

# *Vote Social Development*

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APPROPRIATION MINISTER(S): 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 2026/27 financial year covering the following:

- a total of over \$26,481 million on payments of New Zealand Superannuation
- a total of nearly \$10,516 million on payments for the working-age benefits - Jobseeker Support, Sole Parent Support and Supported Living Payment
- a total of over \$2,322 million on accommodation assistance
- a total of nearly \$1,233 million on support to improve employment and social outcomes
- a total of nearly \$851 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 \$723 million on payments to assist people to obtain a qualification including Student Allowances, and Study Scholarships and Awards
- a total of over \$599 million on financial assistance for childcare, care of unsupported children and the extraordinary care fund
- a total of nearly \$595 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 over \$533 million on disability assistance for adults and children with disability costs
- a total of over \$317 million on community support services
- a total of over \$301 million on advance payment of benefits and other recoverable payments to assist with hardship
- a total of nearly \$196 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 \$182 million on purchasing services from non-governmental organisation service providers and Crown entities
- a total of over \$150 million on the provision of debt write-downs and the revaluation of outstanding Crown debt
- a total of over \$105 million to provide redress for those abused in care
- a total of nearly \$81 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 \$72 million on income support and assistance to seniors and administration of service cards
- a total of over \$71 million for departmental capital expenditure
- a total of over \$64 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 \$58 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 over \$23 million on management of student support
- a total of over \$22 million on the Training Incentive Allowance
- a total of nearly \$21 million on supporting New Zealanders to obtain a driver licence
- a total of over \$15 million on corporate support services, and
- a total of nearly \$7 million on planning, correspondence and monitoring.

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

The Minister of Housing is responsible for appropriations in the Vote for the 2026/27 financial year covering the following:

- a total of nearly \$177 million on housing support assistance for those in need to access or retain housing solutions
- a total of over \$67 million on services to support people to access accommodation
- a total of over \$44 million on payments for emergency housing assistance
- a total of over \$8 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 \$48,000 on the Emergency Housing Support Package.

The Minister for Youth is responsible for an appropriation in the Vote for the 2026/27 financial year covering a total of nearly \$17 million on partnering for youth development.

The Minister of Revenue is responsible for appropriations in the Vote for the 2026/27 financial year covering the following:

- a total of over \$2,337 million on payments for student loans, and
- a total of over \$23 million for management of student loans.

The Minister for Veterans is responsible for appropriations in the Vote for the 2026/27 financial year covering the following:

- a total of nearly \$132 million on payments of Veteran's Pension, and
- a total of \$744,000 for processing of Veteran's Pensions.

The Minister for Seniors is responsible for appropriations in the Vote for the 2026/27 financial year covering the following:

- a total of over \$4 million on the enhancement and promotion of SuperGold Cards, and
- a total of nearly \$2 million on promoting positive outcomes for seniors.

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	2025/26		2026/27
	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 Services Card.	7,165	7,165	<b>7,043</b>
<b>Corporate Support Services (M63) (A25)</b> This appropriation is limited to the provision of corporate support services to other agencies.	16,091	16,091	<b>15,120</b>
<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.	41,265	41,265	<b>34,545</b>
<b>Enhancement and Promotion of SuperGold Cards (M61) (A25)</b> This appropriation is limited to promoting, delivering information about and enhancing the SuperGold and Veteran SuperGold cards, and enlisting businesses to provide discounts to SuperGold cardholders.	1,734	1,734	<b>4,404</b>
<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.	65,804	65,804	<b>65,044</b>
<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.	65,448	65,448	<b>64,257</b>
<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.	28,689	28,689	<b>23,063</b>
<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.	28,590	28,590	<b>23,091</b>
<b>Planning, Correspondence and Monitoring (M63) (A25)</b> This appropriation is limited to monitoring of and advice on the governance, performance and capability of Social Development and Employment Crown entities, advice on appointments to other boards, and services to support Ministers to discharge their portfolio responsibilities.	7,384	7,384	<b>6,584</b>
<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.	23,172	23,172	<b>23,047</b>
<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.	757	757	<b>744</b>

	2025/26		2026/27
	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.	1,870	1,870	<b>1,872</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.	85,607	85,607	<b>67,117</b>
<b>Total Departmental Output Expenses</b>	373,576	373,576	335,931
<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.	66,417	66,417	71,331
<b>Total Departmental Capital Expenditure</b>	66,417	66,417	71,331
<b>Non-Departmental Output Expenses</b>			
<b>Children's Commissioner (M63) (A25)</b> This appropriation is limited to the provision of services from the Children's Commissioner, including the discharge of the Commissioner's functions, duties and powers under the Children's Commissioner Act 2022.	8,216	8,216	<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.	133,647	133,647	<b>133,658</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.	20,856	20,856	<b>20,880</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 Monitor of the Oranga Tamariki System (M63) (A25)</b> This appropriation is limited to the provision of services from the Independent Monitor of the Oranga Tamariki System, including the discharge of the Monitor's functions, duties and powers under the Oversight of Oranga Tamariki System Act 2022.	11,387	11,387	<b>13,232</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.	987	987	<b>937</b>
<b>Student Placement Services (M63) (A25)</b> This appropriation is limited to placement services for students for holiday and term employment.	3,512	3,512	<b>3,512</b>
<b>Total Non-Departmental Output Expenses</b>	179,522	179,522	181,352
<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.	2,361,935	2,308,335	<b>2,322,160</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.	171,489	159,189	<b>166,789</b>

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<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 paid in accordance with criteria set out in section 89 of the Social Security Act 2018, or in delegated legislation.	524,814	517,814	<b>533,185</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.	43,297	39,797	<b>44,322</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.	855,517	815,517	<b>835,027</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.	5,011,114	4,944,114	<b>5,018,386</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.	24,776,722	24,729,722	<b>26,481,340</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, who have a long-term serious 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.	425,485	417,085	<b>430,108</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.	2,417,539	2,389,939	<b>2,473,973</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, and 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.	11,718	10,818	<b>11,942</b>
<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.	677,161	647,161	<b>702,154</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.	20,426	20,426	<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.	2,851,789	2,829,789	<b>3,023,208</b>

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<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.	19,992	18,192	<b>22,062</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.	125	125	<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.	132,746	131,546	<b>131,683</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.	600,696	582,696	<b>594,514</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.	3,467	2,967	<b>3,306</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.	79,950	78,150	<b>80,608</b>
<b>Total Benefits or Related Expenses</b>	40,985,982	40,643,382	42,895,693
<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 Programme in accordance with criteria established by Cabinet and Joint Ministers.	22,729	22,729	<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.	205,927	145,927	<b>150,463</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 Grants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.	750	750	<b>48</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.	22,251	22,251	<b>22,251</b>

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<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.	6,389	6,389	<b>8,274</b>
<b>Total Non-Departmental Other Expenses</b>	260,354	200,354	209,073
<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.	294,107	282,107	<b>301,170</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.	2,209,708	2,139,708	<b>2,337,138</b>
<b>Independent Children's Monitor Capital Injection (M63) (A25)</b> This appropriation is limited to capital injections into the Independent Children's Monitor.	4,369	4,369	-
<b>Total Non-Departmental Capital Expenditure</b>	2,508,184	2,426,184	2,638,308
<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.	321,354	321,354	<b>317,014</b>
<i>Departmental Output Expenses</i>			
<i>Developing and Managing Community Services</i> This category is limited to approving, monitoring, contracting and managing the relationships with community-based service providers, and engaging with communities and developing services.	40,468	40,468	39,796
<i>Regional System Leadership Framework</i> This category is limited to co-ordinating and delivering public services at a regional level.	5,550	5,550	1,225
<i>Non-Departmental Output Expenses</i>			
<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.	52,455	52,455	51,561
<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.	1,642	1,642	1,876
<i>Participation and Support Services for Seniors</i> This category is limited to services that address the isolation, abuse and neglect of older people, and support participation in communities.	13,039	13,039	14,333
<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.	2,691	2,691	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.	190,609	190,609	186,532

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b><i>Non-Departmental Other Expenses</i></b>			
<i>Developing provider capability and capacity</i> This category is limited to providing financial assistance to build provider capability and capacity for the benefit of vulnerable individuals, families and communities.	-	-	15,000
<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.	14,900	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.	169,941	160,941	<b>176,722</b>
<b><i>Non-Departmental Output Expenses</i></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.	1,613	1,613	883
<b><i>Non-Departmental Other Expenses</i></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.	2,433	2,433	2,894
<b><i>Non-Departmental Capital Expenditure</i></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.	165,895	156,895	172,945
<b>Improved Employment and Social Outcomes Support MCA (M63) (A25)</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.	1,163,510	1,163,510	<b>1,232,550</b>
<b><i>Departmental Output Expenses</i></b>			
<i>Administering Income Support</i> 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.	437,933	437,933	441,658
<i>Improving Employment Outcomes</i> 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 the strategic direction set by Cabinet or the appropriation Minister) to eligible people to help them move into and retain employment.	563,950	563,950	624,054
<i>Improving Work-Readiness Outcomes</i> 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 the strategic direction set by Cabinet or the appropriation Minister) to eligible people to address barriers to employment to help them become work-ready.	116,514	116,514	116,227
<i>Jobs and Skills Hubs</i> 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.	7,054	7,054	6,972

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b><i>Non-Departmental Output Expenses</i></b>			
<i>He Poutama Rangatahi</i> 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.	33,368	33,368	33,417
<i>Pacific employment and training programmes</i> This category is limited to expenses incurred on employment and training programmes that support Pacific peoples.	4,691	4,691	10,222
<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.	17,081	17,081	<b>16,623</b>
<b><i>Departmental Output Expenses</i></b>			
<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.	3,982	3,982	2,940
<b><i>Non-Departmental Output Expenses</i></b>			
<i>Delivering Youth Development</i> This category is limited to purchasing youth development outcomes.	13,099	13,099	13,683
<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.	107,855	107,855	<b>105,004</b>
<b><i>Departmental Output Expenses</i></b>			
<i>Delivering redress for abuse in care</i> This category is limited to responding to, designing, implementing and delivering redress for abuse in care	30,106	30,106	38,094
<b><i>Non-Departmental Output Expenses</i></b>			
<i>Support Services</i> This category is limited to providing third party support services to people who report experiencing abuse in state care.	14,150	14,150	15,910
<b><i>Non-Departmental Other Expenses</i></b>			
<i>Redress Payments</i> This category is limited to providing financial redress to people who experienced abuse in state care.	63,599	63,599	51,000
<b>Total Multi-Category Expenses and Capital Expenditure</b>	1,779,741	1,770,741	1,847,913
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	46,153,776	45,660,176	48,179,601

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<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.  Commences: 01 July 2025  Expires: 30 June 2030	Original Appropriation	67,590
	Adjustments to 2024/25	-
	Adjustments for 2025/26	889,346
	Adjusted Appropriation	956,936
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	128,924
	Estimate for 2026/27	195,577
	Estimated Appropriation Remaining	632,435

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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	46,153,776	45,660,176	48,179,601
Total Forecast MYA Departmental Other Expenses	128,924	128,924	195,577
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>46,282,700</b>	<b>45,789,100</b>	<b>48,375,178</b>

## Capital Injection Authorisations

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Ministry of Social Development - Capital Injection (M63) (A25)	16,052	16,052	15,782

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Action to Address Methamphetamine-Related Harm	<b>Community Support Services MCA (M63)</b>					
	• Community Support and Advice	1,500	9,454	-	-	-
	Non-Departmental Output Expenses					
	• Developing and Managing Community Services	125	-	-	-	-
	Departmental Output Expenses					
Apprenticeship Boost - Reprioritising Underspend	<b>Apprentice Support (M63)</b>	(3,000)	-	-	-	-
	Non-Departmental Other Expenses					
Automated Decision-Making (ADM) remediation - recognition of additional savings	<b>Hardship Assistance (M63)</b>	-	(2,709)	(16,699)	(17,583)	(17,583)
	Benefits or Related Expenses					
Drawdown of Parenting Programme Contingency	<b>Community Support Services MCA (M63)</b>					
	• Developing and Managing Community Services	485	1,597	1,414	1,414	1,414
	Departmental Output Expenses					
Drawdown transitional funding to continue providing wraparound services to vulnerable young people and their whānau	<b>Community Support Services MCA (M63)</b>					
	• Community Support and Advice	550	-	-	-	-
	Non-Departmental Output Expenses					
Emergency Housing - Extending scaled-down support services	<b>Emergency Housing Assistance (M37)</b>	-	(12,374)	(5,681)	-	-
	Benefits or Related Expenses					
	<b>Emergency Housing Support Package (M37)</b>	-	48	-	-	-
	Non-Departmental Other Expenses					
	<b>Housing Support Assistance MCA (M37)</b>					
	• Provision to better prepare people to access and sustain private rentals	-	320	-	-	-

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
	Non-Departmental Output Expenses					
	<b>Services to Support People to Access Accommodation (M37)</b>	-	10,844	-	-	-
	Departmental Output Expenses					
Food Secure Communities and KickStart Breakfast programmes - continuing funding	<b>Community Support Services MCA (M63)</b>					
	• Developing provider capability and capacity	-	15,000	8,000	8,000	8,000
	Non-Departmental Other Expenses					
	• Improving Children's Participation in Education	-	1,500	1,500	1,500	1,500
	• Supporting Victims and Perpetrators of Family and Sexual Violence	(1,800)	-	-	-	-
	• Participation and Support Services for Seniors	(1,200)	-	-	-	-
	• Place-Based Approaches	(4,000)	-	-	-	-
	Non-Departmental Output Expenses					
Accommodation Supplement - Increasing the Maxima	<b>Accommodation Assistance (M63)</b>	-	38,887	159,713	156,065	161,394
	<b>Hardship Assistance (M63)</b>	-	(10,905)	(45,180)	(42,981)	(42,646)
	Benefits or Related Expenses					
Income Charging Phase 2 - savings from further policy decisions	<b>Accommodation Assistance (M63)</b>	-	-	2,484	(5,035)	(5,119)
	<b>Hardship Assistance (M63)</b>	-	-	275	(1,180)	(1,265)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	-	2,869	-	-
	<b>New Zealand Superannuation (M63)</b>	-	-	-	(282)	(282)
	<b>Sole Parent Support (M63)</b>	-	-	1,590	(19,441)	(19,441)
	<b>Supported Living Payment (M63)</b>	-	-	865	(7,606)	(7,606)
	Benefits or Related Expenses					
Employment Supports for Sole Parents	<b>Accommodation Assistance (M63)</b>	-	(231)	(1,337)	(1,847)	(1,590)
	<b>Disability Assistance (M63)</b>	-	(10)	(58)	(84)	(72)
	<b>Hardship Assistance (M63)</b>	-	(367)	(2,158)	(3,066)	(2,638)
	<b>Sole Parent Support (M63)</b>	-	(8,939)	(52,108)	(74,984)	(66,008)
	<b>Winter Energy Payment (M63)</b>	-	(207)	(871)	(1,280)	(1,144)
	Benefits or Related Expenses					

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Improving Employment Outcomes	-	43,108	50,200	-	-
	Departmental Output Expenses					
Ministry of Social Development - Services for the Future tagged contingency drawdown	<b>Accommodation Assistance (M63)</b>	-	-	(847)	(3,642)	(3,642)
	<b>Hardship Assistance (M63)</b>	-	-	(408)	(1,856)	(1,856)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	-	(3,048)	(13,241)	(13,241)
	<b>Sole Parent Support (M63)</b>	-	-	(1,747)	(7,591)	(7,591)
	Benefits or Related Expenses					
	<b>Ministry of Social Development - Services for the Future Programme MYA (M63)</b>	15,000	195,577	288,432	344,003	-
	Departmental Other Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Improving Employment Outcomes	-	1,600	(1,207)	(13,195)	-
	Departmental Output Expenses					
SuperGold Card: official form of identification	<b>Administration of Service Cards (M63)</b>	-	-	-	14,562	14,867
	<b>Enhancement and Promotion of SuperGold Cards (M61)</b>	-	2,669	4,315	-	-
	Departmental Output Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	2,364	4,096	-	-
	Departmental Net Assets					
Temporary Additional Support - Change to the maximum rate and removing child support as an allowable cost	<b>Hardship Assistance (M63)</b>	-	(14,080)	(59,791)	(60,998)	(64,850)
	Benefits or Related Expenses					
	<b>Improved Employment and Social Outcomes Support MCA (M63)</b>					
	• Administering Income Support	-	3,683	479	-	-
	Departmental Output Expenses					

Policy Initiative	Appropriation	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Income-Related Rent - Increasing the Minimum Client Contribution to Emergency Housing Costs	<b>Hardship Assistance (M63)</b>	-	5	492	762	719
	Benefits or Related Expenses					
	<b>Ministry of Social Development - Capital Injection (M63)</b>	-	1,500	-	-	-
	Departmental Net Assets					
	<b>Services to Support People to Access Accommodation (M37)</b>	-	1,911	1,539	375	375
	Departmental Output Expenses					
Tertiary Education - Increase to Tertiary Fees (Impact on Student Loans)	<b>Student Loans (M57)</b>	-	42,726	51,961	52,168	52,910
	Non-Departmental Capital Expenditure					
Tightening Access to Jobseeker Support and Emergency Benefit for 18 and 19 Years Olds	<b>Debt Write-downs (M63)</b>	-	(82)	(4,421)	(4,297)	(4,297)
	Non-Departmental Other Expenses					
	<b>Hardship Assistance (M63)</b>	-	9,286	(25,714)	(24,988)	(24,988)
	<b>Jobseeker Support and Emergency Benefit (M63)</b>	-	(55,447)	81,860	82,844	82,844
	Benefits or Related Expenses					
	<b>Recoverable Assistance (M63)</b>	-	(274)	(14,738)	(14,322)	(14,322)
	Non-Departmental Capital Expenditure					
<b>Total Initiatives</b>		<b>7,660</b>	<b>276,454</b>	<b>426,071</b>	<b>342,194</b>	<b>23,842</b>

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2021/22	2022/23	2023/24	2024/25	2025/26		2026/27			2027/28	2028/29	2029/30
	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	450,940	454,547	483,253	523,456	553,098	553,098	335,931	181,352	517,283	503,264	504,698	505,003
Benefits or Related Expenses	29,890,295	32,440,292	35,663,484	38,267,536	40,985,982	40,643,382	N/A	42,895,693	42,895,693	44,835,899	45,883,407	47,693,861
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	5,563,065	606,326	319,651	303,083	389,278	329,278	195,577	209,073	404,650	497,177	555,543	214,227
Capital Expenditure	1,782,423	1,819,398	1,824,167	2,129,491	2,574,601	2,492,601	71,331	2,638,308	2,709,639	2,753,687	2,754,138	2,778,190
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	1,599,247	1,683,902	1,673,391	1,512,398	1,532,914	1,532,914	1,270,966	335,108	1,606,074	1,490,724	1,410,809	1,424,269
<i>Other Expenses</i>	213,116	126,893	61,781	78,195	80,932	80,932	-	68,894	68,894	66,553	66,535	66,525
<i>Capital Expenditure</i>	2,709	32,994	109,994	147,792	165,895	156,895	N/A	172,945	172,945	186,631	192,585	198,950
<b>Total Appropriations</b>	39,501,795	37,164,352	40,135,721	42,961,951	46,282,700	45,789,100	1,873,805	46,501,373	48,375,178	50,333,935	51,367,715	52,881,025
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	30,356	7,455	35,997	37,582	14,133	14,133	N/A	14,997	14,997	15,453	16,394	16,899
Capital Receipts	919,881	961,742	1,035,277	1,118,642	1,244,629	1,244,629	N/A	1,268,895	1,268,895	1,262,150	1,263,351	1,277,905
<b>Total Crown Revenue and Capital Receipts</b>	950,237	969,197	1,071,274	1,156,224	1,258,762	1,258,762	N/A	1,283,892	1,283,892	1,277,603	1,279,745	1,294,804

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

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

### 1.3 - Analysis of Significant Trends

Significant trends in Vote Social Development are discussed briefly below. Across all tables, the 2021/22 to 2024/25 figures are actual, the 2025/26 figures are estimated actual, the 2026/27 figures are Budget, and figures from 2027/28 to 2029/30 are estimates. Aside from the Appropriations by Focus Areas table, all tables below are in the order of the largest to smallest change, followed by other variances.

#### *Appropriations by Function within Vote Social Development*

The figures shown by type of appropriation in the Summary of Financial Activity table (section 1.2) have been reanalysed by the relevant focus areas outlined in MSD's Strategic Intentions 2025-2029 to allow for a more meaningful and straightforward explanation of the trends.

Social Assistance Benefits and Supports, which support New Zealanders through income and hardship assistance, are presented as a distinct focus area due to their scale and demand-driven nature. Grouping benefit expenditure separately allows trends driven by economic conditions, demographics and policy settings to be clearly distinguished from changes in operational and service delivery funding across the Vote.

The funding by each focus area is explained in more detail below.

#### *Appropriations by Focus Areas*

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Focus Area</b>									
Getting New Zealanders Working	5,996,580	1,131,039	841,938	737,436	772,196	837,535	683,266	604,271	617,466
Providing the Income Support People Need	636,562	632,326	679,473	640,808	634,386	624,900	677,062	686,840	687,160
Supporting People with Their Housing Needs	80,617	119,745	196,618	246,745	254,604	253,078	253,291	258,414	264,769
Partnering with Others	646,999	617,906	560,316	580,835	585,849	580,883	566,923	562,178	562,428
Enabling MSD People to Help New Zealanders	114,653	191,196	195,473	194,231	267,162	331,084	424,835	476,700	132,697
Social Assistance Benefits and Supports	31,716,408	34,289,060	37,540,354	40,490,946	43,211,124	45,684,464	47,666,788	48,717,542	50,554,735
Other	309,976	183,080	121,549	70,950	63,779	63,234	61,770	61,770	61,770
<b>Total</b>	<b>39,501,795</b>	<b>37,164,352</b>	<b>40,135,721</b>	<b>42,961,951</b>	<b>45,789,100</b>	<b>48,375,178</b>	<b>50,333,935</b>	<b>51,367,715</b>	<b>52,881,025</b>

The trend across Vote Social Development is expected to increase over the years, rising by \$13,379.230 million between 2021/22 and 2029/30. This is largely driven by an increase in the expected number of people receiving New Zealand Superannuation, and accumulated inflation and wage adjustments.

The majority of the Vote's funding is directed towards Social Assistance Benefits and Supports. This area is projected to grow from around 80.3% of total funding in 2021/22 to approximately 95.6% by 2029/30.

## Getting New Zealanders Working

This focus area reflects efforts to improve employment outcomes by supporting people to prepare for, find, and stay in work. It includes initiatives that get people into work or training and contribute to improved social and economic wellbeing.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Business Support Subsidy COVID-19	4,703,774	310	690	-	-	-	-	-	-
COVID-19 Leave Support Scheme	471,401	273,192	13,481	-	-	-	-	-	-
Improving Employment Outcomes	592,994	549,672	553,564	451,205	563,950	624,054	480,110	401,100	414,295
Flexi-Wage Employment Assistance	58,652	52,279	25,143	26,571	-	-	-	-	-
Other appropriations	169,759	255,586	249,060	259,660	208,246	213,481	203,156	203,171	203,171
<b>Total</b>	<b>5,996,580</b>	<b>1,131,039</b>	<b>841,938</b>	<b>737,436</b>	<b>772,196</b>	<b>837,535</b>	<b>683,266</b>	<b>604,271</b>	<b>617,466</b>

Overall, the trend for this focus area decreases between 2021/22 and 2029/30 by 89.7% from \$5,996.580 million to \$617.466 million - a reduction of \$5,379.114 million. This reflects the conclusion of time-limited COVID-19 initiatives and a transition to a long-term baseline level of support.

The Flexi-Wage Employment Assistance category was introduced in 2020/21 as part of the COVID-19 Response and Recovery Fund. It expanded significantly during the COVID-19 period, with the category ending in 2024/25. Flexi-Wage continues to be available, funded through the Improving Employment Outcomes category of the Improved Employment and Social Outcomes Support multi-category appropriation.

The Improving Employment Outcomes category reduced from \$592.994 million in 2021/22 to \$451.205 million in 2024/25 as temporary COVID-19 initiatives ended. This increases from 2024/25 through to 2026/27 due time-limited funding to support more people into work. These initiatives end subsequent to 2026/27, reducing forecast expenditure.

## Providing the Income Support People Need

This focus area covers the provision of financial assistance to individuals and families who require support to meet essential living costs. The appropriations included are the departmental expenses covering the administration of income support, service cards, and related functions.

The related Benefits or Related Expenses (BoRE) appropriations are presented in the Social Assistance Benefits and Supports focus area.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Administering Income Support	478,221	466,453	505,499	452,561	437,933	441,658	493,820	493,345	493,360
Administration of Service Cards	6,904	7,418	7,259	7,951	7,165	7,043	7,043	21,605	21,910
Income Support and Assistance to Seniors	52,739	57,014	60,636	56,574	65,804	65,044	65,044	65,044	65,044
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments	48,956	53,444	57,506	63,647	65,448	64,257	64,257	59,948	59,948
Other appropriations	49,742	47,997	48,573	60,075	58,036	46,898	46,898	46,898	46,898
<b>Total</b>	<b>636,562</b>	<b>632,326</b>	<b>679,473</b>	<b>640,808</b>	<b>634,386</b>	<b>624,900</b>	<b>677,062</b>	<b>686,840</b>	<b>687,160</b>

Overall, the trend for this focus area increases between 2021/22 and 2029/30 by 7.9% from \$636.562 million to \$687.160 million - an increase of \$50.598 million. This is primarily due to changes in Administering Income Support and Administration of Service Cards.

The Administering Income Support category increases from \$478.221 million in 2021/22 to \$493.360 million in 2029/30. The overall increase reflects ongoing service delivery, remuneration, and systems cost pressures that outweigh the expiry of one-off funding in the early years.

The Administration of Service Cards appropriation increases from \$6.904 million in 2021/22 to \$21.910 million in 2029/30. Funding remained broadly stable for much of the period, fluctuating between \$6 million and \$8 million from 2021/22 to 2027/28, reflecting steady administrative activity. The significant increase from 2028/29 onward reflects the implementation of the SuperGold Card: Official Form of Identification initiative, which will increase administrative costs associated with issuing, managing, and supporting service cards.

The Income Support and Assistance to Seniors appropriation increases from \$52.739 million in 2021/22 to \$65.804 million in 2025/26, after which it is expected to remain largely stable. The increase over the period is largely funding for remuneration cost pressures.

The Investigating Overpayments, Fraudulent Payments, and Collecting Overpayments appropriation increases from \$48.956 million in 2021/22 to \$65.448 million in 2025/26, before decreasing to \$59.948 million in 2029/30. The initial growth reflects a time-limited investment in MSD's capacity and capability to complete further checks on those receiving benefits who also have other sources of income.

## Supporting People with their Housing Needs

This focus area addresses housing affordability and access by providing assistance with housing costs, including paying grants for emergency housing, and referrals to social housing providers. It aims to help people transition toward stable and sustainable housing solutions.

The related Benefits or Related Expenses appropriations are presented in the Social Assistance Benefits and Supports focus area.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Recoverable Housing Support Assistance	2,709	32,994	109,994	147,792	156,895	172,945	186,631	192,585	198,950
Services to Support People to Access Accommodation	63,300	71,470	77,207	89,719	85,607	67,117	53,853	53,040	53,040
Other appropriations	14,608	15,281	9,417	9,234	12,102	13,016	12,807	12,789	12,779
<b>Total</b>	<b>80,617</b>	<b>119,745</b>	<b>196,618</b>	<b>246,745</b>	<b>254,604</b>	<b>253,078</b>	<b>253,291</b>	<b>258,414</b>	<b>264,769</b>

Overall, the trend for this focus area increases between 2021/22 and 2029/30 by 228.4% from \$80.617 million to \$264.769 million - an increase of \$184.152 million. This is primarily due to increases in the use of recoverable housing support assistance.

The change in the Recoverable Housing Support Assistance category reflects a policy shift introduced in Budget 2022, which significantly expanded funding for housing-related hardship assistance (Housing Support Products) to better support low-income and housing-insecure New Zealanders. This drove an increase from 2021/22 to 2023/24, with funding increasing from \$2.709 million to \$109.994 million. Growth after 2023/24 reflects demand changes, as both the number of recipients and average payment amounts increased.

Spending on the Services to Support People to Access Accommodation appropriation reduces from \$63.300 million to \$53.040 million between 2021/22 and 2029/30. Fluctuations over the period are the result of time-limited initiatives, including the Budget 2024 Emergency Housing - Tightening Gateway Settings initiative and the Emergency Housing - Extending scaled-down support services initiative in 2026/27.

## Partnering with Others

This focus area includes collaboration with community organisations, iwi, service providers, and other agencies to deliver services that improve life outcomes. Partnerships strengthen service delivery and create opportunities for better social and economic results.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Community Support Services MCA Non-Departmental Other Expenses	146,433	68,643	36,037	15,049	14,900	15,000	8,000	8,000	8,000
Community Support and Advice	153,720	162,236	53,519	60,776	52,455	51,561	42,107	41,557	41,557
Community Participation Services	94,937	88,678	95,577	114,155	133,647	133,658	131,800	131,800	131,800
Supporting Victims and Perpetrators of Family and Sexual Violence	143,672	158,003	177,917	194,355	190,609	186,532	185,982	185,982	185,982
Redress for Abuse	19,950	23,602	48,674	72,469	107,855	105,004	113,380	114,750	114,750
Other appropriations	88,287	116,744	148,592	124,031	86,383	89,128	85,654	80,089	80,339
<b>Total</b>	<b>646,999</b>	<b>617,906</b>	<b>560,316</b>	<b>580,835</b>	<b>585,849</b>	<b>580,883</b>	<b>566,923</b>	<b>562,178</b>	<b>562,428</b>

Overall, the trend for this focus area decreases between 2021/22 and 2029/30 by 13.1% from \$646.999 million and \$562.428 million - a reduction of \$84.571 million. This is primarily due to the phase-out of COVID-19-related emergency response expenditure and reductions in the Community Support and Advice category. These decreases are partially offset by increases across community participation programmes, family and sexual violence initiatives, and redress for abuse in care.

The Community Support MCA Non-Departmental Other Expenses included COVID-19 response initiatives in 2021/22 and 2022/23. By 2023/24, spending had tapered off to smaller time-limited allocations for the North Island weather events. From 2024/25, funding remains for the Food Secure Communities initiative.

The Community Support and Advice category reduces from \$153.720 million in 2021/22 to \$41.557 million by 2029/30. The sharpest drop is in COVID-19 and Care in the Community allocations, which drops to nil from 2023/24 onwards as pandemic-specific programmes ended and baseline sector initiatives replaced crisis support services.

Community Participation Services increases from \$94.937 million in 2021/22 to \$131.800 million in 2029/30. This is mainly due to \$14.350 million and \$17.415 million being added for pay equity settlements from 2022/23 and 2025/26 respectively, which was established to support a sustainable funding approach for community-based disability support services.

The Supporting Victims and Perpetrators of Family and Sexual Violence category rose from \$143.672 million in 2021/22 to a peak of \$194.355 million in 2024/25, then will stabilise at around \$185.982 million from 2026/27 to 2029/30. The rise is primarily due to sustained investment in family violence and sexual violence prevention initiatives, expansion of integrated community-led responses, and additional allocations for pay equity settlements for social workers.

Combined expenditure for the Redress for Abuse in Care and Historic Claims appropriations grew from \$19.950 million in 2021/22 to \$107.855 million in 2025/26 as the capacity of the system to manage claims increased, resulting in increased claim payments. From 2026/27 onwards, it stabilises in the range of \$105.004 million to \$114.750 million per year. The Historic Claims multi-year appropriation transitioned to the new Redress for Abuse in Care multi-category appropriation in 2024/25, and therefore contains the funding for redress activity.

## Enabling MSD People to Help New Zealanders

This area focuses on building capability within MSD through technology and data, supporting evidence-based decision-making, and providing policy advice. It ensures staff have the tools and resources needed to deliver effective, sustainable services.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Ministry of Social Development - Services for the Future Programme	-	49,372	46,368	70,782	128,924	195,577	288,432	344,003	-
Other appropriations	114,653	141,824	149,105	123,449	138,238	135,507	136,403	132,697	132,697
<b>Total</b>	114,653	191,196	195,473	194,231	267,162	331,084	424,835	476,700	132,697

The trend for this focus area increases from \$114.653 million in 2021/22 to a peak of \$476.700 million in 2028/29, before it reduces to \$132.697 million in 2029/30.

The main driver of this increase is investment in the transformation programme - MSD Services for the Future. This trend includes earlier iterations of appropriations used for the programme's funding, including the Te Pae Tawhiti Transformation Programme multi-year appropriation in 2022/23, the Te Pae Tawhiti - Horizon One multi-year appropriation (2023/24-2024/25), and the Ministry of Social Development - Services for the Future Programme multi-year appropriation from 2025/26 onwards. This programme represents a major transformation phase for MSD, aimed at replacing outdated systems with a future-ready, integrated platform that improves client experience and efficiency. Sharp increases from 2025/26 through to 2028/29 reflect further investment approved through the tagged contingency drawdown.

## Social Assistance Benefits and Supports

Social Assistance Benefits and Supports provide a vital safety net for New Zealanders who need financial support to meet essential living costs. This includes a wide range of payments such as Jobseeker Support, Sole Parent Support, Supported Living Payment, New Zealand Superannuation, and assistance for housing, childcare, and disability needs. These benefits and supports ensure that individuals and families can maintain a basic standard of living during times of hardship, unemployment, study or retirement.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation</b>									
New Zealand Superannuation	17,763,967	19,517,021	21,574,368	23,191,199	24,729,722	26,481,340	28,324,450	29,714,663	31,206,828
Jobseeker Support and Emergency Benefit	3,329,681	3,472,612	4,062,221	4,640,562	4,944,114	5,018,386	4,940,055	4,806,690	4,901,785
Supported Living Payment	2,047,416	2,310,769	2,530,299	2,668,450	2,829,789	3,023,208	3,199,011	3,294,817	3,437,455
Student Loans	1,399,613	1,362,168	1,437,736	1,794,107	2,139,708	2,337,138	2,373,434	2,376,921	2,399,695
Sole Parent Support	1,703,741	1,916,529	2,097,032	2,255,092	2,389,939	2,473,973	2,408,354	2,235,886	2,233,366
Hardship Assistance	497,138	673,378	667,421	754,599	815,517	835,027	750,644	748,250	785,276
Debt Write-downs	98,118	110,329	138,248	153,904	145,927	150,463	148,533	151,328	154,015
Recoverable Assistance	328,382	376,271	300,886	275,399	282,107	301,170	308,922	305,886	307,164
Accommodation Assistance	2,386,215	2,348,671	2,410,658	2,232,026	2,308,335	2,322,160	2,400,479	2,259,847	2,285,688
Other appropriations	2,162,137	2,201,312	2,321,485	2,525,608	2,625,966	2,741,599	2,812,906	2,823,254	2,843,463
<b>Total</b>	<b>31,716,408</b>	<b>34,289,060</b>	<b>37,540,354</b>	<b>40,490,946</b>	<b>43,211,124</b>	<b>45,684,464</b>	<b>47,666,788</b>	<b>48,717,542</b>	<b>50,554,735</b>

Expenditure on the Social Assistance Benefits and Supports category is expected to increase by \$18,838 million (59%) from 2021/22 to 2029/30. New Zealand Superannuation accounts for the majority of this expenditure, accounting for 56% in 2021/22, and rising to 62% by 2029/30.

New Zealand Superannuation expenditure is expected to increase by \$13,443 million (76%) from 2021/22 to 2029/30. This reflects both an increase in the expected number of people receiving New Zealand Superannuation, and accumulated inflation and wage adjustments.

The number of people on New Zealand Superannuation is expected to grow by 234,900 (28%) between 2021/22 and 2029/30, reaching an average of 1,083,200 by 2029/30.

Jobseeker Support and Emergency Benefit expenditure is expected to increase by \$1,572 million (47%) from 2021/22 to 2029/30. This is mainly driven by the annual indexation of benefit rates, and policy decisions to increase benefit payments in April 2022 and April 2023.

The average number of people receiving Jobseeker Support and Emergency Benefit fell from 193,100 in 2021/22 to 177,400 in 2022/23, before increasing to an estimated 227,100 in 2025/26. The number of people receiving Jobseeker Support and Emergency Benefit is then expected to decline to 206,400 by 2029/30. The Jobseeker Support target is not factored into the forecasts.

Supported Living Payment expenditure is expected to increase by \$1,390 million (68%) from 2021/22 to 2029/30, due to an increasing number of people, the annual inflation adjustment of the payment rates, and policy decisions to increase benefit payments in April 2022 and April 2023.

The number of people on Supported Living Payment is expected to grow by 24,700 people (25%) between 2021/22 and 2029/30, reaching an average of 122,300 by 2029/30. Growth in the number of people receiving the Supported Living Payment reflects population growth coupled with an increasing demand for health condition and disability benefits.

Student Loans expenditure is expected to increase by \$1,000 million (71%) from 2021/22 to 2029/30, with much of the rise occurring from 2023/24 to 2025/26. This is largely due to an increasing number of people accessing assistance and the change in the Fees Free policy from the first year of study to the last. Expenditure also increases over time due to policy adjustments to the course fees payments and annual inflation adjustments to living cost payments.

Sole Parent Support expenditure is expected to increase by \$530 million (31%) from 2021/22 to 2029/30 due to the annual adjustment of payment rates and policy decisions to increase benefit payments in April 2022 and April 2023.

The number of people on Sole Parent Support increased by 10,700 (15%) between 2021/22 and 2025/26, from 70,500 to an estimated 81,200. Some of the increase reflects the removal of the subsequent child policy which saw around 5,700 sole parents on Jobseeker Support transferred to Sole Parent Support in November 2021.

From 2025/26, the average number of people on Sole Parent Support is expected to decrease by 10,500 (13%), reaching 70,700 in 2029/30.

## Other

This section covers the remaining appropriations within Vote Social Development that operate in a different delivery context from MSD's core focus areas, including some capital expenditure and operating expenditure for Crown entities. While smaller in scale relative to other components of the Vote, these appropriations still play an important role in supporting specific policy objectives, time-limited initiatives, and targeted activities.

This includes the Apprentice Support appropriation, which is used for the Apprenticeship Boost multi-agency collaboration. The Ministry of Education is responsible for the initiative's policy, the Tertiary Education Commission checks eligibility, and MSD manages applications and payments.

	2021/22 Actual \$000	2022/23 Actual \$000	2023/24 Actual \$000	2024/25 Actual \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Appropriation / Category</b>									
Apprentice Support	254,558	141,337	89,720	47,970	22,729	25,729	25,729	25,729	25,729
Other appropriations	55,418	41,743	31,829	22,980	41,050	37,505	36,041	36,041	36,041
<b>Total</b>	<b>309,976</b>	<b>183,080</b>	<b>121,549</b>	<b>70,950</b>	<b>63,779</b>	<b>63,234</b>	<b>61,770</b>	<b>61,770</b>	<b>61,770</b>

From 2021/22 to 2029/30, the main decrease in the Other area is driven by a reduction in the Apprentice Support appropriation, as the policy was revised from 2024/25 so that support payments are made only to employers of first-year apprentices.

## 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 Services Card.

##### *Expenses and Revenue*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,165	7,165	7,043
Revenue from the Crown	7,165	7,165	7,043
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 entitlement assessment and issuing of discount service cards.

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

	2025/26		2026/27
	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 assessment is finalised. 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Super Gold Card: official form of identification	2028/29	-	-	-	14,562	14,867
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(77)	(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	76	-	-	-	-
Ministry of Social Development - Departmental Price Pressures	2023/24	149	157	157	157	157
Ministry of Social Development - Collective Bargaining Commitments	2023/24	210	210	210	210	210
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	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 2026/27 is mainly due to the end of time limited funding of \$130,000 for cost pressures.

**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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	16,091	16,091	15,120
Revenue from the Crown	-	-	-
Revenue from Others	16,091	16,091	15,120

### *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 decrease in this appropriation for 2026/27 is due to reduced level of services (\$971,000) provided to other agencies for Te Kāhui Kāhu (social sector accreditation services).

## **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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	41,265	41,265	34,545
Revenue from the Crown	41,265	41,265	34,545
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*

	2025/26		2026/27
	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%	95%	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%	0.2%	+/-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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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	300
Food Secure Communities - Funding to Respond to Demand for Food Support	2025/26	100	-	-	-	-
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(564)	(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	100	100	100	100	100
Growing Up in New Zealand Research - Cost Pressure	2023/24	11,739	344	-	-	-
Ministry of Social Development - Collective Bargaining Commitments	2023/24	930	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

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Training Incentive Allowance - Supporting Eligible People to Study	2023/24	73	73	73	73	73
Wage Supplement to Replace Minimum Wage Exemption	2023/24	-	(100)	-	-	-
Driver licence support - Better access to licences for disadvantaged groups to improve employment and safety outcomes	2022/23	125	125	125	125	125
Community Services: Improving Access to Support Services for Communities in Regional New Zealand	2021/22	50	50	50	50	50
Enabling the Transfer of Three MBIE Skills and Employment Initiatives to MSD	2021/22	500	500	500	500	500

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to:

- the end of time limited funding and transfers of \$6.020 million relating to the Growing Up in New Zealand longitudinal study, and
- a fiscally neutral adjustment of \$500,000 to the Ministry's departmental appropriations due to increased demand for data, analytics and evidence in 2025/26.

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

#### *Scope of Appropriation*

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

#### *Expenses and Revenue*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,734	1,734	4,404
Revenue from the Crown	1,734	1,734	4,404
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*

	2025/26		2026/27
	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	600	375

Note 1 - The SuperGold Card is a discount and concessions card, available for free 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Super Gold Card: official form of identification	2026/27	-	2,669	4,315	-	-
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	12	12	12	12	12
Ministry of Social Development Departmental Price Pressures	2023/24	8	9	9	9	9
Public Sector Pay adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	14	14	14	14	14

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to \$2.669 million to fund the costs of the SuperGold Card: Official Form of Identification initiative.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	65,804	65,804	65,044
Revenue from the Crown	65,804	65,804	65,044
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*

	2025/26		2026/27
	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%	85%	90%
The average score for client satisfaction for those who are receiving New Zealand Superannuation will be no less than (see Note 4)	8	8.5	8

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 and reviews of entitlements.

Note 3 - Standard timeframes are:

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

This is based on a representative sample of completed applications and reviews of entitlements.

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(1,156)	(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	479	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	1,034	1,088	1,088	1,088	1,088
Ministry of Social Development - Collective Bargaining Commitments	2023/24	1,460	1,460	1,460	1,460	1,460
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	335	-	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	2,030	2,030	2,030	2,030	2,030

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to the end of time limited funding of \$814,000 for cost pressures.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	65,448	65,448	64,257
Revenue from the Crown	65,448	65,448	64,257
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*

	2025/26		2026/27
	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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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	(955)	(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	1,881	1,881	1,881	1,881	1,881
Ministry of Social Development - Departmental Price Pressures	2023/24	1,333	1,402	1,402	1,402	1,402
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	687	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	481	-	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	3,037	3,037	3,037	3,037	3,037

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to the end of time limited funding of \$1.168 million for cost pressures.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	28,689	28,689	23,063
Revenue from the Crown	28,689	28,689	23,063
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*

	2025/26		2026/27
	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 and reviews of entitlements.

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 and reviews of entitlements.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Fees Free - Replacing First-Year with Final-Year Fees Free	2024/25	2,640	3,379	4,193	4,193	4,193
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(339)	(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	833	833	833	833	833
Ministry of Social Development Departmental Price Pressures	2023/24	590	621	621	621	621
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	312	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	218	-	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,406	1,406	1,406	1,406	1,406

*Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to:

- a fiscally neutral adjustment of \$5 million to the Ministry's departmental appropriations to support changes in demand for frontline activity in 2025/26 for student loans, and
- the end of time limited funding of \$530,000 for cost pressures.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	28,590	28,590	23,091
Revenue from the Crown	28,590	28,590	23,091
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*

	2025/26		2026/27
	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 and reviews of entitlements.

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 and reviews of entitlements.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(339)	(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	833	833	833	833	833
Ministry of Social Development Departmental Price Pressures	2023/24	590	621	621	621	621
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	312	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	218	-	-	-	-
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	1,406	1,406	1,406	1,406	1,406

### Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to:

- a fiscally neutral adjustment of \$5 million to the Ministry's departmental appropriations to support changes in demand for frontline activity in 2025/26, and
- the end of time limited funding of \$530,000 for cost pressures.

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

#### Scope of Appropriation

This appropriation is limited to monitoring of and advice on the governance, performance and capability of Social Development and Employment Crown entities, advice on appointments to other boards, and services to support Ministers to discharge their portfolio responsibilities.

### Expenses and Revenue

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	7,384	7,384	6,584
Revenue from the Crown	7,384	7,384	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, including Crown entities monitoring and board appointment advice, to support Ministers to discharge their portfolio responsibilities.

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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Crown Entity Monitoring</b>			
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 Note 1)	3.5	3.5	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%

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 with the Minister's office
- 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 with the Minister's office.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Drawdown of Children and Young People's Commission Tagged Contingency	2025/26	170	170	170	170	170
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(60)	(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	140	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 2026/27 is due to a fiscally neutral adjustment of \$800,000 to the Ministry's departmental appropriations, to provide for increased Ministerial services costs in 2025/26.

### **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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	23,172	23,172	23,047
Revenue from the Crown	23,172	23,172	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

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(230)	(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	(200)	-	-	-	-
<b>Previous Government</b>						
Ministry of Social Development - Collective Bargaining Commitments	2023/24	480	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	200	-	-	-	-

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	757	757	744
Revenue from the Crown	757	757	744
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*

	2025/26		2026/27
	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 and reviews of entitlements.

Note 2 - Standard timeframes are:

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

This is based on a representative sample of completed applications and reviews of entitlements.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(7)	(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	15	15	15	15	15
Ministry of Social Development - Collective Bargaining Commitments	2023/24	21	21	21	21	21
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	8	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	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

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	1,870	1,870	1,872
Revenue from the Crown	1,870	1,870	1,872
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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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%

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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(12)	(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	28	30	30	30	30
Ministry of Social Development - Collective Bargaining Commitments	2023/24	40	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	270	270	270	270	270

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	85,607	85,607	67,117
Revenue from the Crown	85,607	85,607	67,117
Revenue from Others	-	-	-

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

This appropriation is intended to achieve the 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*

	2025/26		2026/27
	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	30 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 and reviews of entitlements.

Note 3 - The Public Housing Register (also known as the Social 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Emergency Housing - Extending scaled-down support services	2026/27	-	10,844	-	-	-
Income-Related Rent - Increasing the Minimum Client Contribution to Emergency Housing Costs	2026/27	-	1,911	1,539	375	375
Adjusting Accommodation Supplement Area Boundaries	2025/26	151	548	370	721	721
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2025/26	406	1,757	21	21	21
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	39,940	-	-	-	-
Housing Supports - Including Boarders' Contribution in the Calculation of Subsidies for Private and Social Housing	2024/25	3,968	2,407	2,273	2,273	2,273
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(1,202)	(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	1,582	1,582	1,582	1,582	1,582
Ministry of Social Development - Departmental Price Pressures	2023/24	1,121	1,179	1,179	1,179	1,179
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	533	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	373	-	-	-	-
Approval to Drawdown Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	56	58	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	1,913	1,913	1,913	1,913	1,913

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to:

- \$39.940 million for the Emergency Housing - Tightening Gateway Settings and Continuing Support Services initiative ending
- a reduction of \$2.634 million for the Housing Supports - Including Boarders' Contributions in the Calculation of Subsidies for Private and Social Housing initiative as the policy is implemented in 2025/26, and
- the end of time limited funding of \$906,000 for cost pressures.

The above is partially offset by:

- \$10.844 million relating to funding to continue emergency housing support services
- a fiscally neutral adjustment of \$10.300 million to the Ministry's departmental appropriations due to a reduction in emergency housing support needs for both prevention and support for housing clients in 2025/26
- \$1.911 million due to the Income-Related Rent - Increasing the Minimum Client Contribution to Emergency Housing Costs initiative
- an increase of \$1.351 million for the accommodation supplement entry threshold for some home owners initiative, and
- \$397,000 due to the Adjusting Accommodation Supplement Area Boundaries initiative to account for urban development and residential expansion.

## 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 2024/25	-
	Adjustments for 2025/26	889,346
	Adjusted Appropriation	956,936
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	128,924
	Estimate for 2026/27	195,577
	Estimated Appropriation Remaining	632,435

#### *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	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
The MSD - services for the future programme is on track for its main workstreams (see Notes 1 and 2)	Achieved	Achieved	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)	3.5	3.5	Measure removed
The percentage of users who report that they are 'satisfied' or 'very satisfied' with the usability of the digital service delivered through the MSD - services for the future programme will be no less than (see Disclosure 1 and Note 3)	Replacement measure	Replacement measure	80%

Disclosure 1 - The existing quality-based measure is being replaced to demonstrate the impact of the initial services that have been delivered by the MSD - services for the future programme, now that it has moved into delivery mode.

Note 1 - The main workstreams for the 2026/27 financial year include the Future Service Model and Integrated Delivery.

Note 2 - 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 - Users are surveyed annually using a five-point scale from 'very dissatisfied' to 'very satisfied', based on their experience with the services that have been delivered through the MSD - services for the future programme. Users may include service providers, employers and MSD staff.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2025/26	15,000	195,577	288,432	344,003	-
MSD - Services for the Future Programme - Year 3	2025/26	67,590	-	-	-	-

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	12,327	12,327	27,105
Intangibles	54,090	54,090	44,226
Other	-	-	-
<b>Total Appropriation</b>	<b>66,417</b>	<b>66,417</b>	<b>71,331</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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Capital expenditure is in accordance with MSD's capital plan (see Note 1)	Achieved	Achieved	Achieved

Note 1 - The capital plan sets out MSD's intentions for building, replacing and enhancing assets which are critical for the delivery of services and are in line with organisational strategy and priorities.

#### *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.

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

Details of Net Asset Schedule	2025/26 Estimated Actual \$000	2026/27 Projected \$000	Explanation of Projected Movements in 2026/27
Opening Balance	358,448	372,753	
Capital Injections	16,052	15,782	Income charging phase 2 - sharing Inland Revenue's income data with MSD to improve the accuracy of assistance MSD pays clients (\$6 million), Automated Decision-Making (ADM) remediation - implementation of remediation options (\$2.634 million), SuperGold Card: official form of identification (\$2.364 million), Jobseeker Support - tightening eligibility for 18-19-year-olds (\$1.545 million), Income-Related Rent - Increasing the Minimum Client Contribution to Emergency Housing Costs (\$1.500 million), Adjusting Accommodation Supplement Area Boundaries and Introducing a Mechanism for Reflecting Urban Expansion (\$1.333 million) and Employment Services - Investing in Frontline Staff and Employment Programmes (\$406,000).
Capital Withdrawals	(1,747)	-	
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
<b>Closing Balance</b>	<b>372,753</b>	<b>388,535</b>	

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Children's Commissioner (M63) (A25)

##### *Scope of Appropriation*

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

##### *Expenses*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	8,216	8,216	8,216

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

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

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

	2025/26		2026/27
	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's Commissioner'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's Commissioner'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's Commissioner's in its annual report.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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	5,059

**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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	133,647	133,647	133,658

*Components of the Appropriation*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Community Participation	98,814	98,814	98,825
Very High Needs	34,833	34,833	34,833
Total	133,647	133,647	133,658

*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	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
The number of disabled people supported to participate in their communities will be no fewer than (see Disclosure 1 and Note 1)	10,200	10,200	11,000

Disclosure 1 - The standard has been increased to reflect additional funding received.

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	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Idea Services Limited	38,387	38,387	38,387	30 June 2027
CCS Disability Action Services Limited	7,166	7,166	7,166	30 June 2027
Spectrum Care Limited	4,613	4,613	4,613	30 June 2027
Hohepa Services Limited	4,459	4,459	4,459	30 June 2027
Geneva Healthcare Limited	4,010	4,010	4,010	30 June 2027
There are a further 150 providers with contracts that range from \$4,000 to \$2.774 million	75,012	75,012	75,023	
<b>Total</b>	<b>133,647</b>	<b>133,647</b>	<b>133,658</b>	

The table above presents the top five service providers with funding arrangements with the Ministry of Social Development under the output as at 16 March 2026.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
PREFU: Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	84	94	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

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	20,856	20,856	20,880

### *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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The contracted provision for the number of driver licence support places offered aligns with sector capacity and provides coverage for no less than (see Note 1)	20,000	21,000	20,000

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	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
The Auckland Regional Chamber Of Commerce & Industry (Incorporated)	1,850	1,850	1,850	30 June 2028
Rule Education Trust	1,723	1,723	1,723	30 June 2028
Blue Light Ventures Incorporated	1,514	1,514	1,044	30 June 2028
Muma Whanau Services Limited	1,063	1,063	1,063	30 June 2028
Moving Mountains NZ Limited	831	831	732	30 June 2028
There are a further 57 providers with contracts that range from \$16,000 to \$702,000	13,875	13,875	14,468	
<b>Total</b>	<b>20,856</b>	<b>20,856</b>	<b>20,880</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 16 March 2026.

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Driver Licence Support - Equitable Access to Driver Licences to Improve Employment, Wellbeing and Safety Outcomes	2022/23	20,000	20,000	20,000	20,000	20,000

**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*

	2025/26		2026/27
	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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Contracted Emergency Housing (Rotorua Response)	2022/23	917	917	917	917	917

## **Independent Monitor of the Oranga Tamariki System (M63) (A25)**

### *Scope of Appropriation*

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

### *Expenses*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	11,387	11,387	13,232

### *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*

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
The Independent Monitor of the Oranga Tamariki System prepares and provides final reports as described in the Oversight of Oranga Tamariki System Act 2022	100%	100%	100%
The Independent Monitor of the Oranga Tamariki System completes visits to at least three regions each year to understand how the Oranga Tamariki system is experienced (see Note 1)	Achieved	Achieved	Achieved
Agencies who are the subject of a final report make commitments to implement changes based on Independent Monitor of the Oranga Tamariki System report findings (see Disclosure 1)	100%	90%	90%

Disclosure 1 - The standard has been reduced to a more realistic level to reflect that the Independent Monitor of the Oranga Tamariki System can influence, but does not have direct control over, the commitments of agencies to implement recommended changes as required by the Oversight of the Oranga Tamariki System Act 2022.

Note 1 - The Independent Monitor of the Oranga Tamariki System will visit its ten regions every three years to inform its functions 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 Monitor of the Oranga Tamariki System in its annual report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Drawdown of Children and Young People's Commission Tagged Contingency	2025/26	400	400	400	400	400

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is due to an additional \$1.845 million of funding as Vote Social Development funds the Independent Monitor of the Oranga Tamariki System for a full 12 months for the first time.

## **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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	987	987	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*

	2025/26		2026/27
	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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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 decrease in this appropriation for 2026/27 is due to a one-off fiscally neutral adjustment in 2025/26 of \$50,000 for the Social Workers Registration Board to fund prosecutions as required.

## **Student Placement Services (M63) (A25)**

### *Scope of Appropriation*

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

### *Expenses*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	3,512	3,512	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	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Student Job Search Aotearoa Incorporated	3,512	3,512	-	30 June 2026
Yet to be determined with contract negotiations	-	-	3,512	
Total	3,512	3,512	3,512	

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

## 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,361,935	2,308,335	2,322,160	2,400,479	2,259,847	2,285,688

#### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(138,000)
Income Charging Phase 2 - Savings from further Policy Decisions	2027/28	-	-	2,484	(5,035)	(5,119)
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2027/28	-	-	(847)	(3,642)	(3,642)
Adjusting Accommodation Supplement Area Boundaries	2026/27	-	2,333	9,591	9,872	9,872
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2026/27	-	(4,671)	(18,648)	(17,521)	(17,521)
Accommodation Supplement - Increasing the Maxima	2026/27	-	38,887	159,713	156,065	161,394
Employment Supports for Sole Parents	2026/27	-	(231)	(1,337)	(1,847)	(1,590)

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	(420)	(6,767)	(13,272)	(17,771)	(17,771)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	(3,361)	(11,777)	(16,212)	(14,140)	(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)	(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	(390,354)	(396,416)	(409,718)	(409,718)	(409,718)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(1,640)	(2,465)	(2,432)	(2,432)	(2,432)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	886	4,846	6,010	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	(836)	(836)	(836)	(836)	(836)
Updating and Reopening the Parent Category Resident Visa	2023/24	259	415	415	415	415
Social Security (Accommodation Supplement) Amendment Bill: Approval for Introduction	2022/23	312	304	304	304	304
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	(964)	(1,846)	(1,846)	(1,846)	(1,846)
Initial Working for Families Changes to Support Low-income Families	2021/22	(3,618)	(3,618)	(3,618)	(3,618)	(3,618)

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is due to:

- \$54 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure, and
- \$43 million for an expected decline in the number of people.

The above is partially offset by:

- \$39 million for the impact of policy adjustments relating to increases to Accommodation Supplement maximum rates, and
- \$19 million for an expected increase in the average payment per person.

### *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 targeted assistance to caregivers with the accommodation costs of a dependent 16-17 year old who moves 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.

### **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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	171,489	159,189	166,789	176,987	179,335	184,931

#### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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	813	874	732	732	732
Reversing the 20 Hours Early Childhood Education Initiative	2023/24	13,492	13,867	13,867	13,867	13,867
<b>Previous Government</b>						
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	260	326	326	326	326
Extending and Enhancing the Early Learning 20 Hours Free Programme	2023/24	(13,492)	(13,867)	(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)
20 Hours Early Childhood Education Funding Conditions for Home-Based Early Childhood Education Services	2023/24	597	603	559	559	559
Supporting Child Wellbeing by Enhancing Social and Emotional Learning	2022/23	43,224	43,224	43,224	43,224	43,224

## 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. The 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.</p> <p>Both subsidies are non-taxable and income-tested payments.</p>
<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</p>	<p>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.</p>

Reference	Conditions
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 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 paid in accordance with criteria set out in section 89 of the Social Security Act 2018, or in delegated legislation.

### *Expenses*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	524,814	517,814	533,185	540,967	537,865	542,520

### *Components of the Appropriation*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Child Disability Allowance	191,288	191,288	212,620	233,075	248,497	263,480
Disability Allowance	326,526	326,526	320,565	307,892	289,368	279,040
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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(4,000)
Employment Supports for Sole Parents	2026/27	-	(10)	(58)	(84)	(72)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2026/27	-	(3)	1	1	1
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	(584)	(10,823)	(24,457)	(38,019)	(38,019)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	(179)	(602)	(831)	(741)	(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	(23,859)	(23,718)	(23,718)	(23,718)	(23,718)
Updating and Reopening the Parent Category Resident Visa	2023/24	29	46	46	46	46

*Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- \$9 million for inflation adjustments to the payment rates
- \$4 million for an expected increase in the average payment per person (before inflation adjustments), and
- \$3 million for an expected increase in the number of people.

The above is partially offset by \$7 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	43,297	39,797	44,322	59,079	65,905	67,653

#### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Emergency Housing - Extending scaled-down support services	2026/27	-	(12,374)	(5,681)	-	-
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	294,914	270,064	265,116	265,116	265,116

### 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	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. 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.

### 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	855,517	815,517	835,027	750,644	748,250	785,276

### Components of the Appropriation

	2025/26		2026/27	2027/28	2028/29	2029/30
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Special Benefit	2,964	2,964	2,508	2,184	1,915	1,680
Special Needs Grants	209,543	209,543	231,917	217,839	212,935	215,384
Temporary Additional Support	603,010	603,010	600,602	530,621	533,400	568,212
Supplementary Estimates Add-on	40,000	-	-	-	-	-

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(31,000)
Income Charging Phase 2 - Savings from further Policy Decisions	2027/28	-	-	275	(1,180)	(1,265)
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	39,172	38,153	38,153
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2027/28	-	-	(408)	(1,856)	(1,856)
Adjusting Accommodation Supplement Area Boundaries	2026/27	-	(673)	(2,779)	(2,718)	(2,718)
Automated Decision-Making (ADM) Remediation - Recognition of Additional Savings	2026/27	-	(2,709)	(16,699)	(17,583)	(17,583)
Housing Subsidies - Increasing the Accommodation Supplement Entry Threshold for Some Homeowners	2026/27	-	273	958	847	847
Accommodation Supplement - Increasing the Maxima	2026/27	-	(10,905)	(45,180)	(42,981)	(42,646)
Employment Supports for Sole Parents	2026/27	-	(367)	(2,158)	(3,066)	(2,638)
Temporary Additional Support - Change to the maximum rate and removing child support as an allowable cost	2026/27	-	(14,080)	(59,791)	(60,998)	(64,850)
Tightening Access to Jobseeker Support and Emergency Benefit for 18 and 19 Years Olds	2026/27	-	9,286	(25,714)	(24,988)	(24,988)
Income-Related Rent - Increasing the Minimum Client Contribution to Emergency Housing Costs	2026/27	-	5	492	762	719
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	(41)	(2,576)	(15,072)	(16,038)	(16,038)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	(1,471)	(5,130)	(7,208)	(6,500)	(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)	(28,096)
Income Charging - Phase 1 - Additional Integrity Checks of MSD Payments	2025/26	(718)	(718)	(718)	-	-

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(1,803)	(2,053)	(2,059)	(2,059)	(2,059)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	574	8	(1,717)	(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	(1,231)	(1,195)	(1,195)	(1,195)	(1,195)
Updating and Reopening the Parent Category Resident Visa	2023/24	59	86	86	86	86
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	10,941	10,941	10,941	10,941	10,941
Housing-Related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	(6,606)	(6,606)	(6,606)	(6,606)	(6,606)
Special Needs Grants for Dental Treatment - Improving Adequacy and Accessibility	2022/23	37,403	37,403	37,403	37,403	37,403
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	(616)	(294)	(294)	(294)	(294)
Initial Working for Families Changes to Support Low-income Families	2021/22	(2,545)	(2,545)	(2,545)	(2,545)	(2,545)

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to:

- \$40 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure, and
- \$28 million for the impact of policy adjustments mainly relating to Temporary Additional Support formula changes, and the flow-on impact from increases to Accommodation Supplement maximum rates.

The above is partially offset by:

- \$27 million for an expected increase in the average payment per person for Temporary Additional Support, and
- \$19 million for an expected increase in the number of grants for Special Needs Grants.

### 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	5,011,114	4,944,114	5,018,386	4,940,055	4,806,690	4,901,785

#### 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(128,000)
Income Charging Phase 2 - Savings from further Policy Decisions	2027/28	-	-	2,869	-	-
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	(163,617)	(162,223)	(162,223)
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2027/28	-	-	(3,048)	(13,241)	(13,241)
Tightening Access to Jobseeker Support and Emergency Benefit for 18 and 19 Years Olds	2026/27	-	(55,447)	81,860	82,844	82,844
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	271	(2,768)	(8,489)	(12,349)	(12,349)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	(34,459)	(121,430)	(168,019)	(147,240)	(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)	(10,202)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(29,346)	(28,889)	(28,746)	(28,746)	(28,746)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(68,624)	(143,935)	(201,500)	(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	3,174	4,674	4,674	4,674	4,674
Changes to the Fair Residency Bill	2022/23	(719)	(965)	(1,232)	(1,232)	(1,232)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	47,259	47,915	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
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 2026/27 is mainly due to:

- \$175 million for inflation adjustments to the payment rates, and
- \$4 million for an expected increase in the average payment per person (before inflation adjustments).

The above is partially offset by:

- \$104 million for an expected decline in the number of people, and
- \$67 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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>From 1 November 2026, people aged 18 or 19 without dependent children will have to complete a Parental Assistance Test to determine their eligibility to Jobseeker Support or the equivalent Emergency Benefit. The Parental Assistance Test will consist of a Parental Support Gap Test and a Parental Income Test. An 18 or 19 year old will have to complete one or both of these components depending on their circumstances. Young People aged 18 or 19 years will no longer be eligible for Jobseeker Support or the equivalent Emergency Benefit if the combined income of their parents is over the threshold stipulated in the Act.</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. MSD may grant emergency benefits to people who would not otherwise be entitled to be granted emergency benefits with the written approval of the Minister of Social Development and Employment while a domestic epidemic management notice is in force, and for any period notified under subsection (3A).</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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	24,776,722	24,729,722	26,481,340	28,324,450	29,714,663	31,206,828

### 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Income Charging Phase 2 - Savings from further Policy Decisions	2028/29	-	-	-	(282)	(282)
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	(1,000)	(1,000)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	179,763	304,798	318,681	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)
Changes to the Fair Residency Bill	2022/23	4,493	6,033	7,706	7,706	7,706

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- \$881 million for inflation and wage adjustments to the payment rates, and
- \$853 million for an expected increase in the number of people.

The above is partially offset by \$47 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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 or over and fulfilled the residency requirements. It includes different rates for a person who is single (with different rates for those living alone or in shared 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, who have a long-term serious 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	425,485	417,085	430,108	443,978	449,972	456,473

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Initial Working for Families Changes to Support Low-income Families	2021/22	7,293	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, or cannot be located, or 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.
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#### Expenses

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,417,539	2,389,939	2,473,973	2,408,354	2,235,886	2,233,366

#### 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(80,000)
Income Charging Phase 2 - Savings from further Policy Decisions	2027/28	-	-	1,590	(19,441)	(19,441)
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2027/28	-	-	(1,747)	(7,591)	(7,591)
Employment Supports for Sole Parents	2026/27	-	(8,939)	(52,108)	(74,984)	(66,008)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(10,307)	(10,055)	(9,972)	(9,972)	(9,972)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(35,639)	(75,446)	(106,325)	(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	23,462	23,366	23,366	23,366	23,366

### Reasons for Change in Appropriation

The increase in this appropriation for 2026/27 is mainly due to:

- \$85 million for inflation adjustments to the payment rates, and
- \$8 million for an expected increase in the number of people.

The above is partially offset by:

- \$28 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure, and
- \$9 million for the impact of policy adjustments relating to the Employment Supports for Sole Parents initiative.

### 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, and 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	11,718	10,818	11,942	12,326	12,921	13,490

### *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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	677,161	647,161	702,154	711,367	699,930	685,186

### *Components of the Appropriation*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Student Allowances	646,573	646,573	701,491	710,682	699,257	684,529
Student Allowance Transfer Grant	588	588	663	685	673	657
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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Delivering Quality and Timely Primary Care: Next Steps and Implementation	2028/29	-	-	-	73	183
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	122	209	300	300	300
Training 25 more Doctors	2024/25	63	103	195	195	195
<b>Previous Government</b>						
Increasing Medical School Enrolments for the 2024 Intake	2026/27	-	160	361	443	449
Waiving Student Support Residency Rules for Families of Those Directly Affected by the Christchurch Mosques Attack	2023/24	137	(122)	(70)	(18)	-

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- \$38 million for an expected increase in the number of people, and
- \$18 million for inflation adjustments to the payment rates.

The above is partially offset by \$30 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

## 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 parental 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	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.

## 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	20,426	20,426	20,426	20,426	20,426	20,426

### Components of the Appropriation

	2025/26		2026/27	2027/28	2028/29	2029/30
	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	15,787	15,787	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.

### 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,851,789	2,829,789	3,023,208	3,199,011	3,294,817	3,437,455

### *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*

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Income Charging - Phase 2 - Using Inland Revenue Data to Improve the Accuracy of MSD Payments	2028/29	-	-	-	(28,000)	(28,000)
Income Charging Phase 2 - Savings from further Policy Decisions	2027/28	-	-	865	(7,606)	(7,606)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	(712)	(9,170)	(19,766)	(30,409)	(30,409)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(14,751)	(14,722)	(14,706)	(14,706)	(14,706)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(40,171)	(85,714)	(121,920)	(121,920)	(121,920)
<b>Previous Government</b>						
Updating and Reopening the Parent Category Resident Visa	2025/26	60	153	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)
Changes to the Fair Residency Bill	2022/23	(892)	(1,197)	(1,529)	(1,529)	(1,529)
Welfare Assistance Package to Help Low-income People meet the Increasing Cost of Living	2022/23	26,628	27,431	27,431	27,431	27,431

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- \$103 million for inflation adjustments to the payment rates, and
- \$92 million for an expected increase in the number of people.

The above is partially offset by \$22 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

## 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	19,992	18,192	22,062	23,672	24,976	26,523

### 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Training Incentive Allowance - Supporting Eligible People to Study	2024/25	19,676	19,676	19,676	19,976	19,676

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is due to \$4 million for an expected increase in the number of people receiving the allowance.

The above is partially offset by \$2 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	125	125	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 2026/27 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	132,746	131,546	131,683	131,971	130,450	129,658

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	909	1,416	1,352	1,352	1,352
<b>Previous Government</b>						
Changes to the Fair Residency Bill	2022/23	21	25	29	29	29

### Conditions on Use of Appropriation

Reference	Conditions
Veteran's Pension is paid in accordance with the criteria set out in the Veterans' Support Act 2014 see Part 6 of the Veterans' Support Act 2014	<p>Veteran's Pension eligibility, payment conditions, and ongoing entitlement are determined in accordance with Part 6 of the Veterans' Support Act 2014. A Veteran's Pension may be paid to:</p> <ul style="list-style-type: none"> <li>eligible veterans with qualifying operational service who have reached the New Zealand Superannuation qualification age and are eligible for New Zealand Superannuation</li> <li>spouses or partners of eligible living veterans</li> <li>spouses or partners of eligible deceased veterans, and</li> <li>veterans who were entitled to a Veteran's Pension under the War Pensions Act 1954 by reason of infirmity (grand-parented entitlement).</li> </ul> <p>Rates of payment align with those payable for New Zealand Superannuation, and lump sum payments on death may be made where provided for under the Act.</p>

### 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

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	600,696	582,696	594,514	600,492	609,193	619,728

#### 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(2,000)
Employment Supports for Sole Parents	2026/27	-	(207)	(871)	(1,280)	(1,144)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2025/26	(7)	(22)	(24)	(27)	(27)
Employment Services - Investing in Frontline Staff and Employment Programmes	2025/26	(721)	(2,549)	(3,579)	(3,161)	(3,161)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2024/25	(41)	(86)	(118)	(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)

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is mainly due to no Supplementary Estimates add-on of \$18 million being required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

The above is partially offset by \$12 million for an expected increase in the number of people.

### *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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	3,467	2,967	3,306	4,906	4,353	4,638

### *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.

### *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	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.

Reference	Conditions
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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	79,950	78,150	80,608	86,235	87,428	91,737

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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)	(3,000)
Personal Income Tax and Independent Earner Tax Credit Threshold Changes	2024/25	(473)	(483)	(491)	(491)	(491)
Main Benefit Indexation to CPI Rather than Wages from 1 April 2024	2023/24	(1,162)	(2,558)	(3,716)	(3,716)	(3,716)

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<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	783	822	822	822	822

### *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 Programme in accordance with criteria established by Cabinet and Joint Ministers.

#### *Expenses*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	22,729	22,729	25,729

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

This appropriation is intended to achieve continued employment and training for first 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Apprenticeship Boost - Reprioritising Underspends	2025/26	(3,000)	-	-	-	-
Apprenticeship Boost Scheme Continuation	2024/25	25,729	25,729	25,729	25,729	25,729

#### *Reasons for Change in Appropriation*

The \$3 million increase in this appropriation for 2026/27 is due to an adjustment under the Apprentice Boost - Reprioritising Underspends initiative due to lower than expected uptake of the scheme in 2025/26.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	205,927	145,927	150,463

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2027/28	-	-	6,736	6,560	6,560
Tightening Access to Jobseeker Support and Emergency Benefit for 18 and 19 Years Olds	2026/27	-	(82)	(4,421)	(4,297)	(4,297)
Return of Funding - Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	(234)	-	-	-	-
<b>Previous Government</b>						
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	234	-	-	-	-
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	3,469	3,469	3,469	3,469	3,469
Housing-Related Hardship Assistance - Improving Support for Housing insecure and Low-income New Zealanders	2022/23	13,111	13,111	13,111	13,111	13,111

### *Reasons for Change in Appropriation*

The \$55.464 million decrease in this appropriation for 2026/27 is mainly due to no Supplementary Estimates add-on required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### **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 Grants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 2018.

#### *Expenses*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	750	750	48

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

This appropriation is intended to achieve support for the children of families receiving Emergency Housing 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Emergency Housing - Extending scaled-down support services	2026/27	-	48	-	-	-
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	750	-	-	-	-

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	1,181	1,361	1,361	1,361	1,361

### *Reasons for Change in Appropriation*

The decrease of \$702,000 in this appropriation for 2026/27 is mainly due to time-limited funding ending for the Emergency Housing - Tightening Gateway Settings and Continuing Support Services initiative.

### *Conditions on Use of Appropriation*

Reference	Conditions
A non-recoverable grant may be paid in respect of an applicant who meets the eligibility criteria in clause 9 of the Flexible Funding Programme, established under section 101 of the Social Security Act 2018.	MSD may grant financial assistance to help meet the educational, early childhood and wellbeing needs of families with children where additional costs are incurred because they are staying in emergency housing. Clause 10 of the Flexible Funding Programme sets out the matters that MSD must consider when using its discretion to grant assistance.

## **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*

	2025/26		2026/27
	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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	22,251	22,251	22,251

### *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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Provide an opportunity for additional eligible programmes to access grant funding within the financial year (see Note 1)	Achieved	Achieved	Achieved
The percentage of OSCAR providers receiving a grant that are assessed as having met monitoring standards will be no less than (see Note 2)	90%	90%	90%

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	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Skids Programme Management Limited	1,218	1,218	1,272	30 June 2027
Bizzy Bodz Limited	560	560	-	30 June 2026
Schools Out Limited	454	454	454	30 June 2028
Ymca North Incorporated	403	403	-	30 June 2028
Busy Bumbles Limited	384	384	384	30 June 2028
There are a further 468 providers with contracts that range from \$800 to \$373,000	19,232	19,232	20,141	
Total	22,251	22,251	22,251	

The table above presents the top five service providers who have funding arrangements with the Ministry of Social Development under this output as at 16 March 2026.

### **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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	6,389	6,389	8,274

#### *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 of \$1.885 million in this appropriation for 2026/27 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	294,107	282,107	301,170	308,922	305,886	307,164

#### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2027/28	-	-	(228)	(245)	(245)
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2026/27	-	5,596	22,452	21,868	21,868
Tightening Access to Jobseeker Support and Emergency Benefit for 18 and 19 Years Olds	2026/27	-	(274)	(14,738)	(14,322)	(14,322)
Return of Funding - Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	(467)	-	-	-	-

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	467	-	-	-	-
Hardship Assistance - Permanently Increasing Hardship Assistance Income Limits	2022/23	11,563	11,563	11,563	11,563	11,563
Housing-Related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	(96,141)	(96,141)	(96,141)	(96,141)	(96,141)
Special Needs Grants for Dental Treatment - Improving Adequacy and Accessibility	2022/23	(19,281)	(19,281)	(19,281)	(19,281)	(19,281)

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is due to:

- \$13 million for an expected increase in the number of grants, and
- \$6 million for an expected increase in the average payment per grant.

The above is partially offset by \$12 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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 provide 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*

	2025/26		2026/27	2027/28	2028/29	2029/30
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Total Appropriation	2,209,708	2,139,708	2,337,138	2,373,434	2,376,921	2,399,695

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
Tertiary Education - Increase to Tertiary Fees (Impact on Student Loans)	2026/27	-	42,726	51,961	52,168	52,910
Delivering Quality and Timely Primary Care: Next Steps and Implementation	2025/26	264	536	760	1,364	1,741
Tertiary Education - Increased Fees	2025/26	36,337	45,133	46,164	47,273	47,273
Fees Free - Replacing First-Year with Final-Year Fees Free	2024/25	233,000	233,000	233,000	233,000	233,000
Managing Tertiary Education and Training System Pressures: Increased Fees	2024/25	31,744	32,166	32,555	34,209	35,387
Training 25 more Doctors	2024/25	563	857	1,453	1,825	2,004

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
Training Incentive Allowance - Supporting Eligible People to Study	2024/25	5,791	5,890	5,890	5,890	5,890
Waiving Student Support Residency Rules for Families of Those Directly Affected by the Christchurch Mosques Attack	2024/25	(14)	(37)	(12)	(2)	-
Increasing Medical School Enrolments for the 2024 Intake	2023/24	1,892	3,142	4,687	5,178	5,280

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- \$124 million for an expected increase in the number of loan recipients
- \$43 million for the impact of policy adjustments relating to tuition, training subsidy and fees increases, and
- \$25 million for inflation adjustments to the living cost payments.

The above is partially offset by \$70 million as no Supplementary Estimates add-on is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *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, and 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 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 the 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.

###### *Developing provider capability and capacity*

This category is limited to providing financial assistance to build provider capability and capacity for the benefit of vulnerable individuals, families and communities.

*Expenses, Revenue and Capital Expenditure*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>321,354</b>	<b>321,354</b>	<b>317,014</b>
<b>Departmental Output Expenses</b>			
Developing and Managing Community Services	40,468	40,468	39,796
Regional System Leadership Framework	5,550	5,550	1,225
<b>Non-Departmental Output Expenses</b>			
Community Support and Advice	52,455	52,455	51,561
Improving Children's Participation in Education	1,642	1,642	1,876
Participation and Support Services for Seniors	13,039	13,039	14,333
Place-Based Approaches	2,691	2,691	6,691
Supporting Victims and Perpetrators of Family and Sexual Violence	190,609	190,609	186,532
<b>Non-Departmental Other Expenses</b>			
Community Response to Adverse or Emergency Events	14,900	14,900	-
Developing provider capability and capacity	-	-	15,000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>43,243</b>	<b>43,243</b>	<b>41,021</b>
Developing and Managing Community Services	40,468	40,468	39,796
Regional System Leadership Framework	2,775	2,775	1,225
<b>Revenue from Others</b>	<b>2,775</b>	<b>2,775</b>	<b>-</b>
Regional System Leadership Framework	2,775	2,775	-

*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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The number of people accessing Community Support services will be no less than (see Disclosure 1 and Note 1)	84,100	90,000	90,000

Disclosure 1 - The standard has been increased to better reflect the high demand for the services MSD funds.

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*

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
<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 - 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%	80%	80%
<b><i>Result Measurement Framework:</i></b>			
The percentage of 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 to co-ordinate and align the work of 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%	60%	60%

Assessment of Performance	2025/26		2026/27
	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%	80%	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 (see Disclosure 1)	30,500	40,000	40,000
The percentage of victims of family violence who reported they received the support they needed will be no less than	80%	90%	80%
The percentage of victims of sexual violence who reported they received the support they needed will be no less than	80%	90%	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%	80%	80%
<b>Non-Departmental Other Expenses</b>			
<b>Developing provider capability and capacity</b>			
This category is intended to achieve strengthened food security infrastructure in New Zealand.			
The amount of food supplies distributed by the New Zealand Food Network will be no less than (see Disclosure 2 and Note 10)	New measure	New measure	6,000,000kg

Disclosure 1 - The standard has been increased to better reflect the high demand for the services MSD funds.

Disclosure 2 - This measure has been added to provide performance information on this new category. It was chosen as the most appropriate type of measure to cover the intention of the funding.

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 - This measure includes the key services funded through this MCA where MSD manages the contract, and it is possible to measure the primary contracted measure at the end of the financial year. 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 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 - MSD's Food Secure Communities programme funds providers to distribute food supplies to communities and build sector capability at national, regional and local levels. The primary service provider funded by MSD is the New Zealand Food Network, who distribute both rescued and donated food supplies across the country.

*Service Providers for the Multi-Category Appropriation*

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
<b>Community Support and Advice</b>				
National Building Financial Capability Charitable Trust	1,946	1,946	1,684	30 June 2027
National Collective Of Independent Women's Refuges Nga Whare Whakaruruhau O Aotearoa Incorporated	1,765	1,765	1,765	30 June 2031
Good Shepherd New Zealand Limited	1,715	1,715	1,081	30 June 2029
Emerge Aotearoa Limited	1,378	1,378	1,148	30 April 2027
Fonua Ola Network	1,190	1,190	1,080	30 June 2027
There are a further 147 providers with contracts that range from \$15,000 to \$810,000	44,461	44,461	44,803	
Total Community Support and Advice	52,455	52,455	51,561	
<b>Improving Children's Participation in Education</b>				
Fonterra Co-Operative Group Limited	966	966	-	30 June 2026
Kidscan Charitable Trust	376	376	376	30 June 2027
New Zealand Health Association Limited	300	300	-	30 June 2026
Yet to be determined with contract negotiations	-	-	1,500	
Total Improving Children's Participation in Education	1,642	1,642	1,876	
<b>Participation and Support for Seniors</b>				
Age Concern Auckland Trust	1,008	1,008	-	30 June 2026
Wesley Wellington Mission Incorporated	726	726	-	30 June 2026
Age Concern Canterbury Incorporated	726	726	-	30 June 2026
Kaitaia And District Age Concern Regional Council Incorporated	711	711	-	30 June 2026
Vaka Tautua Limited	595	595	-	30 June 2026
There are a further 33 providers with contracts that range from \$20,000 to \$585,000	9,273	9,273	-	
Yet to be determined with contract negotiations	-	-	14,333	
Total Participation and Support for Seniors	13,039	13,039	14,333	
<b>Place Based Approaches</b>				
Te Runanga-O-Turanganui-A-Kiwa	1,250	1,250	-	30 June 2026
There are a further 6 providers with contracts that range from \$36,000 to \$750,000	1,377	1,377	-	
Yet to be determined with contract negotiations	64	64	6,691	
Total Place Based Approaches	2,691	2,691	6,691	

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
<b>Supporting Victims and Perpetrators of Family and Sexual Violence</b>				
National Collective Of Independent Women's Refuges Nga Whare Whakaruruhau O Aotearoa Incorporated	30,207	30,207	30,054	30 June 2031
Whakarongorau Aotearoa New Zealand Telehealth Services LP	4,257	4,257	4,257	30 November 2029
Clemenger Unltd Limited	3,650	3,650	-	30 June 2026
Auckland Sexual Abuse Help Foundation Charitable Trust	3,621	3,621	3,249	31 December 2027
Family Action	3,174	3,174	1,814	30 June 2029
There are a further 310 providers with contracts that range from \$20,000 to \$3.064million	145,700	145,700	147,158	
Total Supporting Victims and Perpetrators of Family and Sexual Violence	190,609	190,609	186,532	
<b>Community Responses Adverse or Emergency Events</b>				
New Zealand Food Network Limited	5,800	5,800	-	30 June 2026
The Salvation Army New Zealand Trust	869	869	-	30 June 2026
Auckland City Mission	842	842	-	30 June 2026
Aotearoa Food Rescue Alliance Incorporated	350	350	-	30 June 2026
Social Service Council Of The Diocese Of Christchurch	340	340	-	30 June 2026
There are a further 87 providers with contracts that range from \$15,000 to \$324,000	6,699	6,699	-	
Total Community Responses Adverse or Emergency Events	14,900	14,900	-	
<b>Developing Provider Capability and Capacity</b>				
Yet to be determined with contract negotiations	-	-	15,000	
Total Developing Provider Capability and Capacity	-	-	15,000	

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<i>Developing and Managing Community Services</i>						
Action to Address Methamphetamine-Related Harm	2025/26	125	-	-	-	-
Drawdown of Parenting Programme Contingency	2025/26	485	1,597	1,414	1,414	1,414
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(618)	(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 Support and Advice</i>						
Action to Address Methamphetamine-Related Harm	2025/26	1,500	9,454	-	-	-
Drawdown Transitional Funding to continue Providing Wraparound Services to Vulnerable Young People and their Whānau	2025/26	550	-	-	-	-
Return of Funding for Community Innovation Fund	2024/25	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
<i>Improving Children's Participation in Education</i>						
Food Secure Communities and Kick Start Breakfast Programmes - Continuing Funding	2026/27	-	1,500	1,500	1,500	1,500
Child and Youth Strategy - Delivering on the Government's Priorities	2025/26	1,642	376	-	-	-
<i>Participation and Support Services for Seniors</i>						
Food Secure Communities and Kick Start Breakfast Programmes - Continuing Funding	2025/26	(1,200)	-	-	-	-
<i>Place-Based Approaches</i>						
Food Secure Communities and Kick Start Breakfast Programmes - Continuing Funding	2025/26	(4,000)	-	-	-	-
<i>Supporting Victims and Perpetrators of Family and Sexual Violence</i>						
Food Secure Communities and Kick Start Breakfast Programmes - Continuing Funding	2025/26	(1,800)	-	-	-	-
<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	-	-	-	-
<i>Developing Provider Capability and Capacity</i>						
Food Secure Communities and Kick Start Breakfast Programmes - Continuing Funding	2026/27	-	15,000	8,000	8,000	8,000

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<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 - Child Advocates to Support Children in Women's Refuge	2023/24	146	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	569	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	1,095	1,151	1,151	1,151	1,151
Ministry of Social Development - Collective Bargaining Commitments	2023/24	1,544	1,544	1,544	1,544	1,544
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	2,911	2,911	2,911	2,911	2,911
<b>Non-Departmental Output Expenses</b>						
<i>Community Support and Advice</i>						
Building Financial Capability - Cost Pressure	2023/24	7,000	7,000	7,000	7,000	7,000
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	19,662	21,154	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	37	38	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
<i>Place-Based Approaches</i>						
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
<i>Supporting Victims and Perpetrators of Family and Sexual Violence</i>						
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	2,480	2,655	2,655	2,655	2,655
Maintaining Momentum Across Te Aorerekura - Kaupapa Māori Specialist Sexual Violence Services for Whānau	2023/24	2,050	-	-	-	-
Approval to Drawdown Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	437	459	459	459	459

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>169,941</b>	<b>160,941</b>	<b>176,722</b>
<b>Non-Departmental Output Expenses</b>			
Provision to better prepare people to access and sustain private rentals	1,613	1,613	883
<b>Non-Departmental Other Expenses</b>			
Non-Recoverable Housing Support Assistance	2,433	2,433	2,894
<b>Non-Departmental Capital Expenditure</b>			
Recoverable Housing Support Assistance	165,895	156,895	172,945

### *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*

Assessment of Performance	2025/26		2026/27
	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 Grant will be no less than (see Disclosure 1 and Notes 1, 2 and 3)	80%	80%	80%

Disclosure 1 - The wording of this measure has been updated. Emergency Housing Grants were previously called Emergency Housing Special Needs Grants.

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 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*

Assessment of Performance	2025/26		2026/27
	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 them 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 they 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 Grant will be no less than (see Disclosure 1 and Notes 1, 2 and 3)	80%	80%	80%

Assessment of Performance	2025/26		2026/27
	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 they 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 Grant will be no less than (see Disclosure 1 and Notes 1, 2 and 3)	80%	80%	80%

Disclosure 1 - The wording of these measures has been updated. Emergency Housing Grants were previously called Emergency Housing Special Needs Grants.

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 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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 - Extending scaled-down support services	2026/27	-	320	-	-	-
Emergency Housing - Tightening Gateway Settings and Continuing Support Services	2024/25	1,050	-	-	-	-

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
<b>Non-Departmental Other Expenses</b>						
<b>Non-Recoverable Housing Support Assistances</b>						
Housing-related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	244	244	244	244	244
<b>Non-Departmental Capital Expenditure</b>						
<b>Recoverable Housing Support Assistances</b>						
Housing-related Hardship Assistance - Improving Support for Housing Insecure and Low-income New Zealanders	2022/23	139,846	139,846	139,846	139,846	139,846

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is due to:

- \$11 million for an expected increase in the number of people, and
- \$6 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 is required for 2026/27. The add-on was required in 2025/26 to lower the risk of incurring unappropriated expenditure for demand driven appropriations, and does not reflect an increase in forecast expenditure.

### *Conditions on Use of Appropriation*

Reference	Conditions
The Transition to Alternative Housing Grant is a non-recoverable grant paid under Part 9 of the Housing Support Programme, established under section 101 of the Social Security Act 2018.	Clauses 36 to 38 of the Housing Support Programme set out the eligibility criteria for a non-recoverable Transition to Alternative Housing Grant of \$3,000, as an incentive for eligible social housing tenants to move to alternative housing. The applicant must be a tenant of social housing and be moving to alternative housing that MSD is satisfied they are likely to retain. Clause 39 of the Housing Support Programme provides that this is a conditional grant, when a tenant has voluntarily agreed with MSD to leave social housing and is paid only once the tenancy agreement for social housing has ended and all occupants have vacated the social housing.
A recoverable grant may be paid to an applicant who meets the eligibility criteria under Part 2 of the Housing Support Programme, established under section 101 of the Social Security Act 2018.	Clauses 16 to 35 of the Housing Support Programme set out the specific criteria (including maximum amounts) for the following recoverable grants that may be paid to assist eligible people to obtain and retain accommodation: <ul style="list-style-type: none"> <li>• moving costs grant</li> <li>• bond grant</li> <li>• security cover grant</li> <li>• accommodation costs in advance grant</li> <li>• accommodation costs in arrears grant, and</li> <li>• tenancy costs cover grant.</li> </ul>

## 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 the strategic direction set by Cabinet or the appropriation Minister) to eligible people 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 the 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.

##### *Pacific employment and training programmes*

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

*Expenses, Revenue and Capital Expenditure*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>1,163,510</b>	<b>1,163,510</b>	<b>1,232,550</b>
<b>Departmental Output Expenses</b>			
Administering Income Support	437,933	437,933	441,658
Improving Employment Outcomes	563,950	563,950	624,054
Improving Work-Readiness Outcomes	116,514	116,514	116,227
Jobs and Skills Hubs	7,054	7,054	6,972
<b>Non-Departmental Output Expenses</b>			
He Poutama Rangatahi	33,368	33,368	33,417
Pacific employment and training programmes	4,691	4,691	10,222
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>1,120,704</b>	<b>1,120,704</b>	<b>1,184,067</b>
Administering Income Support	433,186	433,186	436,814
Improving Employment Outcomes	563,950	563,950	624,054
Improving Work-Readiness Outcomes	116,514	116,514	116,227
Jobs and Skills Hubs	7,054	7,054	6,972
<b>Revenue from Others</b>	<b>4,747</b>	<b>4,747</b>	<b>4,844</b>
Administering Income Support	4,747	4,747	4,844

*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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
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	24,000	18,000
The percentage of clients who have exited a main benefit during the calendar year for reason of employment, following an employment intervention, that did not access a main benefit again in the following six months will be no less than (see Disclosure 1 and 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%	95%	90%

Disclosure 1 - The wording of this measure has been adjusted for clarity.

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 aim to help 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. An 'effective' rating means that the intervention has significant positive overall impacts on one or more outcome domains, and no negative impacts for any other domain. 'Promising' indicates that 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	2025/26		2026/27
	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 working-age benefit entitlement assessments (main and supplementary benefits) completed accurately will be no less than (see Disclosure 1 and Notes 1 and 2)	95%	85%	95%
The percentage of working-age benefit entitlement assessments (main and supplementary benefits) completed within five working days will be no less than (see Disclosure 1 and Notes 1 and 3)	90%	75%	90%
The average score for client satisfaction for those receiving a Jobseeker benefit will be no less than (see Note 4)	7.5	8	7.5
The average score for clients receiving a Jobseeker benefit for their awareness of their obligations will be no less than (see Note 5)	4.5	4.5	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	20,000	17,000
The percentage of clients who have exited a main benefit during the calendar year for reason of employment, following an employment outcomes intervention, that did not access a main benefit again in the following six months will be no less than (see Disclosure 1 and Notes 6, 7 and 8)	55%	60%	55%
The number of people supported through the Direct Career Service will be no less than (see Note 9)	12,000	12,500	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

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Assessment of Performance</b>			
The percentage of Apprenticeship Boost payments processed accurately will be no less than (see Notes 11 and 12)	95%	95%	95%
<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	7,000	2,500
The percentage of clients who have exited a main benefit during the calendar year for reason of employment, following a work-readiness intervention, that did not access a main benefit again in the following six months will be no less than (see Disclosure 1 and Notes 6, 8 and 13)	55%	60%	55%
<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 Note 15)	2,835	2,835	2,835
The number of project vacancies filled will be no less than	950	1,200	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 than	2,500	2,600	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 Disclosure 2)	70%	70%	Measure removed
Complete the service design and procurement of providers for the Alo Vaka employment programme by 30 June 2026 (see Disclosure 3)	Achieved	Achieved	Measure expired
The percentage of people who have exited from a main benefit for reasons of employment following participation in a Pacific employment programme will be no less than (see Disclosure 3 and Notes 1 and 16)	Replacement measure	Replacement measure	55%

Disclosure 1 - The wording of these measures has been adjusted for clarity.

Disclosure 2 - The measure has been removed as the time-limited funding for the programme it relates to has expired.

Disclosure 3 - The existing measure has been removed as it was time-limited to 30 June 2026. It has been replaced with a measure that assesses the effectiveness of both the Alo Vaka and Tupu Aotearoa employment programmes. The funding for the Tupu Aotearoa employment programme will be transferred from the Ministry for Pacific Peoples to MSD on 1 July 2026.

Note 1 - MSD offers several main and supplementary benefits, 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 and reviews of entitlements.

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

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 - The Pacific employment programmes covered by this measure are Alo Vaka and Tupu Aotearoa:

- Alo Vaka supports Pacific Jobseeker Support recipients who have extensive barriers preventing them from employment to build the skills required to overcome these barriers, and transition them into meaningful, sustainable employment.
- Tupu Aotearoa supports Pacific people who are most at risk of long-term unemployment by preparing those who are not in education, employment or training for work and supporting them into sustainable employment, as well as providing mentoring and pastoral care throughout their time in the programme.

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

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
<b>He Poutama Rangatahi</b>				
Blue Light Ventures Incorporated	995	995	-	30 June 2026
The Cause Collective	975	975	-	30 June 2026
Te Puna Ora O Mataatua Charitable Trust	872	872	-	30 June 2026
Te Waiwhenua O Te Te Whanganui a Orotu Incorporated	821	821	-	30 June 2026
Strive 101 Limited	700	700	-	30 June 2026
There are a further 84 providers with contracts that range from \$32,000 to \$680,000	29,005	29,005	33,417	
<b>Total He Poutama Rangatahi</b>	<b>33,368</b>	<b>33,368</b>	<b>33,417</b>	
<b>Pacific employment and training programmes</b>				
Zeducation Limited	584	584	558	30 June 2027
KidsCoin Limited	507	507	558	30 June 2027
Niuvaka Trust	496	496	418	30 June 2027

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Affirming Works Limited	340	340	-	30 June 2026
Oceania Career Academy Limited	340	340	-	30 June 2026
There are a further 9 providers with contracts that range from \$57,000 to \$326,000	2,424	2,424	8,688	
Total Pacific employment and training programmes	4,691	4,691	10,222	

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<b><i>Administering Income Support</i></b>						
Temporary Additional Support - Change to the maximum rate and removing child support as an allowable cost	2026/27	-	3,683	479	-	-
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	4,176
Jobseeker Support - Tightening Eligibility for 18-19-year-olds	2025/26	582	3,983	16,266	15,906	15,906
Return of Funding - Employment and Financial Support Response to COVID-19	2025/26	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)
Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes	2024/25	1,465	9,280	24,503	24,544	24,544
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(5,537)	(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	(81)	-	-	-	-
Personal income Tax Policy	2023/24	313	313	313	313	313
Progressing the Family Boost Tax Credit	2023/24	1,322	1,322	1,322	1,322	1,322
<b><i>Improving Employment Outcomes</i></b>						
Employment Supports for Sole Parents	2026/27	-	43,108	50,200	-	-
Ministry of Social Development - Services for the Future tagged Contingency Drawdown	2026/27	-	1,600	(1,207)	(13,195)	-
Apprenticeship Boost Scheme Continuation	2025/26	2,894	2,894	2,894	2,894	2,894

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
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	(4,147)	(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	(1,254)	(3,290)	(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	(293)	(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	(80)	(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	1,114	1,114	1,114	1,114	1,114
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	3,270	3,270	3,270	3,270	3,270
Financial Relief for Clients Unable to Receive Their Russian Overseas Pensions	2023/24	81	-	-	-	-
Ministry of Social Development Departmental Price Pressures	2023/24	9,771	10,274	10,274	10,274	10,274
Ministry of Social Development - Collective Bargaining Commitments	2023/24	13,789	13,789	13,789	13,789	13,789
Ministry of Social Development - Departmental Savings from 2023/24 Onwards	2023/24	(27,830)	(28,124)	-	-	-
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	5,568	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	3,898	-	-	-	-

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
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	724	724	724	724	724
Supporting Child Wellbeing by Enhancing Social and Emotional Learning	2022/23	5,357	5,339	5,339	5,339	5,339
Te Haoroa: Ministry of Social Development Data Warehouse Replacement	2022/23	2,296	2,296	2,296	2,296	2,296
Passing on Child Support Payments to Sole Parent Beneficiaries: Policy Decisions and Pre-commitment Funding	2021/22	8,366	8,366	8,366	8,366	8,366
Third Drawdown 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)
<i>Improving Employment Outcomes</i>						
\$5K to Work Employment Programme - Return of Funding	2024/25	(9,147)	(9,147)	(9,147)	(9,147)	(9,147)
Employment Programmes - Addressing Time-Limited Funding	2023/24	2,500	2,500	2,500	2,500	2,500
Ministry of Social Development Departmental Price Pressures	2023/24	7,099	7,466	7,466	7,466	7,466
Ministry of Social Development - Collective Bargaining Commitments	2023/24	10,018	10,018	10,018	10,018	10,018
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	3,661	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	2,564	-	-	-	-
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	28	27	27	27	27
Public Sector Pay Adjustment - Ministry of Social Development Remuneration Cost Pressure	2023/24	17,276	17,276	17,276	17,276	17,276
Wage Supplement to Replace Minimum Wage Exemption	2023/24	1,254	3,290	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	-	-	-	-
<i>Improving Work Readiness Outcomes</i>						
Childcare Assistance - Improving Accessibility and Supporting Take-Up	2023/24	3,930	4,004	4,004	4,004	4,004
Ministry of Social Development Departmental Price Pressures	2023/24	479	504	504	504	504

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Ministry of Social Development - Collective Bargaining Commitments	2023/24	676	676	676	676	676
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	245	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	173	-	-	-	-
Approval to Draw Down Funding to Settle a Pay Equity Claim for Social Work in the Funded Sector	2023/24	185	194	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
Welfare Overhaul: Removing the Subsequent Child Policy	2021/22	12	12	12	12	12
<b>Jobs and Skills Hubs</b>						
Ministry of Social Development Departmental Price Pressures	2023/24	99	104	104	104	104
Ministry of Social Development - Collective Bargaining Commitments	2023/24	140	140	140	140	140
Ministry of Social Development - Frontline Staff to Maintain Service Levels	2023/24	51	-	-	-	-
Ministry of Social Development - Service Delivery Cost Pressures	2023/24	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>						
<b>He Poutama Rangatahi</b>						
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	368	417	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

### *Reasons for Change in Appropriation*

The increase in this appropriation for 2026/27 is mainly due to:

- new funding of \$43.108 million being invested in employment support for sole parents
- a funding increase of \$29.358 million for the Employment Services - Investing in Frontline Staff and Employment Programmes initiative
- an increase of \$8.027 million for the Tupu Aotearoa and Alo Vaka employment programmes that have been transferred to Vote Social Development
- an increase of \$7.815 million for the Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes initiative
- an increase due to \$4 million being transferred from this appropriation in 2025/26 to fund the Regional System Leadership Framework
- \$3.683 million of funding to adjust temporary additional support rates and allowable costs, and
- an increase of \$3.401 million for the Jobseeker Support - tightening eligibility for 18-19-year-olds initiative.

This is partially offset by:

- a reduction of \$28.219 million as time-limited funding to manage cost pressures ends, and
- a decrease of \$4.285 million as time limited funding for the Māori Trades and Training Programme and Pacific community led employment and training activities end.

### **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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>17,081</b>	<b>17,081</b>	<b>16,623</b>
<b>Departmental Output Expenses</b>			
Administering Youth Development	3,982	3,982	2,940
<b>Non-Departmental Output Expenses</b>			
Delivering Youth Development	13,099	13,099	13,683
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>3,790</b>	<b>3,790</b>	<b>2,940</b>
Administering Youth Development	3,790	3,790	2,940
<b>Revenue from Others</b>	<b>192</b>	<b>192</b>	<b>-</b>
Administering Youth Development	192	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*

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
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 programmes. The survey captures outcomes that young people believe they improved in, including skill development, personal growth, building positive connections and relationships, and planning future pathways.

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

Assessment of Performance	2025/26		2026/27
	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 partners reporting that partnering with MYD was a 'good' or 'very good' experience will be no less than (see Note 1)	80%	80%	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 and 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 Disclosure 1)	85%	85%	Measure removed
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 Disclosure 1)	85%	85%	Measure removed
The percentage of young people who report that an MYD-funded programme has helped them to improve their learning and make progress at school or in tertiary education will be no less than (see Disclosure 1 and Notes 2 and 3)	Replacement measure	Replacement measure	75%
The percentage of young people who report that an MYD-funded programme has helped them to improve their chances of getting a job will be no less than (see Disclosure 1 and Notes 2 and 4)	Replacement measure	Replacement measure	75%

Disclosure 1 - The existing two measures have been replaced with two new impact measures that capture self-reported progress toward education and employment outcomes. This shift reflects ongoing work to strengthen the evidence base for programmes funded through the Delivering Youth Development category.

Note 1 - Data for this measure is collected through an annual survey of partners, including all MYD-funded providers and Youth Development Partnership and Innovation Fund partner funders. The ratings are: 'very bad', 'bad', 'neither bad nor good', 'good' or 'very good'.

Note 2 - Data for these measures is collected through MYD's medium-term outcome tracking trial, which gathers outcome data from young people for up to one year after participating in selected programmes.

Note 3 - For the medium-term outcome tracking trial, learning and academic progress refers to measurable improvement in formal education for young people, aged 16-24, including those re-engaging or continuing study. This includes:

- secondary education such as earning NCEA Levels 1-3, gaining credits or achieving endorsements
- tertiary education such as starting, continuing, or completing qualifications at polytechnics or universities, passing grades, improved performance, or progression to higher-level study.

Note 4 - For the medium-term outcome tracking trial, improved chances of getting a job refers to gaining or improving the skills, qualities, and attributes that enable a young person to secure and keep employment. This includes foundational skills, work-readiness skills, and relevant qualifications.

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

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
The Wellington Boys' and Girls' Institute Incorporated	507	507	432	30 June 2028
Mana 2022 Incorporated	500	500	-	31 December 2026
Young Enterprise Trust	475	475	475	30 June 2027
Te Ora Hou Otautahi Incorporated	433	433	488	30 June 2028
The King's Trust Aotearoa New Zealand	420	420	120	30 June 2027
There are a further 83 providers with contracts that range from \$9,000 to \$391,000	10,764	10,764	12,168	
<b>Total</b>	<b>13,099</b>	<b>13,099</b>	<b>13,683</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 2025/26 as at 16 March 2026.

### *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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Current Government</b>						
<b>Departmental Output Expenses</b>						
<b><i>Administering Youth Development</i></b>						
Reduction in Contractors and Consultants - Ministry of Social Development	2024/25	(34)	(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)

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
<b>Previous Government</b>						
<b>Departmental Output Expenses</b>						
<i>Administering Youth Development</i>						
<b>Ministry of Social Development - Collective Bargaining Commitments</b>	2023/24	71	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>						
Approval to Appropriate Funding to Extend Pay Equity Settlement for Social Workers in Community and Iwi Organisations	2023/24	617	649	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 2026/27 is mainly due to:

- a one-off transfer of \$2.425 million for the Ākonga Youth Development Community Fund in 2025/26
- a decrease of \$942,000 for the phasing of youth health and wellbeing survey funding, and
- a decrease of \$100,000 from a one-off fiscally neutral adjustment due to changes in cost drivers in 2025/26.

The above is partially offset by an increase of \$3 million from an expense transfer between financial years for the Youth Development Partnership and Innovation Fund.

## 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*

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>107,855</b>	<b>107,855</b>	<b>105,004</b>
<b>Departmental Output Expenses</b>			
Delivering redress for abuse in care	30,106	30,106	38,094
<b>Non-Departmental Output Expenses</b>			
Support Services	14,150	14,150	15,910
<b>Non-Departmental Other Expenses</b>			
Redress Payments	63,599	63,599	51,000
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>30,106</b>	<b>30,106</b>	<b>38,094</b>
Delivering redress for abuse in care	30,106	30,106	38,094

### *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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The number of assessments completed during the year will be no less than (see Disclosure 1)	1,300	1,400	1,700

Disclosure 1 - 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*

	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
<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 eligible claimants who receive a settlement offer within three months following their decision to choose a rapid payment will be no less than (see Disclosure 1 and 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 Note 3)	80%	80%	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

Disclosure 1 - The wording of this measure has been adjusted for clarity.

Note 1 - In October 2022, Joint Ministers agreed to a high-level Crown framework to give eligible 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 eligible 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, delivered by a non-government organisation, 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	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 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	24,184	38,094	40,395	41,765	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	39,000	51,000	55,500	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	17,485

### *Reasons for Change in Appropriation*

The decrease in this appropriation for 2026/27 is due to \$32.521 million inter-year transfer of underspends for Redress for Abuse in Care into 2025/26.

This is offset by a \$29.670 million increase due to the phasing of funding for the Addressing the Wrongs of the Past - Redress for Abuse in Care initiative from Budget 2025.