes</i></b>						
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	2,837	3,930	4,004	4,004	4,004
Employment Programmes - Addressing Time-Limited Funding	2023/24	3,900	-	-	-	-
Employment Programmes - Vocational Rehabilitation Services for Musculoskeletal Pain	2023/24	1,511	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	457	479	504	504	504
Ministry of Social Development - Collective Bargaining Commitments	2023/24	431	676	676	676	676
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	982	245	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	603	173	-	-	-
Approval to Draw Down Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	170	185	194	194	194
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,006	1,006	1,006	1,006	1,006
Enabling the separation of Ministry of Social Development and Oranga Tamariki Corporate Services Functions	2021/22	662	662	662	662	662
Enabling the Transfer of Three MBIE Skills and Employment Initiatives to MSD	2021/22	1,500	1,500	1,500	1,500	1,500
Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	2021/22	1,360	1,360	1,360	1,360	1,360
Paying a Living Wage Rate to Security Guards Working at the Ministry of Social Development	2021/22	71	71	71	71	71
Remuneration Increases for the Ministry of Social Development's Staff as a Result of Collective Bargaining	2021/22	5,084	5,084	5,084	5,084	5,084
Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	2021/22	740	740	740	740	740
Transfer of Funding for the Training Incentive Allowance up to Level 3 on the New Zealand Qualifications Framework	2021/22	(960)	(960)	(960)	(960)	(960)
Welfare Overhaul: Removing the Subsequent Child Policy	2021/22	12	12	12	12	12
<b><i>Jobs and Skills Hubs</i></b>						
Employment Recovery Response	2023/24	1,500	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	95	99	104	104	104
Ministry of Social Development - Collective Bargaining Commitments	2023/24	89	140	140	140	140
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	203	51	-	-	-

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	125	36	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	195	195	195	195	195
Enabling the Transfer of Three MBIE Skills and Employment Initiatives to MSD	2021/22	6,250	6,250	6,250	6,250	6,250
<b>Non-Departmental Output Expenses</b>						
<i>He Poutama Rangatahi</i>						
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	311	368	417	417	417
Enabling the Transfer of three MBIE Skills and Employment Initiatives to MSD	2021/22	33,000	33,000	33,000	33,000	33,000
<i>Māori Trades and Training Programmes</i>						
Māori Trades and Training Fund - Continuing to Support Māori Entities Delivering Training and Employment for Māori	2022/23	20,000	-	-	-	-
Supporting Government Partnerships with Māori through Multi-Year Māori Trades and Training Contracts	2021/22	911	-	-	-	-

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to:

- \$148.271 million to invest in employment services to support the Jobseeker Support reduction target and deliver welfare savings, and
- \$20.350 million from savings required for the Transformation Programme ending in 2024/25.

The above is partially offset by time limited funding ending or reducing by:

- \$43.438 million for employment programmes
- \$28.501 million for Frontline Staff to Maintain Service Levels
- \$26.571 million for Flexi-wage expansion employment programme following the ending of COVID-19 funding in 2024/25
- \$20.911 million for Māori Trades and Training Programmes ending in 2024/25
- \$12.307 million for increasing Ministry of Social Development departmental savings
- \$10.809 million for He Poutama Rangatahi employment programme
- \$10.212 million for employment programmes and services that support New Zealanders affected by the North Island Weather Events ending in 2024/25
- \$4.450 million for the Welfare that Works initiative, and
- \$4.043 million for Service Delivery cost pressures.

## Partnering for Youth Development (M77) (A25)

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to improve outcomes for young people through youth development.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *Administering Youth Development*

This category is limited to developing, promoting and funding a positive youth development approach in partnership with businesses, iwi and the philanthropic and youth sectors.

#### **Non-Departmental Output Expenses**

##### *Delivering Youth Development*

This category is limited to purchasing youth development outcomes.

### *Expenses, Revenue and Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>23,722</b>	<b>23,722</b>	<b>18,481</b>
<b>Departmental Output Expenses</b>			
Administering Youth Development	6,305	6,305	3,882
<b>Non-Departmental Output Expenses</b>			
Delivering Youth Development	17,417	17,417	14,599
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>6,112</b>	<b>6,112</b>	<b>3,690</b>
Administering Youth Development	6,112	6,112	3,690
<b>Revenue from Others</b>	<b>193</b>	<b>193</b>	<b>192</b>
Administering Youth Development	193	193	192

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to promote the use of a positive youth development approach to help support young people across Aotearoa New Zealand to improve their outcomes so that they are better able to succeed in, contribute to and enjoy life.

### *How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The percentage of participants who report they have seen an improvement in their outcomes through participation in a Ministry of Youth Development (MYD) funded programme or service will be no less than (see Note 1)	85%	85%	85%

Note 1 - Data for this measure is collected through participant feedback surveys completed by young people who have participated in MYD-funded initiatives, such as youth development opportunities and youth enterprise programmes. Questions are designed to explore which outcomes young people believe they have achieved through taking part in the programme or service. These can include building connections and relationships, growth and skills development, and planning their future pathways.

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Administering Youth Development</b>			
This category is intended to champion positive youth development as an approach to support young people across Aotearoa New Zealand to improve their outcomes and to increase the accessibility of quality positive youth development services.			
The percentage of total funding for youth development opportunities targeted at young people from the priority cohorts will be no less than (see Disclosure 1)	60%	75%	Measure removed
The percentage of providers reporting that interacting with MYD was a 'good' or 'very good' experience will be no less than (see Disclosure 2)	80%	80%	Measure removed
The percentage of partners involved in funding services through the Partnership Fund reporting that partnering with MYD was a 'good' or 'very good' experience will be no less than (see Disclosure 2)	80%	80%	Measure removed
The percentage of partners reporting that partnering with MYD was a 'good' or 'very good' experience will be no less than (see Disclosure 2 and Note 1)	Replacement measure	Replacement measure	80%
<b>Non-Departmental Output Expenses</b>			
<b>Delivering Youth Development</b>			
This category is intended to achieve an improvement in the outcomes of young people through their participation in quality positive youth development (including through partnerships with businesses, iwi, the philanthropic, youth sectors and other government organisations), and an improvement in young people's preparedness for the future work environment through enterprise education and skills development.			
The percentage of participants who report they have seen an improvement in their youth development outcomes through participation in MYD-funded youth development programmes or services will be no less than (see Notes 2 and 3)	85%	85%	85%
The percentage of participants who report they have improved their preparedness for the future work environment through participation in MYD-funded youth enterprise programmes or services will be no less than (see Notes 3 and 4)	85%	85%	85%

Disclosure 1 - This measure has been removed as it is no longer relevant. All MYD-funded programmes and services prioritise young people based on their youth development needs.

Disclosure 2 - The measures regarding provider and partner experiences with MYD have been combined to better reflect partnering for youth development as part of MSD's strategic shift Kotahitanga - Partnering for greater impact.



Note 1 - Data for this measure is collected through annual survey of partners. Partners include all MYD-funded providers and all Partnership Fund partners. The ratings are: 'very bad', 'bad', 'neither bad nor good', 'good' or 'very good'.

Note 2 - Data for this measure is collected through participant feedback surveys completed by young people who have participated in MYD funded youth development opportunities. Questions are designed to explore which outcomes young people believe they have achieved through taking part in the programme or service. These can include building connections and relationships, and growth and skills development (eg, confidence, resilience and leadership skills).

Note 3 - These measures are a subset of the overarching measure, with one specifically focused on youth development outcomes and the second focused on youth enterprise outcomes.

Note 4 - Data for this measure is collected through participant feedback surveys completed by young people who have participated in MYD funded youth enterprise programmes. Questions are designed to explore which outcomes young people believe they have achieved through taking part in the programme. These can include developing entrepreneurial skills and planning their future pathways (eg, further study, starting a business, getting a job, volunteering and social enterprise).

### *Service Providers for the Multi-Category Appropriation*

Provider	2024/25 Final Budgeted \$000	2024/25 Estimated Actual \$000	2025/26 Budget \$000	Expiry of Resourcing Commitment
Youthline Auckland Charitable Trust	732	732	169	31 December 2025
Te Ora Hou Northland Incorporated	534	534	47	31 December 2025
Upper Hutt Community Youth Trust Board Of Trustees	528	528	85	31 December 2025
Te Ora Hou Otautahi Incorporated	490	490	120	31 December 2025
Zeal Youth Trust Aotearoa	452	452	126	31 December 2025
There are a further 100 providers with contracts that range from \$1,000 to \$430,000	14,681	14,681	14,052	
<b>Total</b>	<b>17,417</b>	<b>17,417</b>	<b>14,599</b>	

The table above presents the top five service providers who have funding arrangements with the Ministry of Social Development under Non-departmental Output Expenses: Delivering Youth Development Opportunities in year 2024/25 as at 19 March 2025.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<i>Administering Youth Development</i>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(27)	(34)	(34)	(34)	(34)
Reduction in Operating Funding - Ministry of Social Development	2024/25	(6)	(6)	(6)	(6)	(6)
Reduction in Workforce - Ministry of Social Development	2024/25	(9)	(9)	(9)	(9)	(9)
<b>Previous Government</b>						
<b>Departmental Output Expenses</b>						
<i>Administering Youth Development</i>						
Ākonga Youth Development Community Fund - Strengthening Ākonga Resilience to Achieve Better Pathways for Success	2023/24	755	-	-	-	-
Ministry of Social Development - Collective Bargaining Commitments	2023/24	46	71	71	71	71
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	125	125	125	125	125
Ministry of Youth Development - Increasing Equitable Access to Youth Development Services	2022/23	250	250	250	250	250
<b>Non-Departmental Output Expenses</b>						
<i>Delivering Youth Development</i>						
Ākonga Youth Development Community Fund - Strengthening Ākonga Resilience to Achieve Better Pathways for Success	2023/24	5,345	-	-	-	-
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	563	617	649	649	649
Ministry of Youth Development - Increasing Equitable Access to Youth Development Services	2022/23	3,500	3,500	3,500	3,500	3,500

### Reasons for Change in Appropriation

The decrease in this appropriation for 2025/26 is mainly due to:

- time limited funding of \$6.100 million for the Ākonga Youth Development Community Fund - Strengthening Ākonga Resilience to Achieve Better Pathways for Success initiative ending, and
- time limited funding of \$1 million transfer from 2023/24 to 2024/25 for Youth, Health and Wellbeing Survey ending.

The above is partially offset by \$2.425 million transfer from 2023/24 to 2025/26 to adjust the phasing of the Targeted Support for At-Risk Ākonga initiative.

## Redress for Abuse in Care (M63) (A25)

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.

### *Scope of Appropriation*

#### **Departmental Output Expenses**

##### *Delivering redress for abuse in care*

This category is limited to responding to, designing, implementing and delivering redress for abuse in care

#### **Non-Departmental Output Expenses**

##### *Support Services*

This category is limited to providing third party support services to people who report experiencing abuse in state care.

#### **Non-Departmental Other Expenses**

##### *Redress Payments*

This category is limited to providing financial redress to people who experienced abuse in state care.

### *Expenses, Revenue and Capital Expenditure*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>38,089</b>	<b>38,089</b>	<b>75,334</b>
<b>Departmental Output Expenses</b>			
Delivering redress for abuse in care	3,081	3,081	24,184
<b>Non-Departmental Output Expenses</b>			
Support Services	-	-	12,150
<b>Non-Departmental Other Expenses</b>			
Redress Payments	35,008	35,008	39,000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>3,081</b>	<b>3,081</b>	<b>24,184</b>
Delivering redress for abuse in care	3,081	3,081	24,184

### *Comparators for Restructured Appropriation*

	2024/25		2025/26
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote, Type and Title of Appropriation			
Vote Social Development: Departmental Output Expense			
Historic Claims MYA	66,901	66,901	
<b>Total</b>	<b>104,990</b>	<b>104,990</b>	<b>75,334</b>

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable the Government's response to redress recommendations made by the Royal Commission of Inquiry into Abuse in Care.

### *How Performance will be Assessed for this Appropriation*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
The number of assessments completed during the year will be no less than (see Disclosure 1)	1,090	1,090	1,300

Disclosure 1 - This measure is in line with the measures in the previous Historic Claims appropriation. The standard has been increased to reflect additional funding received.

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2024/25		2025/26
Assessment of Performance	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Delivering redress for abuse in care</b>			
This category is intended to design and deliver a well-functioning redress system.			
The percentage of claimants who receive a settlement offer within three months following their decision to choose a rapid payment will be no less than (see Note 1)	95%	95%	95%
The percentage of claimants who report they agree or strongly agree that they felt respected in their interaction with Historic Claims, and that their options were clearly communicated to them, will be no less than (see Note 2)	80%	80%	80%
<b>Non-Departmental Output Expenses</b>			
<b>Support Services</b>			
This category is intended to provide support to people who report experiencing abuse in care.			
The percentage of people who engaged with Te Huarahi ki te Oranga and reported they were satisfied with the support they received will be no less than (see Disclosure 1 and Note 3)	New measure	New measure	80%
<b>Non-Departmental Other Expenses</b>			
<b>Redress Payments</b>			
This category is intended to provide consistent and timely payments to people who have experienced abuse in care.			
An exemption was granted, as the category is one from which resources will be provided to a person or an entity other than a department, a functional chief executive, an Office of Parliament, or a Crown Entity; and, under s15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative as this category is solely for the payment of financial redress to survivors of abuse in state care. Also, this is a demand-driven transactional based category. Performance information relating to the administration of the payments is provided under the departmental category of this Multi-Category Appropriation.	Exempted	Exempted	Exempted

The measures are in line with the measures in the previous Historic Claims appropriation.

Disclosure 1 - This measure has been added to provide performance information for this new category established in 2025/26. Measuring satisfaction with support services was chosen as the most appropriate type of measure to cover the intention of the funding.

Note 1 - In October 2022, Joint Ministers agreed to a high-level Crown framework to give claimants a rapid payment option, as opposed to an individualised assessment, to enable more timely resolution of claims. This was initially focused on elderly or terminally ill survivors. Following the successful roll out of the new system, from early February 2023 rapid payments were extended to all claimants, starting with the oldest open claims.

Note 2 - The survey focuses on the engagement claimants have with staff about their assessment options (such as whether to choose a rapid payment or individualised assessment). The measure result is the percentage of total survey respondents that agree or strongly agree that they felt respected in their interaction with Historic Claims, and also agree, strongly agree, or neither agree nor disagree that their options were clearly communicated to them.

Note 3 - Te Huarahi ki te Oranga is a wrap-around support service that works with claimants and their families to access supports they need while they go through the claims process. The service uses a navigation delivery model to walk alongside claimants in the community and assist them to access other services and/or agencies to achieve their self-directed goals.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Social Development in the Ministry of Social Development Annual Report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2024/25 Final Budgeted \$000	2025/26 Budget \$000	2026/27 Estimated \$000	2027/28 Estimated \$000	2028/29 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<i>Delivering Redress for Abuse in Care</i>						
Addressing the Wrongs of the Past - Redress for Abuse in Care	2024/25	3,081	24,184	38,094	40,395	41,765
<b>Non-Departmental Other Expenses</b>						
<i>Redress Payments</i>						
Addressing the Wrongs of the Past - Redress for Abuse in Care	2024/25	35,008	39,000	51,000	55,500	55,500
<b>Non-Departmental Output Expenses</b>						
<i>Support Services</i>						
Addressing the Wrongs of the Past - Redress for Abuse in Care	2025/26	-	12,150	15,910	17,485	17,485

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2025/26 is mainly due to the transfer of funds from the Historic Claims MYA to this appropriation.