

Vote Housing and Urban Development

APPROPRIATION MINISTER(S): Minister of Housing and Urban Development (M96)

APPROPRIATION ADMINISTRATOR: Ministry of Housing and Urban Development

RESPONSIBLE MINISTER FOR MINISTRY OF HOUSING AND URBAN DEVELOPMENT: Minister of Housing and Urban Development

Overview of the Vote

Vote Housing and Urban Development was established as a new Vote on 1 October 2018, coinciding with the establishment of the new Ministry.

The Minister of Housing and Urban Development is responsible for appropriations in this Vote for the nine months 1 October 2018 to 30 June 2019, covering the following:

- a total of just under \$2 million for providing services relating to administering the Legacy Social Housing Fund and the Community Housing Regulatory Authority
- \$3 million for providing resource consenting processes in Special Housing Areas where a Special Housing Area is declared outside of a Housing Accord, and is fully funded from Local Authorities as required
- a total of just under \$21 million for operational activities associated with the facilitation and implementation of the KiwiBuild Programme including activities associated with Crown Land redevelopment and administration and management of Crown owned properties held under the Housing Act 1955
- a total of just over \$13 million for negotiating and managing contracts with, and administering payments to housing and support services providers
- a total of just over \$17 million for policy advice and other support to Ministers relating to housing and urban development issues and performance monitoring of Housing New Zealand Corporation (HNZC) and Tamaki Redevelopment Company, and governance advice to the Minister of Housing and Urban Development in respect of these agencies
- a total of just over \$10 million for the purchase of housing related services from HNZC, including home ownership initiatives and Healthy Housing
- a total of just under \$74 million to provide HomeStart grants for people who meet the required eligibility criteria
- a total of just over \$4 million for interest-free loans from the Housing Infrastructure Fund to Local Authorities to finance infrastructure needed to unlock residential development
- a total of just under \$191 million to recognise the expense incurred in the fair value write down of the interest-free loans from the Housing Infrastructure Fund
- a total of just over \$5 million from the Social Housing Provider Development Fund to support third party providers of social and/or affordable housing services
- a total of just over \$67 million for the KiwiBuild programme, which includes purchasing land for housing development, operating expenses for the facilitation, acquisition and development of KiwiBuild dwellings
- a total of just over \$19 million to maintain the supply of tenanted Community Group Housing properties
- a total of just under \$803 million to secure the purchase and provision of public housing and associated support services

- a total of just under \$153 million to deliver transitional housing places and associated support services
- a total of just over \$33 million for impairment of land held by the Crown for sale, and

The Minister of Housing and Urban Development is also responsible for a capital injection of just over \$8 million to establish the Ministry, including for the leave liability transferred from the Ministry of Social Development and the Ministry of Business, Innovation and Employment.

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	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Output Expenses			
Administering the Legacy Social Housing Fund (M96) This appropriation is limited to the administration costs of the Legacy Social Housing Fund.	-	692	692
Community Housing Regulatory Authority (M96) This appropriation is limited to the administration of the Community Housing Regulatory Authority.	-	1,104	1,104
Consenting in Special Housing Areas (M96) This appropriation is limited to the costs of providing resource consenting processes in Special Housing Areas where a Special Housing Area is declared outside a Housing Accord.	-	3,000	3,000
Facilitating the Redevelopment of Surplus Crown Land (M96) This appropriation is limited to the activities associated with the facilitation of Crown land redevelopment.	-	2,454	2,454
KiwiBuild Unit (M96) This appropriation is limited to the activities associated with the facilitation and implementation of the KiwiBuild Programme.	-	16,849	16,849
Management of Housing Places, Providers and Services (M96) This appropriation is limited to negotiating and managing contracts with housing and housing support service providers, and administering payments for housing places and support services.	-	13,473	13,473
Total Departmental Output Expenses	-	37,572	37,572
Departmental Capital Expenditure			
Ministry of Housing and Urban Development - Capital Expenditure PLA (M96) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Housing and Urban Development, as authorised by section 24(1) of the Public Finance Act 1989	-	1,000	1,000
Total Departmental Capital Expenditure	-	1,000	1,000
Non-Departmental Output Expenses			
Housing New Zealand Corporation Support Services (M96) This appropriation is limited to housing related services from Housing New Zealand Corporation, including home ownership initiatives and Healthy Housing.	-	9,350	9,350
KiwiBuild Operations (M96) This appropriation is limited to the operating expenses incurred in relation to the facilitation, acquisition and development of KiwiBuild dwellings.	-	11,182	11,182
Management of Crown Properties held under the Housing Act 1955 (M96) This appropriation is limited to the administration and management of Crown owned properties held under the Housing Act 1955.	-	1,392	1,392
Total Non-Departmental Output Expenses	-	21,924	21,924

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Benefits or Related Expenses			
KiwiSaver HomeStart Grant (M96) This appropriation is limited to KiwiSaver HomeStart grants for people who meet the required eligibility criteria.	-	73,699	73,699
Total Benefits or Related Expenses	-	73,699	73,699
Non-Departmental Other Expenses			
Housing Assistance (M96) 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.	-	869	869
Impairment of Land held by the Crown for sale (M96) This appropriation is limited to expenses incurred as a result of the impairment of land held by the Crown for sale, including write-down and write-offs.	-	33,529	33,529
Social Housing Provider Development (M96) This appropriation is limited to providing support to third party providers of social and/or affordable housing services.	-	5,428	5,428
Total Non-Departmental Other Expenses	-	39,826	39,826
Multi-Category Expenses and Capital Expenditure			
Community Group Housing MCA (M96) The overarching purpose of this appropriation is to purchase housing services from Housing New Zealand Corporation and Community Group Housing providers to maintain the supply of tenanted Community Group Housing properties.	-	19,296	19,296
Non-Departmental Output Expenses			
Community Group Housing Market Rent Top-Up This category is limited to the provision of funding to Housing New Zealand Corporation to pay the difference between the contracted rent with each Community Group Housing provider and market rent for the leased properties.	-	10,418	10,418
Non-Departmental Other Expenses			
Community Housing Rent Relief This category is limited to the provision of a rent relief fund to Community Group Housing providers for the sole purpose of helping them meet their contracted rent payments.	-	3,078	3,078
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties This category is limited to providing debt or equity to Housing New Zealand Corporation to acquire, modernise or reconfigure properties leased by Community Housing Providers.	-	5,800	5,800

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Policy Advice and Related Outputs MCA (M96)	-	17,374	17,374
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.			
Departmental Output Expenses			
<i>Crown Monitoring Advice</i>	-	347	347
This category is limited to activity related to performance monitoring Housing New Zealand Corporation and Tamaki Redevelopment Company and governance advice to the Minister of Housing and Urban Development in respect of these agencies.			
<i>Policy Advice</i>	-	15,844	15,844
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 housing and urban development.			
<i>Related Services to Ministers</i>	-	1,183	1,183
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 housing and urban development.			
Public Housing MCA (M96)	-	802,873	802,873
The overarching purpose of this appropriation is to secure and purchase the provision of public housing and associated support services.			
Non-Departmental Output Expenses			
<i>Purchase of Public Housing Provision</i>	-	733,457	733,457
This category is limited to purchasing the provision of public housing and related services from public housing providers in accordance with reimbursement agreements or tailored agreements under the Housing Restructuring and Tenancy Matters Act 1992.			
<i>Services for People in Need of or at risk of Needing Public Housing</i>	-	20,236	20,236
This category is limited to the provision of support services to those in need of public housing or those at risk of entering or exiting public housing.			
<i>Services Related to the Provision of Public Housing</i>	-	750	750
This category is limited to the provision of services related to the provision of public housing by a public housing provider.			
Non-Departmental Other Expenses			
<i>Support for the Provision of Public Housing Supply</i>	-	48,430	48,430
This category is limited to providing support to secure access to properties for public housing providers to use for public housing.			

Titles and Scopes of Appropriations by Appropriation Type	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Transitional Housing MCA (M96)	-	152,740	152,740
The overarching purpose of this appropriation is to fund the delivery of transitional housing places and services in New Zealand.			
Non-Departmental Output Expenses			
<i>Provision of Transitional Housing Places</i>	-	50,876	50,876
This category is limited to supporting transitional housing providers to provide transitional housing places.			
<i>Transitional Housing Services</i>	-	40,645	40,645
This category is limited to payments to transitional housing providers on a per household basis to cover tenancy and property management, and services to support tenants in transitional housing to move into sustainable housing.			
Non-Departmental Capital Expenditure			
<i>Acquisition, Development and Construction of Transitional Housing</i>	-	61,219	61,219
This appropriation is limited to funding the acquisition, construction and development or redevelopment of land or properties for the purpose of providing transitional housing.			
Total Multi-Category Expenses and Capital Expenditure	-	992,283	992,283
Total Annual Appropriations and Forecast Permanent Appropriations	-	1,166,304	1,166,304

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
KiwiBuild Housing (M96)	Original Appropriation	2,039,923
This appropriation is limited to the acquisition, construction and provision of KiwiBuild dwellings.	Adjustments to 2017/18	-
Commences: 01 October 2018	Adjustments for 2018/19	-
Expires: 30 June 2022	Adjusted Appropriation	2,039,923
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	55,835
	Estimate for 2019/20	474,420
	Estimated Appropriation Remaining	1,509,668
Non-Departmental Other Expenses		
Housing Infrastructure Fund - Fair Value Write Down (M96)	Original Appropriation	190,791
This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans from the Housing Infrastructure Fund to Territorial Local Authorities.	Adjustments to 2017/18	-
Commences: 01 October 2018	Adjustments for 2018/19	-
Expires: 30 June 2020	Adjusted Appropriation	190,791
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	190,791
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Capital Expenditure		
Housing Infrastructure Fund Loans (M96) 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 October 2018 Expires: 30 June 2023	Original Appropriation	642,824
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	642,824
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	4,203
	Estimate for 2019/20	255,107
	Estimated Appropriation Remaining	383,514
Vacant or Underutilised Crown Land Programme (M96) This appropriation is limited to the Crown's contribution to the development of housing in selected locations. Commences: 01 October 2018 Expires: 30 June 2022	Original Appropriation	55,354
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	55,354
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	-
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	55,354

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	-	1,166,304	1,166,304
Total Forecast MYA Non-Departmental Output Expenses	-	55,835	55,835
Total Forecast MYA Non-Departmental Other Expenses	-	190,791	190,791
Total Forecast MYA Non-Departmental Capital Expenditure	-	4,203	4,203
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	-	1,417,133	1,417,133

Capital Injection Authorisations

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Housing and Urban Development - Capital Injection (M96)	-	8,229	8,229

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	
Appropriations					
Output Expenses	-	37,572	77,759	115,331	115,331
Benefits or Related Expenses	-	N/A	73,699	73,699	73,699
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	230,617	230,617	230,617
Capital Expenditure	-	1,000	4,203	5,203	5,203
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	-	17,374	856,382	873,756	873,756
<i>Other Expenses</i>	-	-	51,508	51,508	51,508
<i>Capital Expenditure</i>	-	N/A	67,019	67,019	67,019
Total Appropriations	-	55,946	1,361,187	1,417,133	1,417,133
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	6,800	6,800	6,800
Capital Receipts	-	N/A	300	300	300
Total Crown Revenue and Capital Receipts	-	N/A	7,100	7,100	7,100

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.
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Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	692	692
Revenue from the Crown	-	692	692
Revenue from Others	-	-	-

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Departmental Output Expenses: Administering the Legacy Social Housing Fund	600	(523)	77

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes through the effective and efficient administration of the Legacy Social Housing Fund.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Effective and efficient administration of the Legacy Social Housing Fund	-	Achieve	Achieve

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from both 2017/18 and 2018/19 of \$523,000 from Vote Building and Housing and \$169,000 from Vote Social Housing.

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	-	1,104	1,104
Revenue from the Crown	-	1,104	1,104
Revenue from Others	-	-	-

Comparators for Restructured Appropriation

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote, Type and Title of Appropriation			
Vote Building and Housing; Departmental Output Expenses: Community Housing Regulatory Authority	700	(381)	319

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve efficient registration and regulation of Community Housing providers in order to ensure that their tenants are appropriately housed, and support the growth of a fair, efficient and transparent community housing sector.

How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
Applications for registering of Community Housing providers are processed within 60 working days	-	90%	90%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from both 2017/18 and 2018/19 of \$381,000 from Vote Building and Housing and \$76,000 from Vote Social Development. In addition, \$100,000 was reprioritised to fund increasing volumes, \$99,000 of additional funding was received towards establishing the new Ministry and \$448,000 of fiscally neutral adjustments across various appropriations to realign costs to the newly formed structure of the Ministry.

Consenting in 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 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

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Departmental Output Expenses: Special Housing Areas	3,000	(3,000)	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve certainty and assurance to the public that resource consenting will be carried out for Special Housing Areas.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Resource consents issued according to statutory timeframes	-	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from Vote Building and Housing of \$3 million.

Facilitating the Redevelopment of Surplus Crown Land (M96)

Scope of Appropriation

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

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,454	2,454
Revenue from the Crown	-	2,454	2,454
Revenue from Others	-	-	-

Comparators for Restructured Appropriation

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote, Type and Title of Appropriation			
Vote Building and Housing; Departmental Output Expenses: Redevelopment of Surplus Crown Land	2,503	(1,079)	1,424

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes by the effective and efficient redevelopment of surplus Crown land.

How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
Compliance with relevant legislation, Government policy and Treaty settlement provisions in relation to acquisition, development and disposal of land	-	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from both 2017/18 and 2018/19 of \$1.579 million from Vote Building and Housing and \$236,000 from Vote Social Development. In addition, \$508,000 of additional funding was received towards establishing the new Ministry and \$131,000 of fiscally neutral adjustments across various appropriations to realign costs to the newly formed structure of the Ministry.

KiwiBuild Unit (M96)

Scope of Appropriation

This appropriation is limited to the 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	-	16,849	16,849
Revenue from the Crown	-	16,849	16,849
Revenue from Others	-	-	-

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Departmental Output Expenses: KiwiBuild Unit	7,697	(1,916)	5,781

What is Intended to be Achieved with this Appropriation

This appropriation is intended to facilitate the development of KiwiBuild affordable homes.

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	5

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from both 2017/18 and 2018/19 of \$3.569 million from Vote Building and Housing and \$616,000 from Vote Social Development. In addition, \$2.022 million of additional funding was received towards establishing the new Ministry and a fiscally neutral transfer of \$11.500 million from KiwiBuild non-departmental appropriations to recognise the costs incurred by the Ministry in delivering the programme, offset by \$858,000 of fiscally neutral adjustments across various appropriations to realign costs to the newly formed structure of the Ministry.

Management of Housing Places, Providers and Services (M96)

Scope of Appropriation

This appropriation is limited to negotiating and managing contracts with housing and housing support service providers, and administering payments for housing places and support services.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	13,473	13,473
Revenue from the Crown	-	12,165	12,165
Revenue from Others	-	1,308	1,308

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Social Housing; Social Housing Outcomes Support MCA: Departmental Output Expenses: Services to Support People to Access Accommodation	45,083	(8,450)	36,663

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve essential contract management and administrative services for public and transitional housing places and support services provided to those in need.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Public housing, transitional housing and responses to housing and homelessness will be delivered in accordance with the work programme agreed with Minister	-	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from both 2017/18 and 2018/19 of \$8.450 million from Vote Social Housing and \$1.604 million from Vote Social Development. In addition, an increase of \$1.308 million for services funded by revenue from other departments (\$158,000 for staff secondments and \$1.150 million for regeneration of public housing in Porirua), \$884,000 received towards establishing the new Ministry and \$1.827 million of fiscally neutral adjustments across various appropriations to realign costs to the newly formed structure of the Ministry. This has been offset by the fiscally neutral adjustment of \$600,000 to fund the Community Housing Aotearoa in the Public Housing MCA: Services Related to the Provision of Public Housing non-departmental appropriation.

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Housing and Urban Development - Capital Expenditure PLA (M96)

Scope of Appropriation

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

Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	-	1,000	1,000
Intangibles	-	-	-
Other	-	-	-
Total Appropriation	-	1,000	1,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the implementation of the Ministry of Housing and Urban Development's capital expenditure plan.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Ministry of Housing and Urban Development's IT infrastructure systems are established	-	Achieve by 1 October 2018	Achieve by 1 October 2018

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

The increase in this appropriation is due to the establishment of the Ministry of Housing and Urban Development on 1 October 2018.

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

Details of Net Asset Schedule	2018/19 Main Estimates Projections \$000	2018/19 Supplementary Estimates Projections \$000	Explanation of Projected Movements in 2018/19
Opening Balance	-	-	Supplementary Estimates opening balance reflects the audited results as at 30 June 2018.
Capital Injections	-	8,229	This was the initial Departmental capital injection received on establishment of the Ministry of Housing and Urban Development.
Capital Withdrawals	-	(2,629)	This represents a capital to operating swap for IT services and the residual amounts upon transferring of asset and liabilities to the new Ministry.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	-	5,600	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Housing New Zealand Corporation 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	-	9,350	9,350

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Output Expenses: HNZN Housing Support Services	11,698	(9,350)	2,348

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improved access to home ownership.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Maximum number of new loans underwritten through the Welcome Home Loan programme	-	2,500	2,500

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing of \$9.350 million.

Conditions on Use of Appropriation

Reference	Conditions
Cabinet decision updated by briefing notes to the Minister	Welcome Home Loans are only available to applicants that meet income and credit criteria set by participating tenders and Housing New Zealand Corporation.

KiwiBuild Housing (M96)*Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
KiwiBuild Housing (M96) This appropriation is limited to the acquisition, construction and provision of KiwiBuild dwellings. Commences: 01 October 2018 Expires: 30 June 2022	Original Appropriation	2,039,923
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	2,039,923
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	55,835
	Estimate for 2019/20	474,420
Estimated Appropriation Remaining	1,509,668	

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Vote Building and Housing; Non-Departmental Output Expenses: KiwiBuild Housing (MYA)	210,000	(210,000)	-
Vote Building and Housing; Non-Departmental Capital Expenditure: KiwiBuild Capital (MYA)	1,865,755	(1,829,923)	35,832
Total	2,075,755	(2,039,923)	35,832

What is Intended to be Achieved with this Appropriation

This appropriation is intended to facilitate the development of KiwiBuild affordable homes.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		Total Standard
	Estimates Standard	Supplementary Estimates Standard	
Progress towards 100,000 KiwiBuild affordable homes by 2028	-	Achieve	Achieve

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects a transfer of \$210 million from Vote Building and Housing. An additional \$1,829.923 million was transferred due to the recognition of KiwiBuild assets as inventory in accordance with the Public Benefit Entity International Public Sector Accounting Standard 12 which necessitated the funding from the KiwiBuild Capital MYA to be transferred in a fiscally neutral adjustment to this operating appropriation.

KiwiBuild Operations (M96)

Scope of Appropriation

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

Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	11,182	11,182

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Output Expenses: KiwiBuild Operations	5,000	(5,000)	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to facilitate the development of KiwiBuild affordable homes.

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 by 2028	-	Achieve	Achieve

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing in both 2017/18 and 2018/19 totalling \$9.732 million. An additional \$1.450 million was appropriated for the Te Atatu Development project.

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	-	1,392	1,392

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Output Expenses: Management of Crown Properties held under the Housing Act 1955	1,395	(1,392)	3

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective and efficient administration and management of properties held under the Housing Act 1955.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing of \$1.392 million.

Conditions on Use of Appropriation

Reference	Conditions
Housing Act 1955 (section 32)	Any money required to carry out works authorised under Part 1 of the Housing Act 1955 may be paid out of money appropriated by Parliament for the purpose.

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	-	73,699	73,699

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Benefits or Related Expense: KiwiSaver HomeStart grant	106,120	(83,699)	22,421

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improved access to home ownership.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative, because this appropriation is solely for payments of the KiwiSaver HomeStart grant under the KiwiSaver Act 2006. Performance information relating to the administration of the payment is provided by the Housing New Zealand Corporation in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing of \$83.699 million, subsequently reduced by \$10 million to reflect reduced volumes for the year.

Conditions on Use of Appropriation

Reference	Conditions
KiwiSaver Act 2006	First home withdrawal is provided for in the KiwiSaver Act 2006. It is administered by KiwiSaver scheme providers and allows KiwiSaver members to withdraw part or all of their savings (excluding the Government's contribution of tax credits) to put towards the purchase of a first home.
Cabinet decisions	<p>In April 2015, Cabinet agreed that home ownership assistance for first home buyers participating in KiwiSaver would include a deposit subsidy and first home withdrawal where savers can withdraw part or all of their savings and accumulated interest.</p> <p>The deposit subsidy is not provided for in legislation. Cabinet approved the deposit subsidy and high level design details outside the KiwiSaver Act 2006, because Housing New Zealand Corporation (HNZC) is already authorised to administer suspensory loans under the Housing Corporation Act 1974.</p> <p>Cabinet also delegated authority to the HNZC to apply Schedule 1 (Part 8) of the KiwiSaver Act 2006, where possible, to the deposit subsidy design. Schedule 1 provides, for example, a definition of what constitutes a first home buyer and the type of home that can be purchased.</p>

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	-	869	869

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Other Expenses: Housing Assistance	1,159	(869)	290

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes by providing financial assistance to Housing New Zealand Corporation and other mortgage providers.

How Performance will be Assessed and End of Year Reporting Requirements

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

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing of \$869,000.

Housing Infrastructure Fund - Fair Value Write Down (M96)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Housing Infrastructure Fund - Fair Value Write Down (M96) This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans from the Housing Infrastructure Fund to Territorial Local Authorities. Commences: 01 October 2018 Expires: 30 June 2020	Original Appropriation	190,791
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	190,791
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	190,791
	Estimate for 2019/20	-
Estimated Appropriation Remaining	-	

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable council infrastructure (storm water, potable water, waste water and transport) to be developed, and enable new houses to be built sooner.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(b)(iii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because the appropriation is a technical treatment of the interest concession as it is applied to loans provided to territorial authorities under the Housing Infrastructure Fund.

Reasons for Change in Appropriation

This appropriation was established in 2018/19.

Impairment of Land held by the Crown for sale (M96)

Scope of Appropriation

This appropriation is limited to expenses incurred as a result of the impairment of land held by the Crown for sale, including write-down and write-offs.

Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	33,529	33,529

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes by the effective and efficient redevelopment of surplus Crown land.

How Performance will be Assessed and End of Year Reporting Requirements

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because the appropriation is a technical accounting treatment of the impairment of Crown land.

Reasons for Change in Appropriation

This appropriation was established in 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	-	5,428	5,428

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Other Expenses: Social Housing Provider Development	4,000	(2,200)	1,800

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes by supporting third party providers of social and/or affordable housing services.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Payments are made to recipients within 10 business days from receipt of a compliant drawdown notice	-	100%	100%

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Building and Housing in both 2017/18 and 2018/19 totalling \$5.428 million.

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
Housing Infrastructure Fund Loans (M96) 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 October 2018 Expires: 30 June 2023	Original Appropriation	642,824
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	642,824
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	4,203
	Estimate for 2019/20	255,107
Estimated Appropriation Remaining	383,514	

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable council infrastructure (storm water, potable water, waste water and transport) to be developed, and enable new houses to be built sooner.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of Housing Infrastructure Fund loans with a contract signed by 30 June 2019	-	9	9

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This appropriation was established in 2018/19.

Vacant or Underutilised Crown Land Programme (M96)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Vacant or Underutilised Crown Land Programme (M96) This appropriation is limited to the Crown's contribution to the development of housing in selected locations. Commences: 01 October 2018 Expires: 30 June 2022	Original Appropriation	55,354
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	55,354
	Actual to 2017/18 Year End	-
	Estimated Actual for 2018/19	-
	Estimate for 2019/20	-
	Estimated Appropriation Remaining	55,354

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Building and Housing; Non-Departmental Capital Expenditure: Vacant or Underutilised Crown Land Programme	218,154	(55,354)	162,800

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve an increase in the supply of land available for housing.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of purchase agreements signed by 30 June 2019	-	3	3

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Ministry of Housing and Urban Development and reflects transfers from Vote Building and Housing of \$55.354 million.

The estimated actual spends against this appropriation are zero as land purchases in relation to KiwiBuild are recognised as inventory. This treatment is in accordance with the Public Benefit Entity International Public Sector Accounting Standard 12, and therefore these costs are to be recognised under the KiwiBuild Housing appropriation.

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

4 - Multi-Category Expenses and Capital Expenditure

Community Group Housing (M96)

Overarching Purpose Statement

The overarching purpose of this appropriation is to purchase housing services from Housing New Zealand Corporation and Community Group Housing providers to maintain the supply of tenanted Community Group Housing properties.

Scope of Appropriation

Non-Departmental Output Expenses

Community Group Housing Market Rent Top-Up

This category is limited to the provision of funding to Housing New Zealand Corporation to pay the difference between the contracted rent with each Community Group Housing provider and market rent for the leased properties.

Non-Departmental Other Expenses

Community Housing Rent Relief

This category is limited to the provision of a rent relief fund to Community Group Housing providers for the sole purpose of helping them meet their contracted rent payments.

Non-Departmental Capital Expenditure

Acquisition and Improvement of Community Group Housing Properties

This category is limited to providing debt or equity to Housing New Zealand Corporation to acquire, modernise or reconfigure properties leased by Community Housing Providers.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	19,296	19,296
Non-Departmental Output Expenses			
Community Group Housing Market Rent Top-Up	-	10,418	10,418
Non-Departmental Other Expenses			
Community Housing Rent Relief	-	3,078	3,078
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties	-	5,800	5,800

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Non-Departmental Output Expenses			
Community Group Housing Market Rent Top-Up			
Vote Social Housing; Community Group Housing MCA: Non-Departmental Output Expenses: Community Group Housing Market Rent Top-Up	13,891	(10,418)	3,473
Non-Departmental Other Expenses			
Community Housing Rent Relief			
Vote Social Housing; Community Group Housing MCA: Non-Departmental Output Expenses: Community Housing Rent Relief	4,104	(3,078)	1,026
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties			
Vote Social Housing; Community Group Housing MCA: Non-Departmental Output Expenses: Acquisition and Improvement of Community Group Housing Properties	5,800	(5,800)	-
Total	23,795	(19,296)	4,499

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve safe, healthy and affordable homes by supporting third party providers of public and/or affordable housing services.

How Performance will be Assessed for this Appropriation

The performance will be assessed by Housing New Zealand Corporation's support to community group providers by making available up to 1,500 community group housing properties and related housing services.

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

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Output Expenses			
Community Group Housing Market Rent Top-Up			
This category is intended to achieve safe, healthy and affordable homes with the purchase of housing services from Housing New Zealand Corporation.			
An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative in light of the nature of the transaction or causal event giving rise to the expense.	Exempted	Exempted	Exempted

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Other Expenses			
Community Housing Rent Relief			
This category is intended to achieve safe, healthy and affordable homes by the provision of rent relief to service provider tenants of the Community Group Housing properties.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a non-departmental other expense is less than \$5 million.	Exempted	Exempted	Exempted
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties			
This category is intended to achieve the acquisition, modernisation or reconfiguration of Housing New Zealand Corporation state houses to ensure safe, healthy and affordable homes.			
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 capital expenditure is less than \$15 million.	Exempted	Exempted	Exempted

Service Providers for the Multi-Category Appropriation

Housing New Zealand Corporation is the sole service provider.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from Vote Social Housing of \$19.296 million.

Policy Advice and Related Outputs (M96)

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

Crown Monitoring Advice

This category is limited to activity related to performance monitoring Housing New Zealand Corporation and Tamaki Redevelopment Company and governance advice to the Minister of Housing and Urban Development in respect of these agencies.

Policy Advice

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 housing and urban development.

Related Services to Ministers

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 housing and urban development.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	17,374	17,374
Departmental Output Expenses			
Crown Monitoring Advice	-	347	347
Policy Advice	-	15,844	15,844
Related Services to Ministers	-	1,183	1,183
Funding for Departmental Output Expenses			
Revenue from the Crown	-	17,233	17,233
Crown Monitoring Advice	-	347	347
Policy Advice	-	15,703	15,703
Related Services to Ministers	-	1,183	1,183
Revenue from Others	-	141	141
Policy Advice	-	141	141

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Departmental Output Expenses			
<i>Crown Monitoring Advice</i>			
Vote Finance; Departmental Output Expenses: Crown Company Monitoring Advice to the Minister for State Owned Enterprises and Other Responsible Ministers	4,533	(270)	4,263
<i>Policy Advice</i>			
Vote Building and Housing; Policy Advice and Related Outputs MCA; Departmental Output Expenses: Policy Advice - Building and Housing	16,465	(7,855)	8,610
Vote Business, Science and Innovation; Policy Advice and Related Outputs MCA: Departmental Output Expenses: Policy Advice - Economic Development	13,126	(347)	12,779
Vote Labour Market; Policy Advice and Related Outputs MCA: Departmental Output Expenses: Policy Advice - Employment	2,179	(174)	2,005
Vote Social Development; Departmental Output Expenses: Policy Advice	15,987	(1,784)	14,203
Vote Social Development; Departmental Output Expenses: Data, Analytics and Evidence Services	17,778	(220)	17,558
<i>Related Services to Ministers</i>			
Vote Building and Housing; Policy Advice and Related Outputs MCA: Departmental Output Expenses: Related Services to Ministers - Building and Housing	260	(186)	74
Total	70,328	(10,836)	59,492

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve effective policy advice, Crown entity monitoring and support to Ministers.

How Performance will be Assessed for this Appropriation

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment satisfaction of Ministers annually	-	Reaching, or exceeding 70%	Reaching, or exceeding 70%
Total cost of producing policy outputs per hour	-	\$155	\$155

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

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Departmental Output Expenses			
Crown Monitoring Advice			
This category is intended to ensure appropriate financial and social returns, and long-term value is achieved from Crown entities monitored under this appropriation.			
Minister is satisfied with the information and advice received supporting him in his role as shareholder of Crown entities	-	Achieve	Achieve
Policy Advice			
This category is intended to achieve the provision of high-quality policy advice to support Ministerial decision-making on government policy matters relating to housing and urban development.			
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	-	At least an average of 73%	At least an average of 73%
Related Services to Ministers			
This category is intended to achieve the provision of effective and efficient ministerial services to enable the Minister to discharge their housing and urban development portfolio responsibilities.			
Percentage of requests completed within either specified or statutory timeframes:			
<ul style="list-style-type: none"> Ministerial correspondence 	-	95% or above	95% or above
<ul style="list-style-type: none"> Ministerial Official Information Act 1982 requests 	-	95% or above	95% or above
<ul style="list-style-type: none"> Parliamentary questions 	-	95% or above	95% or above

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from 2017/18 and 2018/19 from:

- Vote Finance \$270,000
- Vote Building and Housing \$9.241 million
- Vote Social Development \$3.734 million
- Vote Business, Science and Innovation \$347,000, and
- Vote Labour Market \$174,000.

In addition, \$5.115 million of new funding towards establishing the new Ministry was approved, \$141,000 for staff secondments funded by revenue from departments, offset by \$1.648 million of fiscally neutral adjustments across various appropriations to realign costs to the newly formed structure of the Ministry.

Public Housing (M96)

Overarching Purpose Statement

The overarching purpose of this appropriation is to secure and purchase the provision of public housing and associated support services.

Scope of Appropriation

Non-Departmental Output Expenses

Purchase of Public Housing Provision

This category is limited to purchasing the provision of public housing and related services from public housing providers in accordance with reimbursement agreements or tailored agreements under the Housing Restructuring and Tenancy Matters Act 1992.

Services for People in Need of or at risk of Needing Public Housing

This category is limited to the provision of support services to those in need of public housing or those at risk of entering or exiting public housing.

Services Related to the Provision of Public Housing

This category is limited to the provision of services related to the provision of public housing by a public housing provider.

Non-Departmental Other Expenses

Support for the Provision of Public Housing Supply

This category is limited to providing support to secure access to properties for public housing providers to use for public housing.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	802,873	802,873
Non-Departmental Output Expenses			
Purchase of Public Housing Provision	-	733,457	733,457
Services for People in Need of or at risk of Needing Public Housing	-	20,236	20,236
Services Related to the Provision of Public Housing	-	750	750
Non-Departmental Other Expenses			
Support for the Provision of Public Housing Supply	-	48,430	48,430

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Non-Departmental Output Expenses			
<i>Purchase of Public Housing Provision</i>			
Vote Social Housing; Social Housing Purchasing MCA: Non-Departmental Output Expenses: Purchase of Social Housing Provision	977,651	(737,255)	240,396
<i>Services for People in Need of or at risk of Needing Public Housing</i>			
Vote Social Housing; Social Housing Outcomes Support MCA: Non-Departmental Output Expenses: Services Related to Supporting Outcomes for Those in Need of or at Risk of Needing Social Housing	11,753	(10,294)	1,459
<i>Services Related to the Provision of Public Housing</i>			
Vote Social Housing; Social Housing Purchasing MCA: Non-Departmental Output Expenses: Services Related to the Provision of Social Housing	300	(150)	150
Non-Departmental Other Expenses			
<i>Support for the Provision of Public Housing Supply</i>			
Vote Social Housing; Social Housing Purchasing MCA: Non-Departmental Other Expenses: Support for the Provision of Social Housing Supply	35,320	(12,362)	22,958
Total	1,025,024	(760,061)	264,963

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improved access to public housing places by providing payments to secure access to properties for public housing providers and the purchase of public housing provision.

How Performance will be Assessed for this Appropriation

The total number of public housing places (see Note 1) provided by all public housing providers will be between 67,000 and 72,000.

Note 1 - A public housing place is defined for this purpose as a property that is available for a tenant who may be eligible for the Income Related Rent Subsidy (IRRS), and includes:

- any house provided by Housing New Zealand Corporation (HNZC) (excluding community group housing, but including IRRS tenancies, market rent tenancies, and vacant properties), or
- an IRRS tenancy or market rent tenancy provided by a registered Community Housing Provider (CHP).

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

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Output Expenses			
Purchase of Public Housing Provision			
This category is intended to achieve an increase in public housing support for eligible people through the payment of income-related rent subsidy.			
The number of tenancies subsidised by an income-related rent subsidy will be no less than: (see Note 1)	-	62,000	62,000
Services for People in Need of or at risk of Needing Public Housing			
This category is intended to achieve an increase in the number of people who are able to secure and sustain tenancies, and transition to housing independence.			
The number of contracted (see Note 2) chronic homeless households (see Note 3) able to be placed and supported into secure and stable (see Note 4) accommodation under the Housing First initiative, will be between:	-	500 - 600	500 - 600
Services Related to the Provision of Public Housing			
This category is intended to achieve continuity of support for public housing tenants who previously had the cost of water rate charges paid for, and to fund the sector body.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a non-departmental other expense is less than \$5 million.	-	Exempted	Exempted
Non-Departmental Other Expenses			
Support for the Provision of Public Housing Supply			
This category is intended to achieve an increase in public housing places through the provision of payments to secure access to properties for public housing providers.			
The number of income-related rent subsidy places contracted from community housing providers will be no less than:	-	4,500	4,500
The number of income-related rent subsidy places contracted from Housing New Zealand Corporation will be no less than:	-	57,500	57,500

Note 1 - With the number of HNZC IRRS places being no less than 57,500, and the number of CHP IRRS places being no less than 4,500.

Note 2 - Under executed service agreement between the Provider and the Ministry of Housing and Urban Development.

Note 3 - Individuals, couples and/or families/whānau who:

- are homeless for longer than 12 months, or
- have experienced four episodes of homelessness or more within the last three years where the combined duration of these episodes equals 12 months or more, and where these episodes were separated by periods of seven or more days of non-homelessness.

Note 4 - Secure and stable accommodation is defined as long-term stable accommodation that is likely to last at least six months (public or private housing).

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects transfers from:

- \$797.730 million from Vote Social Housing (from 2017/18 and 2018/19)
- \$600,000 from Management of Housing Places, Providers and Services departmental appropriation to fund the Community Housing Aotearoa service provider
- \$1.001 million from Transition Housing Services, and
- \$3.542 million from Acquisition, Development and Construction of Transitional Housing appropriation to fund additional services.

Transitional Housing (M96)

Overarching Purpose Statement

The overarching purpose of this appropriation is to fund the delivery of transitional housing places and services in New Zealand.

Scope of Appropriation

Non-Departmental Output Expenses

Provision of Transitional Housing Places

This category is limited to supporting transitional housing providers to provide transitional housing places.

Transitional Housing Services

This category is limited to payments to transitional housing providers on a per household basis to cover tenancy and property management, and services to support tenants in transitional housing to move into sustainable housing.

Non-Departmental Capital Expenditure

Acquisition, Development and Construction of Transitional Housing

This appropriation is limited to funding the acquisition, construction and development or redevelopment of land or properties for the purpose of providing transitional housing.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	152,740	152,740
Non-Departmental Output Expenses			
Provision of Transitional Housing Places	-	50,876	50,876
Transitional Housing Services	-	40,645	40,645
Non-Departmental Capital Expenditure			
Acquisition, Development and Construction of Transitional Housing	-	61,219	61,219

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Non-Departmental Output Expenses			
<i>Provision of Transitional Housing Places</i>			
Vote Social Housing; Transitional Housing MCA: Non-Departmental Output Expenses: Provision of Transitional Housing Places	49,894	(35,318)	14,576
<i>Transitional Housing Services</i>			
Vote Social Housing; Transitional Housing MCA: Non-Departmental Output Expenses: Transitional Housing Services	49,438	(40,645)	8,793
Non-Departmental Capital Expenditure			
<i>Acquisition, Development and Construction of Transitional Housing</i>			
Vote Social Housing; Transitional Housing MCA: Non-Departmental Capital Expenditure: Acquisition, Development and Construction of Transitional Housing	68,851	(45,502)	23,349
Total	168,183	(121,465)	46,718

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve improved outcomes for vulnerable households through the provision of transitional housing and associated support services.

How Performance will be Assessed for this Appropriation

Performance will be assessed by delivering between 2,000 and 2,200 transitional housing places and associated support services (where applicable).

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

Assessment of Performance	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Output Expenses			
Provision of Transitional Housing Places			
This category is intended to achieve improved access to transitional places for eligible families and individuals across New Zealand.			
The number of transitional housing places (see Note 1) in areas of demand will be between:	-	2,000 - 2,200	2,000 - 2,200
Transitional Housing Services			
This category is intended to achieve an increase in support services for the families/whanau and individuals who access the additional transitional housing places secured.			
The total number of transitional housing places that receive associated support services will be between:	-	1,200 - 2,200	1,200 - 2,200
Non-Departmental Capital Expenditure			
Acquisition, Development and Construction of Transitional Housing			
This category is intended to achieve an increase in the supply of transitional housing places.			
The number of transitional housing places that will be acquired, developed or constructed will be between:	-	165 - 190	165 - 190

Note 1 - Places can house either individuals or family units. The term 'place' is used to describe the unit of housing that meets the need of a household (be it an individual or a family).

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

Reasons for Change in Appropriation

This is a newly established appropriation from 1 October 2018 due to the establishment of the Vote and reflects the following transfers:

- \$148.283 million from Vote Social Housing (from 2017/18 and 2018/19)
- \$20 million to reinstate capital to fund the Housing New Zealand Corporation Loan Facility, offset by transfers of \$4.543 million to Public Housing MCA: *Support for the Provision of Public Housing Supply to fund additional services*, offset by:
- an expenditure transfer of \$11 million from 2018/19 to 2019/20.