

Vote Social Development

APPROPRIATION MINISTER(S): Minister for Disability Issues (M23), Minister of Revenue (M57), Minister for Seniors (M61), Minister for Social Development (M63), Minister for Veterans (M75), Minister for Youth (M77), Minister of Housing and Urban Development (M96)

APPROPRIATION ADMINISTRATOR: Ministry of Social Development

RESPONSIBLE MINISTER FOR MINISTRY OF SOCIAL DEVELOPMENT: Minister for Social 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
Departmental Output Expenses			
Administration of Service Cards (M63) This appropriation is limited to assessing entitlement for and issuing the Community Services Card, SuperGold Card and Veteran SuperGold Card, and providing information about the Community Service Card.	-	3,490	3,490
Corporate Support Services (M63) This appropriation is limited to the provision of corporate support services to other agencies.	86,618	(13,648)	72,970
Data, Analytics and Evidence Services (M63) This appropriation is limited to providing data, analytics and evidence services to better inform government decision-making.	17,778	615	18,393
Enhancement and Promotion of SuperGold Cards (M61) This appropriation is limited to promoting, enhancing and delivering information about the SuperGold and Veteran SuperGold cards, and enlisting businesses to provide discounts to SuperGold cardholders.	-	162	162
Establishment of Independent Monitor of the Oranga Tamariki System (M63) This appropriation is limited to establishing an independent monitor and assurance function to provide oversight of the Oranga Tamariki system.	-	1,200	1,200
Income Support and Assistance to Seniors (M63) This appropriation is limited to processing and administering New Zealand Superannuation payments, social security entitlements and international social security agreements to older persons, providing advice to older persons, and assessing financial entitlement to residential subsidies.	47,876	1,463	49,339
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (M63) This appropriation is limited to services to minimise errors, fraud and abuse of the benefit system and Income Related Rent, and services to manage the collection of overpayments, recoverable assistance loans and other balances owed by former clients.	47,844	1,161	49,005
Management of Service Cards (M63) This appropriation is limited to assessing entitlement, issuing cards, and promoting and distributing information about the Community Services, SuperGold and Veteran SuperGold cards, including enlisting business partners to provide discounts to SuperGold cardholders.	5,853	(3,321)	2,532
Management of Student Loans (M57) This appropriation is limited to assessing, administering, processing and reviewing entitlements for Student Loan payments and providing guidance to students making financial and study decisions.	16,694	709	17,403
Management of Student Support (M63) This appropriation is limited to managing non-recoverable financial support to students, involving assessing, administering and processing Student Allowance payments and other income support to eligible secondary and tertiary students.	17,164	(371)	16,793
Place-Based Initiatives - South Auckland Social Wellbeing Board (M63) This appropriation is limited to the delivery of services by and operational support of the South Auckland Social Wellbeing Board.	-	1,075	1,075

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Place-based Initiatives - Tarāwhiti Local Leadership (M63) This appropriation is limited to the provision of operational support for the place-based approach being led by the Tarāwhiti Social Impact Collective.	375	566	941
Planning, Correspondence and Monitoring (M63) This appropriation is limited to providing planning, reporting, monitoring and statutory appointment advice (other than policy decision-making advice) on Crown entities, and correspondence services to support Ministers to discharge their portfolio responsibilities.	5,693	500	6,193
Policy Advice (M63) This appropriation is limited to providing advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government social policy and related matters, including social sector issues.	15,987	49	16,036
Processing of Veterans' Pensions (M75) This appropriation is limited to the processing and administrative aspects of payment of Veterans' Pensions and related allowances.	662	13	675
Promoting Positive Outcomes for Disabled People (M23) This appropriation is limited to providing services to promote and monitor the implementation of the New Zealand Disability Strategy, to monitor and implement the United Nations Convention on the Rights of Persons with Disabilities, and to provide information to Ministers on disability matters.	4,429	950	5,379
Promoting Positive Outcomes for Seniors (M61) This appropriation is limited to providing information and facilitation to protect the rights and interests of older people, to promote local community involvement in senior issues, and ministerial services.	1,043	-	1,043
Services to Support People to Access Accommodation (M96) This appropriation is limited to assessing and reviewing eligibility for public, transitional and emergency housing and income related rent, and managing the public housing register.	-	26,583	26,583
Total Departmental Output Expenses	268,016	21,196	289,212
Departmental Other Expenses			
Management of Residual Obligations arising from the Disestablishment of Superu (M63) This appropriation is limited to activities arising from the disestablishment of Superu.	-	530	530
Total Departmental Other Expenses	-	530	530
Departmental Capital Expenditure			
Ministry of Social Development - Capital Expenditure PLA (M63) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Social Development, as authorised by section 24(1) of the Public Finance Act 1989.	121,799	31,804	153,603
Total Departmental Capital Expenditure	121,799	31,804	153,603

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Output Expenses			
Children's Commissioner (M63) This appropriation is limited to the provision of services from the Children's Commissioner including the discharge of the Commissioner's duties under the Children's Commissioner Act 2003, monitoring and reporting on services delivered under the Oranga Tamariki Act 1989, and the identification of aspects of law, policy and practice that might adversely affect children and the development and proposal of remedies.	3,157	-	3,157
Community Participation Services (M63) This appropriation is limited to the provision of services, resources, assistance and support to people so they can participate in and contribute to the wider community.	81,160	(274)	80,886
Student Placement Services (M63) This appropriation is limited to placement services for students for holiday and term employment.	3,512	-	3,512
Supporting Equitable Pay for Care and Support Workers (M63) This appropriation is limited to the additional costs of worker hours resulting from the Care and Support Workers (Pay Equity) Settlement Act 2017.	9,721	-	9,721
Total Non-Departmental Output Expenses	97,550	(274)	97,276
Benefits or Related Expenses			
Accommodation Assistance (M96) This appropriation is limited to payments for accommodation costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	-	1,282,719	1,282,719
Childcare Assistance (M63) This appropriation is limited to assistance for the costs of childcare that meets specific quality guidelines, where parents meet activity and income criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	198,248	(10,485)	187,763
Disability Assistance (M63) This appropriation is limited to the Disability Allowance for people with disability costs, the Child Disability Allowance to the caregivers of children with a serious disability, and the Special Disability Allowance for the purpose of defraying expenses from the hospitalisation of a spouse or partner, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act. The Special Disability Allowance may also be paid in accordance with criteria set out in the New Zealand Superannuation and Retirement Income Act 2001.	378,535	11,521	390,056
Family Start/NGO Awards (M63) This appropriation is limited to the payment of course fees for Family Start family/whānau and NGO workers pursuing social work qualifications, in accordance with Cabinet decisions.	705	-	705
Hardship Assistance (M63) This appropriation is limited to Civil Defence payments, Funeral Grants, Special Benefit, Special Needs Grants, Temporary Accommodation Assistance and Temporary Additional Support to provide means-tested temporary financial assistance to persons with emergency or essential costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	267,862	52,139	320,001
Jobseeker Support and Emergency Benefit (M63) This appropriation is limited to means-tested income support for people who are eligible for Jobseeker Support or an Emergency Benefit, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	1,711,942	166,907	1,878,849

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
New Zealand Superannuation (M63) This appropriation is limited to an income for people who have reached the qualifying age of 65 years and fulfil the residency requirements, as provided for in the New Zealand Superannuation and Retirement Income Act 2001.	14,538,944	48,611	14,587,555
Orphan's/Unsupported Child's Benefit (M63) This appropriation is limited to the Orphan's/Unsupported Child's Benefit and additional assistance to provide income support for people charged with the responsibility for a child whose parents are dead or cannot be located, suffer a serious long-term disablement, or where there has been a breakdown in the child's family, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	217,731	10,170	227,901
Sole Parent Support (M63) This appropriation is limited to means-tested income support for people who are eligible for Sole Parent Support, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	1,083,971	43,632	1,127,603
Special Circumstance Assistance (M63) This appropriation is limited to financial assistance to people in special circumstances and comprises the Clothing Allowance, and providing assistance for community costs, domestic violence and witness protection relocation, home help, social rehabilitation assistance, telephone costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act; and Civilian Amputees Assistance, paid in accordance with criteria set out in the Disabled Persons Community Welfare Act 1975.	10,878	616	11,494
Student Allowances (M63) This appropriation is limited to means-tested allowances for students on an approved study programme, paid in accordance with criteria set out in the Student Allowance Regulations 1998; and payment of Student Allowance Transfer Grants to students with dependants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	581,186	22,337	603,523
Study Scholarships and Awards (M63) This appropriation is limited to scholarships and awards to tertiary students awarded in accordance with Cabinet decisions; and Teach NZ Scholarships awarded in accordance with the Education Act 1989.	19,167	-	19,167
Supported Living Payment (M63) This appropriation is limited to means-tested income support for people who are eligible for the Supported Living Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	1,554,508	8,103	1,562,611
Transitional Assistance (M63) This appropriation is limited to supplementary financial assistance to people who are adversely affected by changes in policy or legislation, so they will not be financially worse off at the point of change, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	1,313	(943)	370
Veterans' Pension (M75) This appropriation is limited to the provision of the Veterans' Pension, and lump sum payments upon the death of a qualifying veteran or a veteran's qualifying spouse or partner, to eligible veterans and their spouses, partners and dependent children, as set out in the Veterans' Support Act 2014 and delegated legislation made under that Act.	153,865	793	154,658
Winter Energy Payment (M63) This appropriation is limited to the Winter Energy Payment, paid to eligible people in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	443,003	7,107	450,110

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Work Assistance (M63) This appropriation is limited to payments to beneficiaries, low income earners, students and ex beneficiaries to assist them to obtain and maintain employment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	2,604	307	2,911
Youth Payment and Young Parent Payment (M63) This appropriation is limited to income support and incentive payments for people who are eligible for the Youth Payment or Young Parent Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	57,781	(4,236)	53,545
Total Benefits or Related Expenses	21,222,243	1,639,298	22,861,541
Non-Departmental Other Expenses			
Debt Write-downs (M63) This appropriation is limited to the provision for write-downs of Crown debt administered by the Ministry of Social Development due to debt write offs or debt provisions resulting from the need to value debt in accordance with generally accepted accounting practice.	79,118	3,971	83,089
Extraordinary Care Fund (M63) This appropriation is limited to providing financial assistance to carers receiving the Orphan's Benefit or Unsupported Child's Benefit to assist with costs for children in their care who are either experiencing difficulties that significantly impact on their development, or who are showing promise.	2,308	-	2,308
Housing Support Package (M96) This appropriation is limited to the provision of incentives, products and services to help households with lower housing need who are in, or seeking public housing, to access or retain alternative housing solutions.	-	2,005	2,005
Out of School Care and Recreation Programmes (M63) This appropriation is limited to the provision of assistance to Out of School Care and Recreation programmes approved in accordance with regulations made under the Social Security Act 1964 or any legislation that replaces that Act, to assist with the establishment and/or operating costs of OSCAR programmes.	19,539	-	19,539
Reimbursement of Income Related Rent Overpayments (M96) This appropriation is limited to reimbursing overpayments resulting from the reassessment of the Income Related Rent.	-	2,586	2,586
Total Non-Departmental Other Expenses	100,965	8,562	109,527
Non-Departmental Capital Expenditure			
Recoverable Assistance (M63) This appropriation is limited to recoverable assistance payments, as a facility for low-income earners and beneficiaries to access means-tested assistance to help them to meet essential and immediate needs, or costs in specific circumstances, and to meet costs of pre-employment drug tests, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	205,120	87,960	293,080
Student Loans (M57) This appropriation is limited to loans to tertiary students undertaking studies at approved tertiary institutions in accordance with Cabinet decisions.	1,458,629	56,734	1,515,363
Total Non-Departmental Capital Expenditure	1,663,749	144,694	1,808,443

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Multi-Category Expenses and Capital Expenditure			
Community Support Services MCA (M63) The overarching purpose of this appropriation is to prevent and reduce vulnerability and harm for individuals, families and communities.	105,446	(447)	104,999
Departmental Output Expenses			
<i>Developing and Managing Community Services</i> This category is limited to approving, monitoring, contracting and managing the relationships with community-based service providers; engaging with communities and developing services.	25,201	369	25,570
Non-Departmental Output Expenses			
<i>Community Support and Advice</i> This category is limited to services that build financial capability, develop community and provider capability and provide targeted advice and support for vulnerable individuals and families.	24,123	(1,976)	22,147
<i>Improving Children's Participation in Education</i> This category is limited to programmes and services that enable children to better engage and participate in education.	1,550	-	1,550
<i>Participation and Support Services for Seniors</i> This category is limited to services that address isolation, abuse and neglect of older people, and support participation in communities.	2,991	-	2,991
<i>Supporting Victims and Perpetrators of Family and Sexual Violence</i> This category is limited to services that support victims of family and sexual violence and address perpetrator behaviour.	51,581	1,160	52,741
Improved Employment and Social Outcomes Support MCA (M63) The single overarching purpose of this appropriation is to operate the benefit system and associated interventions in such a way as to improve client outcomes (employment and social) by moving them closer to independence, with a focus on those at risk of long term benefit receipt.	688,299	17,506	705,805
Departmental Output Expenses			
<i>Administering Income Support</i> This category is limited to assessing, paying, reviewing entitlements and collecting balances owed by clients for income support, supplementary assistance, grants and allowances, and administering international social security agreements relating to people with disabilities, sole parents, and widows and widowers.	285,944	34,828	320,772
<i>Improving Employment Outcomes</i> This category is limited to providing specified assistance, including services, to eligible people to help them move into and retain sustainable employment, in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	310,170	(17,016)	293,154
<i>Improving Work Readiness Outcomes</i> This category is limited to providing services to eligible people to address barriers to employment to help them become work ready, in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.	92,185	(306)	91,879

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Partnering for Youth Development MCA (M77) The single overarching purpose of this appropriation is to improve outcomes for young people through youth development opportunities.	12,643	6	12,649
Departmental Output Expenses			
<i>Administering Youth Development</i> This category is limited to generating, funding and promoting youth development opportunities.	4,390	6	4,396
Non-Departmental Output Expenses			
<i>Increasing Youth Development Opportunities</i> This category is limited to purchasing youth development opportunities.	8,253	-	8,253
Independent Advice on Government Priority Areas MCA (M63) The overarching purpose of this appropriation is to provide independent advice to the Minister for Social Development for discharging decision-making responsibilities.	538	(538)	-
Non-Departmental Output Expenses			
<i>Other Advice</i> This category is limited to the procurement of other advice (including advice on operational matters; advice from expert parties that provide review services not available in-house; advice on matters where a review is necessary but cannot be undertaken due to a conflict of interest; and advice on procurement to ensure value for money) on government priority areas.	269	(269)	-
<i>Policy Advice</i> This category is limited to the provision of independent advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government priority areas.	269	(269)	-
Total Multi-Category Expenses and Capital Expenditure	806,926	16,527	823,453
Total Annual Appropriations and Forecast Permanent Appropriations	24,281,248	1,862,337	26,143,585

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Departmental Output Expenses		
Administering Support for the Mental Health and Employment Social Bond Pilot (M63) This appropriation is limited to the costs of administering and providing business support to the Mental Health and Employment Social Bond Pilot.	Original Appropriation	340
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	340
Commences: 01 February 2017	Actual to 2017/18 Year End	40
Expires: 30 June 2021	Estimated Actual for 2018/19	80
	Estimate for 2019/20	140
	Estimated Appropriation Remaining	80

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Claims Resolution (M63) This appropriation is limited to resolving claims of abuse and neglect for people who were under the supervision or in the care, custody or guardianship of the state or who had come to the notice of the state prior to 2008. Commences: 01 April 2017 Expires: 30 June 2021	Original Appropriation	25,049
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	25,049
	Actual to 2017/18 Year End	7,503
	Estimated Actual for 2018/19	9,700
	Estimate for 2019/20	7,846
	Estimated Appropriation Remaining	-
Non-Departmental Output Expenses		
Mental Health and Employment Social Bond Pilot (M63) This appropriation is limited to the outcome payments incurred under the Mental Health and Employment Social Bond Pilot. Commences: 01 February 2017 Expires: 30 June 2021	Original Appropriation	3,800
	Adjustments to 2017/18	-
	Adjustments for 2018/19	-
	Adjusted Appropriation	3,800
	Actual to 2017/18 Year End	303
	Estimated Actual for 2018/19	1,204
	Estimate for 2019/20	633
	Estimated Appropriation Remaining	1,660

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	24,281,248	1,862,337	26,143,585
Total Forecast MYA Departmental Output Expenses	3,064	6,716	9,780
Total Forecast MYA Non-Departmental Output Expenses	633	571	1,204
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	24,284,945	1,869,624	26,154,569

Capital Injection Authorisations

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Social Development - Capital Injection (M63)	32,914	17,404	50,318

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	369,263	27,912	297	28,209	397,472
Benefits or Related Expenses	21,222,243	N/A	1,639,298	1,639,298	22,861,541
Borrowing Expenses	-	-	-	-	-
Other Expenses	100,965	530	8,562	9,092	110,057
Capital Expenditure	1,785,548	31,804	144,694	176,498	1,962,046
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	806,926	17,881	(1,354)	16,527	823,453
<i>Other Expenses</i>	-	-	-	-	-
<i>Capital Expenditure</i>	-	N/A	-	-	-
Total Appropriations	24,284,945	78,127	1,791,497	1,869,624	26,154,569
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	9,412	N/A	2,478	2,478	11,890
Capital Receipts	763,922	N/A	8,141	8,141	772,063
Total Crown Revenue and Capital Receipts	773,334	N/A	10,619	10,619	783,953

1.4 - Reconciliation of Changes in Appropriation Structure

Establishment of a new appropriation for the promotion and enhancement of the SuperGold Card following a change in Ministerial responsibilities for the card.

Estimates	2018/19 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2018/19 (Restated) \$000
Vote Social Development					
Departmental Output Expenses					
Management of Service Cards	5,853	Transferred to Administration of Service Cards	(2,910)		2,821
		Transferred to Enhancement and Promotion of SuperGold Cards	(122)		
				Departmental Output Expenses	
		Transferred from Management of Service Cards	2,910	Administration of Service Cards	2,910
		Transferred from Management of Service Cards	122	Enhancement and Promotion of SuperGold Cards	122
Total changes in appropriations	5,853		-		5,853

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

Part 2 - Details of Departmental Appropriations

2.1 - Departmental Output Expenses

Administration of Service Cards (M63)

Scope of Appropriation

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

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	3,490	3,490
Revenue from the Crown	-	3,490	3,490
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The percentage of card entitlement assessments completed accurately will be no less than	New measure (see Note 1)	95%	95%
The percentage of card entitlement assessments completed within five working days will be no less than	New measure (see Note 1)	90%	90%

Note 1 - This appropriation was created through splitting the 'Management of Service Cards' appropriation into two separate appropriations as at 1 December 2018. Measures and targets were carried over from this appropriation.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$3.490 million due to:

- a fiscally neutral transfer of \$2.910 million from the departmental output expense: Management of Service Cards following a change in ministerial responsibilities, and
- an increase of \$580,000 due to a fiscally neutral transfer from other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

Corporate Support Services (M63)

Scope of Appropriation

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

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	86,618	(13,648)	72,970
Revenue from the Crown	-	-	-
Revenue from Others	86,618	(13,648)	72,970

Reasons for Change in Appropriation

This appropriation decreased by \$13.648 million to \$72.970 million in 2018/19 as a result of a review of corporate support services to ensure that the funding aligns with the latest structural and functional changes of both the Ministry of Social Development and Oranga Tamariki - Ministry for Children.

Data, Analytics and Evidence Services (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$615,000 to \$18.393 million in 2018/19. This is due to:

- a transfer of \$2.467 million from 2017/18 for various work programmes, including for Analytics to the Frontline, Families Commission research programme and homeless population count initiative
- a retention of underspends of \$750,000 from 2017/18 to help meet the Ministry's cost pressures, and
- an increase of \$119,000 from a fiscally neutral transfer from Vote Oranga Tamariki as a result of a reassessment of the cost of shared services provided to Oranga Tamariki - Ministry for Children.

The above is offset by:

- a transfer of \$1.901 million to 2019/20 due to delays in contracting and delivering a number of research programmes including for Growing Up in New Zealand Study, Family and Whānau Status report, Ministerial Social Sector Research Fund and for Family Violence research programme
- a fiscally neutral transfer of \$500,000 to Oranga Tamariki - Ministry for Children for an evaluation of the clothing allowance provided to children on the Orphan's/Unsupported Child's Benefit
- a fiscally neutral transfer of \$220,000 to the newly established Ministry of Housing and Urban Development for their operational costs, and
- a fiscally neutral transfer of \$100,000 to Oranga Tamariki - Ministry for Children for the Social Workers in Schools (SWiS) outcomes in Children research project.

Enhancement and Promotion of SuperGold Cards (M61)

Scope of Appropriation

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

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	162	162
Revenue from the Crown	-	162	162
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
The number of new businesses joining the SuperGold Card programme will be no less than	New measure	125	125

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$162,000 due to:

- a fiscally neutral transfer of \$122,000 from the departmental output expense: Management of Service Cards following a change in ministerial responsibilities, and
- an increase of \$40,000 due to a fiscally neutral transfer from other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

Establishment of Independent Monitor of the Oranga Tamariki System (M63)

Scope of Appropriation

This appropriation is limited to establishing an independent monitor and assurance function to provide oversight of the Oranga Tamariki system.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,200	1,200
Revenue from the Crown	-	1,200	1,200
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the establishment of a strengthened independent monitoring and assurance function to support objective assessment of the quality and extent of compliance with, and delivery of, the Oranga Tamariki Act and related regulations and standards.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Establish the capability and capacity to undertake the first phase of monitoring by 30th June 2019 (see Note 1).	New measure	Achieved	Achieved

Note 1 - In Phase 1, the Ministry's role will be to design, develop and build the framework for the independent monitoring of compliance with the National Care Standards Regulations 69 and 85 from 1 July 2019. This refers to information that is disclosed on abuse or neglect of children and young persons in care or custody, and how Oranga Tamariki or Approved Organisations (as defined in the National Care Standards Regulations) are responding.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19.

Income Support and Assistance to Seniors (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$1.463 million to \$49.339 million in 2018/19. This is due to:

- an increase of \$967,000 for stage one draw down for the Availability and Resilience project to build and maintain resilience of critical Work and Income applications
- an increase of \$321,000 from a fiscally neutral transfer from Vote Oranga Tamariki as a result of a reassessment of the cost of shared services provided to Oranga Tamariki - Ministry for Children, and
- a retention of underspends of \$175,000 from 2017/18 to help meet the Ministry's cost pressures.

Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$1.161 million to \$49.005 million in 2018/19. This is due to:

- an increase of \$590,000 due to a fiscally neutral transfer from other departmental output expense appropriations to meet changes in cost drivers in 2018/19
- an increase of \$320,000 from a fiscally neutral transfer from Vote Oranga Tamariki as a result of a reassessment of the cost of shared services provided to Oranga Tamariki - Ministry for Children, and
- a retention of underspends of \$251,000 from 2017/18 to help meet the Ministry's cost pressures.

Management of Service Cards (M63)

Scope of Appropriation

This appropriation is limited to assessing entitlement, issuing cards, and promoting and distributing information about the Community Services, SuperGold and Veteran SuperGold cards, including enlisting business partners to provide discounts to SuperGold cardholders.

Reasons for Change in Appropriation

This appropriation decreased by \$3.321 million to \$2.532 million in 2018/19. This is due to:

- a fiscally neutral transfer of \$3.032 million to newly established departmental output expense appropriations, Administration of Service Cards (\$2.910 million) and Enhancement and Promotion of SuperGold Cards (\$122,000), following a change in ministerial responsibilities, and
- a fiscally neutral transfer of \$468,000 to other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

This decrease is partially offset by a retention of underspends of \$179,000 from 2017/18 to help meet the Ministry's cost pressures.

Management of Student Loans (M57)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$709,000 to \$17.403 million in 2018/19. This is due to:

- a fiscally neutral transfer of \$1.365 million from Vote Tertiary Education for funding the tertiary education policy change, whereby all eligible students undertaking long undergraduate programmes will be eligible to borrow through the student loan scheme, for up to a maximum of ten equivalent full-time students, and
- an increase of \$344,000 for stage one draw down for the Availability and Resilience project to build and maintain resilience of critical Work and Income applications.

This increase is partially offset by a fiscally neutral transfer of \$1 million to other departmental output expense appropriation to meet changes in cost drivers in 2018/19.

Management of Student Support (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation decreased by \$371,000 to \$16.793 million in 2018/19. This is due to a fiscally neutral transfer of \$1.050 million to other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

This decrease is partially offset by:

- an increase of \$355,000 for stage one draw down for the Availability and Resilience project to build and maintain resilience of critical Work and Income applications, and
- a retention of underspends of \$324,000 from 2017/18 to help meet the Ministry's cost pressures.

Place-Based Initiatives - South Auckland Social Wellbeing Board (M63)

Scope of Appropriation

This appropriation is limited to the delivery of services by and operational support of the South Auckland Social Wellbeing Board.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,075	1,075
Revenue from the Crown	-	1,075	1,075
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the successful implementation and functioning of place-based initiatives to improve outcomes for at-risk children, young people and their families.

How Performance will be Assessed and End of Year Reporting Requirements

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Performance Measures			
Develop a Board-approved plan for the operation and delivery of initiatives.	New measure	Achieved	Achieved

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19.

Place-based Initiatives - Tarāwhiti Local Leadership (M63)

Scope of Appropriation

This appropriation is limited to the provision of operational support for the place-based approach being led by the Tarāwhiti Social Impact Collective.

Reasons for Change in Appropriation

This appropriation increased by \$566,000 to \$941,000 in 2018/19 due to the drawdown of contingency funding to provide operational support for the place-based approach initiative being led by the Tairāwhiti Social Impact Collective.

Planning, Correspondence and Monitoring (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$500,000 to \$6.193 million in 2018/19. This is due to:

- a fiscally neutral transfer of \$400,000 from other departmental output expense appropriations to meet changes in cost drivers in 2018/19, and
- a retention of underspends of \$100,000 from 2017/18 to help meet the Ministry's cost pressures.

Policy Advice (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$49,000 to \$16.036 million in 2018/19. This is due to:

- a fiscally neutral transfer of \$826,000 from the Independent Advice on Government Priority Areas MCA to align the work stream for the Expert Welfare Advisory Group into one appropriation
- a fiscally neutral transfer of \$660,000 from other departmental output expense appropriations to meet changes in cost drivers in 2018/19, and
- a retention of underspends of \$347,000 from 2017/18 to help meet the Ministry's cost pressures.

This increase is partially offset by a fiscally neutral transfer of \$1.784 million to the newly established Ministry of Housing and Urban Development for their operational costs.

Processing of Veterans' Pensions (M75)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$13,000 to \$675,000 in 2018/19 due to the stage one draw down for the Availability and Resilience project to build and maintain resilience of critical Work and Income applications.

Promoting Positive Outcomes for Disabled People (M23)

Scope of Appropriation

This appropriation is limited to providing services to promote and monitor the implementation of the New Zealand Disability Strategy, to monitor and implement the United Nations Convention on the Rights of Persons with Disabilities, and to provide information to Ministers on disability matters.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	4,429	950	5,379
Revenue from the Crown	4,429	(250)	4,179
Revenue from Others	-	1,200	1,200

Reasons for Change in Appropriation

This appropriation increased by \$950,000 to \$5.379 million in 2018/19. This is due to:

- a reimbursement of \$1.200 million from Vote Health to Vote Social Development for the departmental costs of operating the Enabling Good Lives Waikato team in their regional office in Hamilton, and
- a retention of underspends of \$100,000 from 2017/18 to help meet the Ministry's cost pressures.

This increase is partially offset by a fiscally neutral transfer of \$350,000 to other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

Services to Support People to Access Accommodation (M96)

Scope of Appropriation

This appropriation is limited to assessing and reviewing eligibility for public, transitional and emergency housing and income related rent, and managing the public housing register.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	26,583	26,583
Revenue from the Crown	-	26,583	26,583
Revenue from Others	-	-	-

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: Services to Support People to Access Accommodation	25,853	(25,853)	-
Total	25,853	(25,853)	-

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The percentage of Income-Related Rent assessments (for tenants with verified income) that are calculated accurately will be no less than	New measure (see Note 1)	90%	90%
The percentage of housing needs assessments completed within five working days will be no less than	New measure (see Note 1)	90%	90%

Note 1 - This appropriation and accompanying measures have been transferred from Vote Social Housing from 1 October 2018 as a result of the creation of the Ministry of Housing and Urban Development and the associated division of responsibilities between Ministries.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$26.583 million due to:

- a fiscally neutral transfer of \$24.353 million from Vote Social Housing to fund the housing functions remaining with the Ministry of Social Development as a result of the establishment of the Ministry of Housing and Urban Development, with commencement of initial functions from 1 October 2018
- a fiscally neutral transfer of \$1.500 million from Vote Social Housing to fund transitional housing support as a result of the establishment of the Ministry of Housing and Urban Development, and
- an increase of \$730,000 due to a fiscally neutral transfer from other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

2.2 - Departmental Other Expenses

Management of Residual Obligations arising from the Disestablishment of Superu (M63)

Scope of Appropriation

This appropriation is limited to activities arising from the disestablishment of Superu.

Expenses and Revenue

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	530	530
Revenue from the Crown	-	530	530
Revenue from Others	-	-	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective and efficient management of the residual costs from the disestablishment of Superu, including residual payments to suppliers and third parties.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
All residual obligations arising from the disestablishment of Superu are addressed as agreed with the responsible Minister.	New measure	Achieved	Achieved

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$530,000 due to a fiscally neutral transfer of \$1 million upon disestablishment of the Families Commission/Superu Crown Entity. This increase is partially offset by:

- a transfer of \$170,000 to the Social Investment Agency for the HUB research database, and
- a fiscally neutral transfer of \$300,000 to the Departmental Output Expense, Establishment of Independent Monitor of the Oranga Tamariki System.

2.3 - Departmental Capital Expenditure and Capital Injections

Ministry of Social Development - Capital Expenditure PLA (M63)

Scope of Appropriation

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

Capital Expenditure

	2018/19		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Forests/Agricultural	-	-	-
Land	-	-	-
Property, Plant and Equipment	89,219	(36,499)	52,720
Intangibles	32,580	68,303	100,883
Other	-	-	-
Total Appropriation	121,799	31,804	153,603

Reasons for Change in Appropriation

This appropriation increased by \$31.804 million to \$153.603 million in 2018/19. This is due to a revised annual capital programme of work on replacing and upgrading existing assets, including property security fit-out and to build and maintain resilience of critical Work and Income applications (Availability and Resilience project).

*Capital Injections and Movements in Departmental Net Assets***Ministry of Social 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	227,391	227,391	Supplementary Estimates opening balance reflects the audited results as at 30 June 2018.
Capital Injections	32,914	50,318	Security Fit-out of Ministry of Social Development Client-facing Service Delivery Site Offices \$24 million, Availability and Resilience - Build and Maintain resilience of critical Work and Income applications \$19.761 million, Families Commission/Superu Disestablishment: Residual Costs \$2.800 million, Modernising Frontline Tools (End User Compute) \$2.534 million, Establishment of the Ministry of Housing and Urban Development \$843,000, Delivering Information to the Front Line from Data Analytics contingency \$380,000.
Capital Withdrawals	-	(3,743)	Transfer of capital to the Ministry of Housing and Urban Development \$1.843 million, Families Commission/Superu Disestablishment: Residual Costs (capital to operating) \$1 million, Strengthening Independent Oversight of the Oranga Tamariki System and Children's Issues (capital to operating) \$900,000.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	260,305	273,966	

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Community Participation Services (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation decreased by \$274,000 to \$80.886 million in 2018/19 due to a fiscally neutral transfer of funding to the Ministry of Health to provide for the MidCentral prototype (Mana Whaikaha) of the transformed disability support system.

3.2 - Non-Departmental Benefits or Related Expenses

Accommodation Assistance (M96)

Scope of Appropriation

This appropriation is limited to payments for accommodation costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,282,719	1,282,719

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Vote Social Housing: Accommodation Assistance	1,114,604	(1,114,604)	-
Total	1,114,604	(1,114,604)	-

What is Intended to be Achieved with this Appropriation

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

End of Year Performance Reporting

An exemption was granted under s.15D(2)(b)(ii) of the PFA, as additional performance information is unlikely to be informative because this appropriation is solely for payments of Accommodation Assistance under the Social Security Act 2018 or any legislation that replaces that Act. Performance information relating to the administration of the payment is provided under the Improved Employment and Social Outcomes Support MCA in Vote Social Development.

Reasons for Change in Appropriation

This appropriation, transferred from Vote Social Housing on 1 October 2018, increased by \$1,282.719 million to \$1,282.719 million in 2018/19 due to:

- \$1,127.726 million for technical adjustments as a result of the transfer of Accommodation Assistance from Vote Social Housing to Vote Social Development
- \$78.666 million for a higher average payment per person
- \$41.327 million for a higher number of people, and

- \$35 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend.

Childcare Assistance (M63)

Scope of Appropriation

This appropriation is limited to assistance for the costs of childcare that meets specific quality guidelines, where parents meet activity and income criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation decreased by \$10.485 million to \$187.763 million in 2018/19 due to:

- \$28.902 million for a lower number of people.

Partly offsetting the above factor are:

- \$11.064 million for a higher average payment per person (before inflation adjustments)
- \$7.100 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend, and
- \$253,000 for higher-than-expected inflation adjustments.

Disability Assistance (M63)

Scope of Appropriation

This appropriation is limited to the Disability Allowance for people with disability costs, the Child Disability Allowance to the caregivers of children with a serious disability, and the Special Disability Allowance for the purpose of defraying expenses from the hospitalisation of a spouse or partner, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act. The Special Disability Allowance may also be paid in accordance with criteria set out in the New Zealand Superannuation and Retirement Income Act 2001.

Reasons for Change in Appropriation

This appropriation increased by \$11.521 million to \$390.056 million in 2018/19 due to:

- \$6.448 million for a higher average payment per person (before inflation adjustments)
- \$4.500 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$388,000 for a higher number of people, and
- \$185,000 for higher-than-expected inflation adjustments.

Hardship Assistance (M63)

Scope of Appropriation

This appropriation is limited to Civil Defence payments, Funeral Grants, Special Benefit, Special Needs Grants, Temporary Accommodation Assistance and Temporary Additional Support to provide means-tested temporary financial assistance to persons with emergency or essential costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$52.139 million to \$320.001 million in 2018/19 due to:

- \$21 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$15.983 million for a higher average payment per person (before inflation adjustments)
- \$14.436 million for a higher number of people
- \$402,000 for other payments, mainly reflecting increased Funeral Grants
- \$303,000 for policy adjustments, and
- \$15,000 for higher-than-expected inflation adjustments.

Jobseeker Support and Emergency Benefit (M63)

Scope of Appropriation

This appropriation is limited to means-tested income support for people who are eligible for Jobseeker Support or an Emergency Benefit, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$166.907 million to \$1,878.849 million in 2018/19 due to:

- \$139.584 million for a higher number of people
- \$25 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$14.434 million for lower-than-expected debt establishments
- \$3.434 million for higher-than-expected inflation adjustments, and
- \$76,000 for policy adjustments.

Partly offsetting the above factors are:

- \$15.607 million for a lower average payment per person (before inflation adjustments), and
- \$14,000 for higher-than-expected overseas pension recoveries.

New Zealand Superannuation (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$48.611 million to \$14,587.555 million in 2018/19 due to:

- \$25.900 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$21.692 million for a higher average payment per person (before inflation and wage adjustments)
- \$8.627 million for lower-than-expected overseas pension recoveries
- \$6.810 million for higher-than-expected wage adjustments, and
- \$2.882 million for lower-than-expected debt establishments.

Partly offsetting the above factors is:

- \$17.300 million for a lower number of people.

Orphan's/Unsupported Child's Benefit (M63)

Scope of Appropriation

This appropriation is limited to the Orphan's/Unsupported Child's Benefit and additional assistance to provide income support for people charged with the responsibility for a child whose parents are dead or cannot be located, suffer a serious long-term disablement, or where there has been a breakdown in the child's family, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$10.170 million to \$227.901 million in 2018/19 due to:

- \$6.050 million for a higher number of people
- \$2.900 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$1.217 million for a higher average payment per person (before inflation adjustments), and
- \$367,000 for higher-than-expected inflation adjustments.

Partly offsetting the above factors is:

- \$364,000 for higher-than-expected debt establishments.

Sole Parent Support (M63)

Scope of Appropriation

This appropriation is limited to means-tested income support for people who are eligible for Sole Parent Support, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$43.632 million to \$1,127.603 million in 2018/19 due to:

- \$20.119 million for a higher number of people
- \$11.500 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$6.503 million for lower-than-expected debt establishments
- \$3.238 million for a higher average payment per person (before inflation adjustments)
- \$2.253 million for higher-than-expected inflation adjustments, and
- \$19,000 for lower-than-expected overseas pension recoveries.

Special Circumstance Assistance (M63)

Scope of Appropriation

This appropriation is limited to financial assistance to people in special circumstances and comprises the Clothing Allowance, and providing assistance for community costs, domestic violence and witness protection relocation, home help, social rehabilitation assistance, telephone costs, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act; and Civilian Amputees Assistance, paid in accordance with criteria set out in the Disabled Persons Community Welfare Act 1975.

Reasons for Change in Appropriation

This appropriation increased by \$616,000 to \$11.494 million due to:

- \$600,000 for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$61,000 for a higher number of people, and
- \$39,000 for higher-than-expected inflation adjustments.

Partly offsetting the above factors are:

- \$80,000 for lower other payments, and
- \$4,000 for a lower average payment per person (before inflation adjustments).

Student Allowances (M63)

Scope of Appropriation

This appropriation is limited to means-tested allowances for students on an approved study programme, paid in accordance with criteria set out in the Student Allowance Regulations 1998; and payment of Student Allowance Transfer Grants to students with dependants, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$22.337 million to \$603.523 million due to:

- \$23.672 million for a higher average payment per person (before inflation adjustments)
- \$21 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend, and
- \$1.325 million for higher-than-expected inflation adjustments.

Partly offsetting the above factors is:

- \$23.660 million for a lower number of people.

Supported Living Payment (M63)

Scope of Appropriation

This appropriation is limited to means-tested income support for people who are eligible for the Supported Living Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$8.103 million to \$1,562.611 million due to:

- \$7.100 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$3.553 million for lower-than-expected debt establishments
- \$2.941 million for higher-than-expected inflation adjustments, and
- \$45,000 for lower-than-expected overseas pension recoveries.

Partly offsetting the above factors are:

- \$3.911 million for a lower number of people, and
- \$1.625 million for a lower average payment per person (before inflation adjustments).

Transitional Assistance (M63)

Scope of Appropriation

This appropriation is limited to supplementary financial assistance to people who are adversely affected by changes in policy or legislation, so they will not be financially worse off at the point of change, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation decreased by \$943,000 to \$370,000 due to lower-than-expected demand.

Veterans' Pension (M75)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$793,000 to \$154.658 million in 2018/19 due to:

- \$1.200 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$66,000 for higher-than-expected wage adjustments, and
- \$1,000 for higher-than-expected inflation adjustments.

Partly offsetting the above factors are:

- \$219,000 for a lower number of people
- \$117,000 for a lower average payment per person (before inflation and wage adjustments)
- \$84,000 for higher-than-expected debt establishments, and
- \$54,000 for higher-than-expected overseas pension recoveries.

Winter Energy Payment (M63)

Scope of Appropriation

This appropriation is limited to the Winter Energy Payment, paid to eligible people in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$7.107 million to \$450.110 million in 2018/19 due to:

- \$9 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend, and
- \$693,000 for a higher number of people.

Partly offsetting the above factors is:

- \$2.586 million for a lower average payment per person.

Work Assistance (M63)

Scope of Appropriation

This appropriation is limited to payments to beneficiaries, low income earners, students and ex beneficiaries to assist them to obtain and maintain employment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$307,000 to \$2.911 million in 2018/19 due to:

- \$600,000 for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend, and
- \$5,000 for higher-than-expected inflation adjustments.

Partly offsetting the above factors are:

- \$284,000 for a lower number of people, and
- \$14,000 for a lower average payment per person (before inflation adjustments).

Youth Payment and Young Parent Payment (M63)

Scope of Appropriation

This appropriation is limited to income support and incentive payments for people who are eligible for the Youth Payment or Young Parent Payment, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation decreased by \$4.236 million to \$53.545 million in 2018/19 due to:

- \$4.941 million for a lower number of people, and
- \$712,000 for a lower average payment per person (before inflation adjustments).

Partly offsetting the above factors are:

- \$1.300 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$89,000 for higher-than-expected inflation adjustments, and
- \$28,000 for lower-than-expected debt establishments.

Note 1 - The supplementary add-on refers to the budget adjustments that the Ministry of Social Development makes in the Supplementary Estimates each year to its forecast appropriations to minimise the risk of unappropriated expenditure. These appropriations are demand-driven and are required to be forecast at a mid-point estimate during the normal course of the year. This is to accurately reflect the information and circumstances at the date the forecasts are made. However, as this mid-point method can increase the unappropriated expenditure risk, these appropriations in the Supplementary Estimates are set at the upper bound of the best mid-point range.

3.4 - Non-Departmental Other Expenses

Debt Write-downs (M63)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$3.971 million to \$83.089 million in 2018/19. This is due to:

- an increase of \$3.237 million in debt-write-downs, related to clients who were adversely affected by Housing New Zealand's former zero-tolerance methamphetamine contamination policies, and
- an increase of \$734,000 from changes to the level of outstanding debt and the interest rates used to calculate the debt write-down provision.

Housing Support Package (M96)

Scope of Appropriation

This appropriation is limited to the provision of incentives, products and services to help households with lower housing need who are in, or seeking public housing, to access or retain alternative housing solutions.

Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,005	2,005

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: Housing Support Package	2,005	(2,005)	-
Total	2,005	(2,005)	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to support people to access or retain housing. This includes people who are on the Housing Register, in public housing or have otherwise contacted us for housing support.

How Performance will be Assessed and End of Year Reporting Requirements

Performance Measures	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The percentage of people who are not on the Housing Register or in public housing, or have not received an Emergency Housing Special Needs Grant, 90 calendar days after receipt of a Housing Support product (HSP) (see Note 1)	New measure	70%	70%

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

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$2.005 million as a result of a fiscally neutral transfer from Vote Social Housing as a result of the establishment of the Ministry of Housing and Urban Development with commencement of initial functions from 1 October 2018.

Reimbursement of Income Related Rent Overpayments (M96)

Scope of Appropriation

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

Expenses

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	2,586	2,586

Comparators for Restructured Appropriation

Vote, Type and Title of Appropriation	2018/19		Total \$000
	Estimates \$000	Supplementary Estimates \$000	
Vote Social Housing: Social Housing Purchasing MCA: Purchase of Social Housing Provision	2,000	(2,000)	-
Total	2,000	(2,000)	-

What is Intended to be Achieved with this Appropriation

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

How Performance will be Assessed and End of Year Reporting Requirements

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

Reasons for Change in Appropriation

This is a newly established appropriation in 2018/19. This appropriation increased by \$2 million as a result of a fiscally neutral transfer from Vote Social Housing as a result of the establishment of the Ministry of Housing and Urban Development with commencement of initial functions from 1 October 2018.

3.5 - Non-Departmental Capital Expenditure

Recoverable Assistance (M63)

Scope of Appropriation

This appropriation is limited to recoverable assistance payments, as a facility for low-income earners and beneficiaries to access means-tested assistance to help them to meet essential and immediate needs, or costs in specific circumstances, and to meet costs of pre-employment drug tests, paid in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Reasons for Change in Appropriation

This appropriation increased by \$87.960 million to \$293.080 million in 2018/19 due to:

- \$71.615 million for a higher number of grants, and
- \$21 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend.

Partly offsetting the above factors is:

- \$4.655 million for a lower average payment per grant.

Student Loans (M57)

Scope of Appropriation

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

Reasons for Change in Appropriation

This appropriation increased by \$56.734 million to \$1,515.363 million in 2018/19 due to:

- \$50 million for the supplementary estimates add-on (see Note 1 at the end of this part) to reduce the likelihood of an overspend
- \$25.458 million for a higher number of people
- \$2.462 million for policy adjustments, and
- \$583,000 for higher-than-expected inflation adjustments.

Partly offsetting the above factors is:

- \$21.769 million for a lower average payment per person (before inflation adjustments).

Note 1 - The supplementary add-on refers to the budget adjustments that the Ministry of Social Development makes in the Supplementary Estimates each year to its forecast appropriations to minimise the risk of unappropriated expenditure. These appropriations are demand-driven and are required to be forecast at a mid-point estimate during the normal course of the year. This is to accurately reflect the information and circumstances at the date the forecasts are made. However, as this mid-point method can increase the unappropriated expenditure risk, these appropriations in the Supplementary Estimates are set at the upper bound of the best mid-point range.

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

4 - Multi-Category Expenses and Capital Expenditure

Community Support Services (M63)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Developing and Managing Community Services

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

Non-Departmental Output Expenses

Community Support and Advice

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

Improving Children's Participation in Education

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

Participation and Support Services for Seniors

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

Supporting Victims and Perpetrators of Family and Sexual Violence

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

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	105,446	(447)	104,999
Departmental Output Expenses			
Developing and Managing Community Services	25,201	369	25,570
Non-Departmental Output Expenses			
Community Support and Advice	24,123	(1,976)	22,147
Improving Children's Participation in Education	1,550	-	1,550
Participation and Support Services for Seniors	2,991	-	2,991
Supporting Victims and Perpetrators of Family and Sexual Violence	51,581	1,160	52,741
Funding for Departmental Output Expenses			
Revenue from the Crown	25,201	369	25,570
Developing and Managing Community Services	25,201	369	25,570

Reasons for Change in Appropriation

This appropriation decreased by \$447,000 to \$104.999 million in 2018/19. This is due to a fiscally neutral transfer of \$816,000 to Oranga Tamariki - Ministry of Children due to a realignment of Community Support Services. This decrease is partially offset by:

- an increase of \$169,000 from a fiscally neutral transfer from Vote Oranga Tamariki as a result of a reassessment of the cost of shared services provided to Oranga Tamariki - Ministry for Children
- a transfer of \$100,000 from 2017/18 for the cost associated with developing the Kaupapa Māori Good Practice Guidelines, and
- the drawdown of contingency funding of \$100,000 to provide operational support for the Place-Based initiatives - South Auckland Social Wellbeing Board.

Improved Employment and Social Outcomes Support (M63)*Overarching Purpose Statement*

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

*Scope of Appropriation***Departmental Output Expenses***Administering Income Support*

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

Improving Employment Outcomes

This category is limited to providing specified assistance, including services, to eligible people to help them move into and retain sustainable employment, in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Improving Work Readiness Outcomes

This category is limited to providing services to eligible people to address barriers to employment to help them become work ready, in accordance with criteria set out in, or in delegated legislation made under, the Social Security Act 1964 or any legislation that replaces that Act.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	688,299	17,506	705,805
Departmental Output Expenses			
Administering Income Support	285,944	34,828	320,772
Improving Employment Outcomes	310,170	(17,016)	293,154
Improving Work Readiness Outcomes	92,185	(306)	91,879
Funding for Departmental Output Expenses			
Revenue from the Crown	684,737	17,506	702,243
Administering Income Support	282,382	34,828	317,210
Improving Employment Outcomes	310,170	(17,016)	293,154
Improving Work Readiness Outcomes	92,185	(306)	91,879
Revenue from Others	3,562	-	3,562
Administering Income Support	3,562	-	3,562

Reasons for Change in Appropriation

This appropriation increased by \$17.506 million to \$705.805 million in 2018/19. This is due to:

- a transfer of \$6.980 million from 2017/18 for the costs associated with the administration of the Families Package Implementation
- an increase of \$5.616 million for stage one draw down for the Availability and Resilience project to build and maintain resilience of critical Work and Income applications
- an increase of \$5.222 million for the drawdown of the administration of the Families Package Implementation
- a transfer of \$4.100 million from 2017/18 for supporting offenders into employment trials
- a transfer of \$3.055 million from 2017/18 to align with expected deliverables for the Intensive Client Support - Extension initiative
- a transfer of \$2.100 million from 2017/18 to provide services to achieve better outcomes for the people at risk of long-term benefit and health and justice system dependency as part of the Oranga Mahi programme
- an increase of \$1.916 million as a result of a reassessment of the cost of shared services provided to Oranga Tamariki - Ministry for Children, and
- a transfer of \$1.387 million from 2017/18 for various work programmes, including costs associated with business process simplification and improving employment outcomes and support for clients with health conditions or disabilities into work.

The above is offset by:

- a transfer of \$4.500 million to 2019/20 for capability funding
- a transfer of \$3.900 million to 2019/20 due to an extension of the Supporting Offenders into Employment Trial programme
- a transfer of \$2.400 million to 2019/20 due to delays with the expansion of the existing Limited Service Volunteer programme
- a transfer of \$620,000 to 2019/20 and 2020/21 due to delays with the expansion of the Individual Placement Support for Clients with Mental Health Conditions
- a transfer of \$762,000 to 2019/20 due to delays with the redesign phase of the Oranga Mahi programme
- a reduction of \$406,000 in funding related to Benefits to Recent Migrants - Continuing Current Residency Requirements
- a transfer of \$216,000 to 2019/20 due to delays with the design and implementation of the partnership with the Health Research Council focussing on people with health conditions or disabilities, and
- a transfer of \$66,000 to the Ministry of Health to provide for the MidCentral prototype of the transformed disability support system.

Independent Advice on Government Priority Areas (M63)

Overarching Purpose Statement

The overarching purpose of this appropriation is to provide independent advice to the Minister for Social Development for discharging decision-making responsibilities.

Scope of Appropriation

Non-Departmental Output Expenses

Other Advice

This category is limited to the procurement of other advice (including advice on operational matters; advice from expert parties that provide review services not available in-house; advice on matters where a review is necessary but cannot be undertaken due to a conflict of interest; and advice on procurement to ensure value for money) on government priority areas.

Policy Advice

This category is limited to the provision of independent advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government priority areas.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	538	(538)	-
Non-Departmental Output Expenses			
Other Advice	269	(269)	-
Policy Advice	269	(269)	-

Reasons for Change in Appropriation

This appropriation decreased by \$538,000 in 2018/19 due to a fiscally neutral transfer to the Departmental Output Expense appropriation, Policy Advice to fund additional costs associated with the Welfare Expert Advisory Group, set up to provide Government with independent advice on a future welfare system.

Partnering for Youth Development (M77)

Overarching Purpose Statement

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

Scope of Appropriation

Departmental Output Expenses

Administering Youth Development

This category is limited to generating, funding and promoting youth development opportunities.

Non-Departmental Output Expenses

Increasing Youth Development Opportunities

This category is limited to purchasing youth development opportunities.

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	12,643	6	12,649
Departmental Output Expenses			
Administering Youth Development	4,390	6	4,396
Non-Departmental Output Expenses			
Increasing Youth Development Opportunities	8,253	-	8,253
Funding for Departmental Output Expenses			
Revenue from the Crown	4,390	6	4,396
Administering Youth Development	4,390	6	4,396

Reasons for Change in Appropriation

This appropriation increased by \$6,000 to \$12.649 million in 2018/19 due to retention of underspends of \$138,000 from 2017/18 to help meet the Ministry's cost pressures. This increase is offset by a fiscally neutral transfer of \$132,000 to other departmental output expense appropriations to meet changes in cost drivers in 2018/19.

