

# *Vote Building and Housing*

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APPROPRIATION MINISTER(S): Minister for Building and Construction (M9), Minister for Greater Christchurch Regeneration (M85), Minister of Housing and Urban Development (M96)

APPROPRIATION ADMINISTRATOR: Ministry of Business, Innovation and Employment

RESPONSIBLE MINISTER FOR MINISTRY OF BUSINESS, INNOVATION AND EMPLOYMENT:  
Minister for Economic Development

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Output Expenses</b>			
<b>Administering the Legacy Social Housing Fund (M96)</b> This appropriation is limited to the administration costs of the Legacy Social Housing Fund.	600	(523)	77
<b>Building Regulation and Control (M9)</b> This appropriation is limited to activities associated with the setting of performance standards for buildings and the design and delivery of regulatory schemes and other initiatives to help ensure those standards are met.	28,954	-	28,954
<b>Community Housing Regulatory Authority (M96)</b> This appropriation is limited to the administration of the Community Housing Regulatory Authority.	700	(379)	321
<b>Establishment of the Ministry of Housing and Urban Development (M96)</b> This appropriation is limited to the establishment of the Ministry of Housing and Urban Development.	-	400	400
<b>Greater Christchurch Recovery (M85)</b> This appropriation is limited to the provision of services to residents of the greater Christchurch area affected by the Canterbury earthquakes to support the residential rebuild.	3,640	5,900	9,540
<b>KiwiBuild Unit (M96)</b> This appropriation is limited to activities associated with the facilitation and implementation of the KiwiBuild Programme.	7,697	(1,916)	5,781
<b>Occupational Licensing (M9)</b> This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.	9,546	2,066	11,612
<b>Redevelopment of Surplus Crown Land (M96)</b> This appropriation is limited to activities associated with the facilitation of Crown land redevelopment.	2,503	(1,079)	1,424
<b>Residential Advisory Services (M85)</b> This appropriation is limited to the provision of insurance-related broker and advisory services to homeowners affected by a civil emergency to support their residential rebuild.	-	504	504
<b>Residential Tenancy and Unit Title Services (M96)</b> This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies; provision of administrative support to the State Housing Appeals Authority.	35,095	(597)	34,498
<b>Special Housing Areas (M96)</b> This appropriation is limited to the costs of providing resource consenting processes in Special Housing Areas where a Special Housing Area is declared outside of a Housing Accord.	3,000	(3,000)	-
<b>Weathertight Services (M9)</b> This appropriation is limited to assessing the eligibility of Weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.	9,350	(150)	9,200
<b>Total Departmental Output Expenses</b>	101,085	1,226	102,311

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Non-Departmental Output Expenses</b>			
<b>HNZC Housing Support Services (M96)</b> This appropriation is limited to housing related services from Housing New Zealand Corporation including home ownership initiatives and Healthy Housing.	11,698	(9,350)	2,348
<b>KiwiBuild Operations (M96)</b> This appropriation is limited to the operating expenses incurred in relation to the acquisition and development of KiwiBuild dwellings.	5,000	(5,000)	-
<b>Management of Crown Properties held under the Housing Act 1955 (M96)</b> This appropriation is limited to the administration and management of Crown owned properties held under the Housing Act 1955.	1,395	(1,392)	3
<b>Total Non-Departmental Output Expenses</b>	18,093	(15,742)	2,351
<b>Benefits or Related Expenses</b>			
<b>KiwiSaver HomeStart grant (M96)</b> This appropriation is limited to KiwiSaver HomeStart grants for people who meet the required eligibility criteria.	106,120	(83,699)	22,421
<b>Total Benefits or Related Expenses</b>	106,120	(83,699)	22,421
<b>Non-Departmental Other Expenses</b>			
<b>Housing Assistance (M96)</b> This appropriation is limited to payments made to Housing New Zealand Corporation and other mortgage providers to compensate for the difference between the cost of funds and the rate at which funds are lent, and provide write-offs for loans.	1,159	(869)	290
<b>Payments in respect of the Weathertight Services Loan Guarantees PLA (M9)</b> This appropriation is limited to the payments to banks under the Weathertight Services Financial Assistance Package: Loan Guarantee scheme as authorised under section 65ZG of the Public Finance Act 1989.	1,700	-	1,700
<b>Remediation of Facades and Parapets of Unreinforced Masonry Buildings in at risk areas (M9)</b> This appropriation is limited to the partial remediation of street-facing facades and parapets of unreinforced masonry buildings in at risk areas.	-	2,838	2,838
<b>Social Housing Provider Development (M96)</b> This appropriation is limited to providing support to third party providers of social and/or affordable housing services.	4,000	(2,200)	1,800
<b>Unwind of Discount Rate Used in the Present Value Calculation of Direct Payments Under the Weathertight Homes Financial Assistance Package (M9)</b> This appropriation is limited to the expense incurred in unwinding the discount rate used in the present value calculation of the Weathertight Homes Financial Assistance Package liability as the liability nears settlement.	1,659	-	1,659
<b>Total Non-Departmental Other Expenses</b>	8,518	(231)	8,287

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Policy Advice and Related Outputs MCA (M9)</b>	16,725	(7,487)	9,238
The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.			
<b>Departmental Output Expenses</b>			
<b>Policy Advice - Building and Housing</b>	16,465	(7,301)	9,164
This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by Ministers on government policy matters relating to building and housing including social housing.			
<b>Related Services to Ministers - Building and Housing</b>	260	(186)	74
This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to building and housing including social housing.			
<b>Temporary Accommodation Services MCA (M96)</b>	1,775	850	2,625
The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.			
<b>Departmental Output Expenses</b>			
<b>Readiness, Response and Recovery</b>	1,000	-	1,000
This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.			
<b>Non-Departmental Output Expenses</b>			
<b>Temporary Accommodation Housing Initiatives - Operations</b>	500	-	500
This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.			
<b>Non-Departmental Other Expenses</b>			
<b>Temporary Accommodation Housing Initiatives - Depreciation</b>	275	50	325
This category is limited to depreciation expenses associated with temporary accommodation supply.			
<b>Non-Departmental Capital Expenditure</b>			
<b>Temporary Accommodation Housing Initiatives - Capital</b>	-	800	800
This category is limited to procuring and purchasing temporary accommodation.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	18,500	(6,637)	11,863
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	252,316	(105,083)	147,233

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Departmental Output Expenses</b>		
<b>Tenant Health and Safety Information (M96)</b> This appropriation is limited to providing information to increase tenant health and safety in residential rental properties.  Commences: 01 July 2015  Expires: 30 June 2020	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	2,740 - - 2,740 2,099 641 - -
<b>Non-Departmental Output Expenses</b>		
<b>KiwiBuild Housing (M96)</b> This appropriation is limited to the acquisition, construction and provision of KiwiBuild housing.  Commences: 01 April 2018  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	210,000 - (209,919) 81 - 81 - -
<b>Non-Departmental Capital Expenditure</b>		
<b>Housing Infrastructure Fund Loans (M96)</b> This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development.  Commences: 01 July 2018  Expires: 30 June 2023	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	176 - - 176 - 176 - -
<b>KiwiBuild Capital (M96)</b> This appropriation is limited to capital for KiwiBuild housing.  Commences: 30 June 2018  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	1,865,755 - (1,865,755) - - - - -
<b>Vacant or Underutilised Crown Land Programme (M96)</b> This appropriation is limited to the Crown's contribution to the development of housing in selected locations.  Commences: 01 July 2017  Expires: 30 June 2022	Original Appropriation Adjustments to 2017/18 Adjustments for 2018/19 Adjusted Appropriation Actual to 2017/18 Year End Estimated Actual for 2018/19 Estimate for 2019/20 Estimated Appropriation Remaining	167,104 51,050 (55,354) 162,800 162,800 - - -

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

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	252,316	(105,083)	147,233
Total Forecast MYA Departmental Output Expenses	614	27	641
Total Forecast MYA Non-Departmental Output Expenses	210,000	(209,919)	81
Total Forecast MYA Non-Departmental Capital Expenditure	270,000	(269,824)	176
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>732,930</b>	<b>(584,799)</b>	<b>148,131</b>

# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2018/19				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	329,792	1,253	(225,661)	(224,408)	105,384
Benefits or Related Expenses	106,120	N/A	(83,699)	(83,699)	22,421
Borrowing Expenses	-	-	-	-	-
Other Expenses	8,518	-	(231)	(231)	8,287
Capital Expenditure	270,000	-	(269,824)	(269,824)	176
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	18,225	(7,487)	-	(7,487)	10,738
<i>Other Expenses</i>	275	-	50	50	325
<i>Capital Expenditure</i>	-	N/A	800	800	800
<b>Total Appropriations</b>	732,930	(6,234)	(578,565)	(584,799)	148,131
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	214,300	N/A	(210,000)	(210,000)	4,300
Capital Receipts	13,330	N/A	(13,330)	(13,330)	-
<b>Total Crown Revenue and Capital Receipts</b>	227,630	N/A	(223,330)	(223,330)	4,300

## Part 2 - Details of Departmental Appropriations

### 2.1 - Departmental Output Expenses

#### Administering the Legacy Social Housing Fund (M96)

##### *Scope of Appropriation*

This appropriation is limited to the administration costs of the Legacy Social Housing Fund.

##### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	600	(523)	77
Revenue from the Crown	600	(523)	77
Revenue from Others	-	-	-

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$523,000 to \$77,000 for 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$77,000 reflects the activity administered by Ministry of Business, Innovation and Employment (MBIE) before the transfer.

#### Community Housing Regulatory Authority (M96)

##### *Scope of Appropriation*

This appropriation is limited to the administration of the Community Housing Regulatory Authority.

##### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	700	(379)	321
Revenue from the Crown	700	(379)	321
Revenue from Others	-	-	-

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$379,000 to \$321,000 for 2018/19 due to the transfer of \$381,000 from this appropriation to the new Vote Housing and Urban Development. This was partially offset by a \$2,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy. The remaining balance of \$321,000 reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.



## Establishment of the Ministry of Housing and Urban Development (M96)

### *Scope of Appropriation*

This appropriation is limited to the establishment of the Ministry of Housing and Urban Development.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	400	400
Revenue from the Crown	-	400	400
Revenue from Others	-	-	-

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

This appropriation is intended to establish the Ministry of Housing and Urban Development.

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

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
Establish new Ministry of Housing and Urban Development	-	New measure	1 October 2018

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

### *Reasons for Change in Appropriation*

This appropriation was established during 2018/19 to provide funding for the establishment of the new Ministry of Housing and Urban Development prior to the establishment of Vote Housing and Urban Development with effect from 1 October 2019.

## Greater Christchurch Recovery (M85)

### *Scope of Appropriation*

This appropriation is limited to the provision of services to residents of the greater Christchurch area affected by the Canterbury earthquakes to support the residential rebuild.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,640	5,900	9,540
Revenue from the Crown	3,640	200	3,840
Revenue from Others	-	5,700	5,700

### *Reasons for Change in Appropriation*

This appropriation increased by \$5.900 million to \$9.540 million for 2018/19 due to:

- funding of \$6 million to trial an integrated operating model to streamline the claims settlement process for claimants and reduce administrative costs for insurers, and
- \$1.700 million adjustment to cover the costs arising from the Internal Dispute Resolution Services (IDRS) activities that the Greater Christchurch Claims Resolution Service (GCCRS) team are expected to incur.

These increases are partially offset by a \$1.800 million transfer to Vote Courts to support the Canterbury Earthquakes Insurance Tribunal.

## KiwiBuild Unit (M96)

### *Scope of Appropriation*

This appropriation is limited to activities associated with the facilitation and implementation of the KiwiBuild Programme.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	7,697	(1,916)	5,781
Revenue from the Crown	7,697	(1,916)	5,781
Revenue from Others	-	-	-

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of greenfield and urban regeneration projects investigated, or due diligence completed	5	-	-

### *Reasons for Change in Appropriation*

This appropriation decreased by \$1.916 million to \$5.781 million in 2018/19 due to the transfer of \$3.569 million in 2018/19 to the new Vote Housing and Urban Development. This was partially offset by a transfer of \$1.653 million from 2017/18 to 2018/19 to support staff recruitment for the KiwiBuild Unit. The remaining balance of \$5.781 million reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

### **Occupational Licensing (M9)**

#### *Scope of Appropriation*

This appropriation is limited to the development, implementation and maintenance of the registration and licensing regimes for building practitioners and electrical workers.

#### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,546	2,066	11,612
Revenue from the Crown	691	8	699
Revenue from Others	8,433	2,058	10,491

### *Reasons for Change in Appropriation*

This appropriation increased by \$2.066 million to \$11.612 million in 2018/19 due to:

- an additional \$2.058 million from increased electrical worker fees and licensed building practitioner fees and levy, reflecting amendments to the Electricity (Safety) Regulations 2010 and the Building Practitioners (Licensing Fees and Levy) Regulations 2010, and
- \$8,000 increase in Budget 2019 to assist with the replacement of MBIE's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

## Redevelopment of Surplus Crown Land (M96)

### *Scope of Appropriation*

This appropriation is limited to activities associated with the facilitation of Crown land redevelopment.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	2,503	(1,079)	1,424
Revenue from the Crown	2,503	(1,079)	1,424
Revenue from Others	-	-	-

### *Reasons for Change in Appropriation*

This appropriation decreased by \$1.079 million to \$1.424 million in 2018/19 due to a decrease of \$1.579 million related to the transfer of this appropriation to the new Vote Housing and Urban Development. This was partially offset by an increase of \$500,000 from 2017/18 related to fewer purchases of land in that year. The remaining balance of \$1.424 million reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

## Residential Advisory Services (M85)

### *Scope of Appropriation*

This appropriation is limited to the provision of insurance-related broker and advisory services to homeowners affected by a civil emergency to support their residential rebuild.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	504	504
Revenue from the Crown	-	504	504
Revenue from Others	-	-	-

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

This appropriation is intended to achieve access to insurance-related broker and advisory services to help progress residential rebuild following a civil emergency.

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Users satisfied or very satisfied with the residential advisory service	-	New measure	75%

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Business, Innovation and Employment in its annual report.

### *Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2018/19 Final Budgeted \$000	2019/20 Budget \$000	2020/21 Estimated \$000	2021/22 Estimated \$000	2022/23 Estimated \$000
<b>Current Government</b>						
Residential Rebuild	2018/19	667	-	-	-	-
Increase of the Residential Advisory Services	2018/19	1,833	-	-	-	-
MBIE Payroll System	2018/19	4	14	66	66	66

### *Reasons for Change in Appropriation*

This appropriation was established in 2018/19 to allow for the Residential Advisory Services with authorised funding of \$2.500 million and a further increase of \$4,000 assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy. This was offset by a transfer of \$2 million from the Residential Advisory Services to the Greater Christchurch Recovery appropriation to support a trial of an integrated operating model to streamline the claims settlement process for claimants.

## Residential Tenancy and Unit Title Services (M96)

### *Scope of Appropriation*

This appropriation is limited to residential tenancy and unit title dispute resolution services, information, education, advice and compliance and enforcement activities; administration and investment of residential tenancy bond monies; provision of administrative support to the State Housing Appeals Authority.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	35,095	(597)	34,498
Revenue from the Crown	14,493	(997)	13,496
Revenue from Others	20,602	400	21,002

### *Reasons for Change in Appropriation*

This appropriation decreased by \$597,000 to \$34.498 million in 2018/19 due to a \$1 million transfer of funding to 2019/20 reflecting delays caused by the undertaking of public consultation and decisions on the content of the Healthy Homes Guarantee Act 2017 work programme. This decrease is partially offset by an increase of \$400,000 to allow for the increased shared tenancy adjudication module costs, and an increase of \$3,000 to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first policy.

## Special Housing Areas (M96)

### *Scope of Appropriation*

This appropriation is limited to the costs of providing resource consenting processes in Special Housing Areas where a Special Housing Area is declared outside of a Housing Accord.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,000	(3,000)	-
Revenue from the Crown	-	-	-
Revenue from Others	3,000	(3,000)	-

### *Reasons for Change in Appropriation*

This appropriation decreased by \$3 million to nil for 2018/19 due to the transfer of \$3 million from this appropriation to the new Vote Housing and Urban Development.

## Weathertight Services (M9)

### *Scope of Appropriation*

This appropriation is limited to assessing the eligibility of Weathertight homes claims; independent technical assessment of claims, including reports on actual and probable damage with estimated costs of repair; administration of the financial assistance package; claim management until repair or claim lodged with the Weathertight Tribunal; provision of mediation services; and advice, information and education to support more informed consumer decisions.

### *Expenses and Revenue*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	9,350	(150)	9,200
Revenue from the Crown	9,350	(150)	9,200
Revenue from Others	113	-	113

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The number of homeowners who have repaired or have started repairing with the Financial Assistance Package since the beginning of the scheme	At least 3,400	Measure removed	-

### *Reasons for Change in Appropriation*

This appropriation decreased by \$150,000 to \$9.200 million in 2018/19 due to:

- transfer of \$1.700 million to the "Residential Advisory Services" appropriation
- transfer of \$600,000 to the "Temporary Accommodation Services" multi-category appropriation, and
- transfer of \$550,000 to the "Policy Advice - Building and Housing" category in the "Policy Advice and Related Outputs" multi-category appropriation to assist with the construction sector accord.

These decreases are partially offset by a transfer of \$2.700 million from 2017/18 to 2018/19 to reflect the timing for a number of cases where the engagement and associated costs do not occur until after 30 June 2018.

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### HNZC Housing Support Services (M96)

##### *Scope of Appropriation*

This appropriation is limited to housing related services from Housing New Zealand Corporation including home ownership initiatives and Healthy Housing.

##### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	11,698	(9,350)	2,348

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$9.350 million to \$2.348 million in 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$2.348 million reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

#### KiwiBuild Housing (M96)

##### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>KiwiBuild Housing (M96)</b> This appropriation is limited to the acquisition, construction and provision of KiwiBuild housing.  Commences: 01 April 2018	Original Appropriation	210,000
	Adjustments to 2017/18	-
	Adjustments for 2018/19	(209,919)
	Adjusted Appropriation	81
Expires: 30 June 2022	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	81
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	-

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Progress towards 100,000 KiwiBuild affordable homes over 10 years	-	New measure	Achieved

##### *Reasons for Change in Appropriation*

This appropriation decreased by \$209.919 million to \$81,000 for 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$81,000 reflects costs associated with the KiwiBuild Urban framework documentation and house typologies to be incurred by MBIE.



## KiwiBuild Operations (M96)

### Scope of Appropriation

This appropriation is limited to the operating expenses incurred in relation to the acquisition and development of KiwiBuild dwellings.

### Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,000	(5,000)	-

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Progress towards 100,000 KiwiBuild affordable homes over 10 years	-	New measure	Achieved

### Reasons for Change in Appropriation

This appropriation decreased by \$5 million to nil for 2018/19 due to the transfer of \$5 from this appropriation to the new Vote Housing and Urban Development.

## Management of Crown Properties held under the Housing Act 1955 (M96)

### Scope of Appropriation

This appropriation is limited to the administration and management of Crown owned properties held under the Housing Act 1955.

### Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,395	(1,392)	3

### Reasons for Change in Appropriation

This appropriation decreased by \$1.392 million to \$3,000 in 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$3,000 reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

## 3.2 - Non-Departmental Benefits or Related Expenses

### KiwiSaver HomeStart grant (M96)

#### *Scope of Appropriation*

This appropriation is limited to KiwiSaver HomeStart grants for people who meet the required eligibility criteria.

#### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	106,120	(83,699)	22,421

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$83.699 million to \$22.421 million in 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$22.421 million reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

## 3.4 - Non-Departmental Other Expenses

### Housing Assistance (M96)

#### *Scope of Appropriation*

This appropriation is limited to payments made to Housing New Zealand Corporation and other mortgage providers to compensate for the difference between the cost of funds and the rate at which funds are lent, and provide write-offs for loans.

#### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,159	(869)	290

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$869,000 to \$290,000 in 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance of \$290,000 reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

### Remediation of Facades and Parapets of Unreinforced Masonry Buildings in at risk areas (M9)

#### *Scope of Appropriation*

This appropriation is limited to the partial remediation of street-facing facades and parapets of unreinforced masonry buildings in at risk areas.

#### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,838	2,838

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

This appropriation is intended to achieve the timely remediation and repair of buildings impacted by natural disasters.

#### *End of Year Performance Reporting*

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation for a non-departmental other expense is less than \$5 million.

#### *Reasons for Change in Appropriation*

The increase in this appropriation of \$2.838 million is due to constraints in completing the work and the need to extend the funding for the remediation of facades from 2017/18 to 2018/19.

## Social Housing Provider Development (M96)

### *Scope of Appropriation*

This appropriation is limited to providing support to third party providers of social and/or affordable housing services.

### *Expenses*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,000	(2,200)	1,800

### *Reasons for Change in Appropriation*

This appropriation decreased by \$2.200 million to \$1.800 million in 2018/19 due to a decrease of \$5.428 million relating to the transfer of this appropriation to the new Vote Housing and Urban Development. This was partially offset by an increase of \$3.228 million relating to a transfer from Vote Social Housing to Vote Building and Housing. The remaining balance of \$1.800 million reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

## 3.5 - Non-Departmental Capital Expenditure

### Housing Infrastructure Fund Loans (M96)

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Housing Infrastructure Fund Loans (M96)</b> This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development.  Commences: 01 July 2018  Expires: 30 June 2023	Original Appropriation	176
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	176
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	176
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	-

#### *Reasons for Change in Appropriation*

This appropriation was established in 2018/19 and was also transferred to the new Vote Housing and Urban Development in 2018/19. The remaining balance of \$176,000 reflects the activity administered by the Ministry of Business, Innovation and Employment before the transfer.

### KiwiBuild Capital (M96)

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>KiwiBuild Capital (M96)</b> This appropriation is limited to capital for KiwiBuild housing.  Commences: 30 June 2018  Expires: 30 June 2022	Original Appropriation	1,865,755
	Adjustments to 2017/18	-
	Adjustments for 2018/19	(1,865,755)
	Adjusted Appropriation	-
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	-
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	-

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

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Progress towards 100,000 KiwiBuild affordable homes over 10 years	-	New measure	Achieved

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$1,865.755 million to nil for 2018/19 due to the transfer of \$1,865.755 million from this appropriation to the new Vote Housing and Urban Development.

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

## 4 - Multi-Category Expenses and Capital Expenditure

### Policy Advice and Related Outputs (M9)

#### *Overarching Purpose Statement*

The overarching purpose of this appropriation is to provide policy advice and other support to Ministers in discharging their policy decision-making and other portfolio responsibilities.

#### *Scope of Appropriation*

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

###### *Policy Advice - Building and Housing*

This category is limited to advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision making by Ministers on government policy matters relating to building and housing including social housing.

###### *Related Services to Ministers - Building and Housing*

This category is limited to the provision of support, information and services to Ministers to enable them to discharge their portfolio (other than policy decision-making) responsibilities on matters relating to building and housing including social housing.

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

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>16,725</b>	<b>(7,487)</b>	<b>9,238</b>
<b>Departmental Output Expenses</b>			
Policy Advice - Building and Housing	16,465	(7,301)	9,164
Related Services to Ministers - Building and Housing	260	(186)	74
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>16,725</b>	<b>(7,515)</b>	<b>9,210</b>
Policy Advice - Building and Housing	16,465	(7,329)	9,136
Related Services to Ministers - Building and Housing	260	(186)	74
<b>Revenue from Others</b>	<b>-</b>	<b>28</b>	<b>28</b>
Policy Advice - Building and Housing	-	28	28

### *Reasons for Change in Appropriation*

This appropriation decreased by \$7.519 million to \$9.206 million in 2018/19 due to the transfer of this appropriation to the new Vote Housing and Urban Development. The remaining balance reflects the activity administered by the Ministry of Business, Innovation and Employment after the transfer, including:

- \$550,000 transferred from the Weathertight Services appropriation to fund the construction sector accord, and
- \$4,000 increase to assist with the replacement of the Ministry of Business, Innovation and Employment's existing payroll system to meet its legislative requirements under the Holidays Act 2003 and have a payroll system that aligns with the Government's cloud-first.

### **Temporary Accommodation Services (M96)**

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to coordinate and provide temporary accommodation to people displaced by a civil emergency.

#### *Scope of Appropriation*

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

###### *Readiness, Response and Recovery*

This category is limited to temporary accommodation coordination, contingency planning, civil defence sector engagement and event-specific civil emergency temporary accommodation service operations.

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

###### *Temporary Accommodation Housing Initiatives - Operations*

This category is limited to the operating expenses incurred on temporary accommodation supply initiatives.

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

###### *Temporary Accommodation Housing Initiatives - Depreciation*

This category is limited to depreciation expenses associated with temporary accommodation supply.

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

###### *Temporary Accommodation Housing Initiatives - Capital*

This category is limited to procuring and purchasing temporary accommodation.

*Expenses, Revenue and Capital Expenditure*

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>1,775</b>	<b>850</b>	<b>2,625</b>
<b>Departmental Output Expenses</b>			
Readiness, Response and Recovery	1,000	-	1,000
<b>Non-Departmental Output Expenses</b>			
Temporary Accommodation Housing Initiatives - Operations	500	-	500
<b>Non-Departmental Other Expenses</b>			
Temporary Accommodation Housing Initiatives - Depreciation	275	50	325
<b>Non-Departmental Capital Expenditure</b>			
Temporary Accommodation Housing Initiatives - Capital	-	800	800
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>
Readiness, Response and Recovery	1,000	-	1,000

*How Performance will be Assessed for this Appropriation*

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Percentage of users of the service who are satisfied or very satisfied	-	New measure	75%
Percentage of service activations approved within 14 days of a civil emergency	90%	Measure removed	-

*Reasons for Change in Appropriation*

This appropriation increased by \$850,000 to \$2.625 million in 2018/19 due to:

- \$600,000 transfer from the Weathertight Services appropriation for additional portacabins to be built to effectively respond to small-scale emergencies, and
- transfer of \$250,000 from 2017/18 to 2018/19 as a result of a delay in the service support for displaced people following ex-tropical cyclone Fehi and Gita due to spending in Kaikōura and Edgumbe.