

Vote Social Housing

APPROPRIATION MINISTER(S): 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
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.	1,507,597	(1,114,604)	392,993
Total Benefits or Related Expenses	1,507,597	(1,114,604)	392,993
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.	23,795	(19,296)	4,499
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 the Community Group Housing provider and market rent for the leased properties.	13,891	(10,418)	3,473
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.	4,104	(3,078)	1,026
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties This category is limited to debt or equity in Housing New Zealand Corporation to acquire, modernise or reconfigure properties leased by Community Housing Providers.	5,800	(5,800)	-
Social Housing Outcomes Support MCA (M96) The single overarching purpose of this appropriation is to operate the social housing register and associated interventions in such a way as to support more people with the greatest housing need into housing, and to move those who are capable of housing independence closer towards that.	59,436	(45,102)	14,334
Departmental Output Expenses			
Services to Support People to Access Accommodation This category is limited to assessing and reviewing eligibility for social housing and income related rent, social housing register management and the accurate and timely payment of income related rent subsidies to the social housing provider.	45,083	(32,803)	12,280
Non-Departmental Output Expenses			
Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing This category is limited to the provision of support services to those in need of social housing or those at risk of entering or exiting social housing.	11,753	(10,294)	1,459

	2018/19		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Non-Departmental Other Expenses</i>			
<i>Housing Support Package</i>	2,600	(2,005)	595
This category is limited to the provision of incentives, products and services to help households with lower housing need who are in, or seeking social housing, to access or retain alternative housing solutions.			
Social Housing Purchasing MCA (M96)	1,013,271	(749,767)	263,504
The single overarching purpose of this appropriation is to secure and purchase the provision of social housing.			
<i>Non-Departmental Output Expenses</i>			
<i>Purchase of Social Housing Provision</i>	977,651	(737,255)	240,396
This category is limited to purchasing the provision of social housing and related services from social housing providers in accordance with reimbursement agreements or tailored agreements under the Housing Restructuring and Tenancy Matters Act 1992.			
<i>Services Related to the Provision of Social Housing</i>	300	(150)	150
This category is limited to the provision of services related to the provision of social housing by a social housing provider.			
<i>Non-Departmental Other Expenses</i>			
<i>Support for the Provision of Social Housing Supply</i>	35,320	(12,362)	22,958
This category is limited to providing support to secure access to properties for social housing providers to use for social housing tenancies.			
Transitional Housing MCA (M96)	168,183	(121,465)	46,718
The single overarching purpose of this appropriation is to fund the delivery of transitional housing places in New Zealand.			
<i>Non-Departmental Output Expenses</i>			
<i>Provision of Transitional Housing Places</i>	49,894	(35,318)	14,576
This category is limited to supporting transitional housing providers to provide transitional housing places.			
<i>Transitional Housing Services</i>	49,438	(40,645)	8,793
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.			
<i>Non-Departmental Capital Expenditure</i>			
<i>Acquisition, Development and Construction of Transitional Housing</i>	68,851	(45,502)	23,349
This category 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	1,264,685	(935,630)	329,055
Total Annual Appropriations and Forecast Permanent Appropriations	2,772,282	(2,050,234)	722,048

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	-	-	-	-	-
Benefits or Related Expenses	1,507,597	N/A	(1,114,604)	(1,114,604)	392,993
Borrowing Expenses	-	-	-	-	-
Other Expenses	-	-	-	-	-
Capital Expenditure	-	-	-	-	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	1,148,010	(32,803)	(834,080)	(866,883)	281,127
<i>Other Expenses</i>	42,024	-	(17,445)	(17,445)	24,579
<i>Capital Expenditure</i>	74,651	N/A	(51,302)	(51,302)	23,349
Total Appropriations	2,772,282	(32,803)	(2,017,431)	(2,050,234)	722,048
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	-	N/A	-	-	-
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	-	N/A	-	-	-

1.4 - Reconciliation of Changes in Appropriation Structure

The establishment of the Ministry of Housing and Urban Development meant that most of the appropriations in Vote Social Housing transferred to Vote Housing and Urban Development, with effect from 1 October 2018, with the remaining appropriations transferring to Vote Social Development from the same date.

Estimates	2018/19 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2018/19 (Restated) \$000
Vote Social Housing					
Benefits or Related Expenses					
Accommodation Assistance	1,507,597	Transferred to Vote Social Development - Accommodation Assistance	(1,114,604)		392,993
Multi-Category Expenses and Capital Expenditure					
Community Group Housing MCA					
Non-Departmental Output Expenses					
Community Group Housing Market Rent Top-Up	13,891	Transferred to Vote Housing and Urban Development - Community Group Housing MCA	(10,418)		3,473
Non-Departmental Other Expenses					
Community Housing Rent Relief	4,104	Transferred to Vote Housing and Urban Development - Community Group Housing MCA	(3,078)		1,026
Non-Departmental Capital Expenditure					
Acquisition and Improvement of Community Group Housing Properties	5,800	Transferred to Vote Housing and Urban Development - Community Group Housing MCA	(5,800)		-
Social Housing Outcomes Support MCA					
Departmental Output Expenses					
Services to Support People to Access Accommodation	45,083	Transferred to Vote Social Development - Services to Support People to Access Accommodation	(24,353)		12,280
		Transferred to Vote Housing and Urban Development - Management of Housing Places, Providers and Services	(8,450)		

Estimates	2018/19 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2018/19 (Restated) \$000
Non-Departmental Output Expenses					
Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing	11,753	Transferred to Vote Housing and Urban Development - Public Housing MCA	(10,294)		1,459
Non-Departmental Other Expenses					
Housing Support Package	2,600	Transferred to Vote Social Development - Housing Support Package	(2,005)		595
Social Housing Purchasing MCA					
Non-Departmental Output Expenses					
Purchase of Social Housing Provision	977,651	Transferred to Vote Housing and Urban Development - Public Housing MCA	(735,255)		240,396
		Transferred to Vote Social Development - Reimbursement of Income Related Rent Overpayments	(2,000)		
Services Related to the Provision of Social Housing	300	Transferred to Vote Housing and Urban Development - Public Housing MCA	(150)		150
Non-Departmental Other Expenses					
Support for the Provision of Social Housing Supply	35,320	Transferred to Vote Housing and Urban Development - Public Housing MCA	(12,362)		22,958
Transitional Housing MCA					
Non-Departmental Output Expenses					
Provision of Transitional Housing Places	49,894	Transferred to Vote Housing and Urban Development - Transitional Housing MCA	(35,318)		14,576
Transitional Housing Services	49,438	Transferred to Vote Housing and Urban Development - Transitional Housing MCA	(40,645)		8,793

Estimates	2018/19 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2018/19 (Restated) \$000
Non-Departmental Capital Expenditure					
Acquisition, Development and Construction of Transitional Housing	68,851	Transferred to Vote Housing and Urban Development - Transitional Housing MCA	(45,502)		23,349
				Vote Social Development	
				Departmental Output Expenses	
		Transferred from Vote Social Housing - Social Housing Outcomes Support MCA	24,353	Services to Support People to Access Accommodation	24,353
				Non-Departmental Output Expenses	
		Transferred from Vote Social Housing - Social Housing Outcomes Support MCA	2,005	Housing Support Package	2,005
		Transferred from Vote Social Housing - Social Housing Purchasing MCA	2,000	Reimbursement of Income Related Rent Overpayments	2,000
				Benefits or Related Expenses	
		Transferred from Vote Social Housing - Accommodation Assistance	1,114,604	Accommodation Assistance	1,114,604
				Vote Housing and Urban Development	
				Multi-Category Expenses and Capital Expenditure	
				Community Group Housing MCA	
				Non-Departmental Output Expenses	
		Transferred from Vote Social Housing - Community Group Housing MCA	10,418	Community Group Housing Market Rent Top-Up	10,418
				Non-Departmental Other Expenses	
		Transferred from Vote Social Housing - Community Group Housing MCA	3,078	Community Housing Rent Relief	3,078
				Non-Departmental Capital Expenditure	
		Transferred from Vote Social Housing - Community Group Housing MCA	5,800	Acquisition and Improvement of Community Group Housing Properties	5,800
				Public Housing MCA	
				Non-Departmental Output Expenses	
		Transferred from Vote Social Housing - Social Housing Outcomes Support MCA	10,294	Services for People in Need of or at Risk of Needing Public Housing	10,294

Estimates	2018/19 (Estimates) \$000	Supplementary Estimates (Changes during the year)	Amount Moved \$000	New Structure	2018/19 (Restated) \$000
		Transferred from Vote Social Housing - Social Housing Purchasing MCA	735,255	Purchase of Public Housing Provision	735,255
		Transferred from Vote Social Housing - Social Housing Purchasing MCA	150	Services Related to the Provision of Public Housing	150
		Transferred from Vote Social Housing - Social Housing Purchasing MCA	12,362	Support for the Provision of Public Housing	12,362
				Transitional Housing MCA	
				Non-Departmental Output Expenses	
		Transferred from Vote Social Housing - Transitional Housing MCA	35,318	Provision of Transitional Housing Places	35,318
		Transferred from Vote Social Housing - Transitional Housing MCA	40,645	Transitional Housing Services	40,645
				Non-Departmental Capital Expenditure	
		Transferred from Vote Social Housing - Transitional Housing MCA	45,502	Acquisition, Development and Construction of Transitional Housing	45,502
				Departmental Output Expenses	
		Transferred from Vote Social Housing - Services to Support People to Access Accommodation	8,450	Management of Housing Places, Providers and Services	8,450
Total changes in appropriations	2,772,282		-		2,772,282

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

Part 3 - Details of Non-Departmental Appropriations

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.

Reasons for Change in Appropriation

This appropriation decreased by \$1,114.604 million to \$392.993 million in 2018/19. This is due to the appropriation transferring to Vote Social Development as a result of the establishment of the Ministry of Housing and Urban Development, which commenced operations on 1 October 2018.

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 the 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 debt or equity in 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	23,795	(19,296)	4,499
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	4,104	(3,078)	1,026
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties	5,800	(5,800)	-

Reasons for Change in Appropriation

This appropriation decreased by \$19.296 million to \$4.499 million in 2018/19. This is due to the appropriation transferring to Vote Housing and Urban Development as a result of the establishment of the Ministry of Housing and Urban Development, which commenced operations on 1 October 2018.

Social Housing Outcomes Support (M96)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to operate the social housing register and associated interventions in such a way as to support more people with the greatest housing need into housing, and to move those who are capable of housing independence closer towards that.

Scope of Appropriation

Departmental Output Expenses

Services to Support People to Access Accommodation

This category is limited to assessing and reviewing eligibility for social housing and income related rent, social housing register management and the accurate and timely payment of income related rent subsidies to the social housing provider.

Non-Departmental Output Expenses

Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing

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

Non-Departmental Other Expenses

Housing Support Package

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

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

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Non-Departmental Output Expenses			
Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing			
This category is intended to achieve:			
The number of contracted (see Note 1) chronic homeless households (see Note 2) able to be placed and supported into secure and stable (see Note 3) accommodation under the Housing First initiative, will be between	500-600	(87-187)	413

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	59,436	(45,102)	14,334
Departmental Output Expenses			
Services to Support People to Access Accommodation	45,083	(32,803)	12,280
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
Non-Departmental Other Expenses			
Housing Support Package	2,600	(2,005)	595
Funding for Departmental Output Expenses			
Revenue from the Crown	45,083	(32,803)	12,280
Services to Support People to Access Accommodation	45,083	(32,803)	12,280

Reasons for Change in Appropriation

This appropriation decreased by \$45.102 million to \$14.334 million in 2018/19. This is due to:

- the transfer of \$26.358 million to Vote Social Development due to the establishment of the Ministry of Housing and Urban Development, with commencement of operations from 1 October 2018
- the transfer of \$18.744 million to Vote Housing and Urban Development due to the establishment of the Ministry of Housing and Urban Development
- the transfer of \$1.500 million to Vote Social Development for transitional housing services as a result of the establishment of the Ministry of Housing and Urban Development, and
- the transfer of \$3.512 million to Vote Housing and Urban Development for establishment costs.

The above is offset by a transfer of \$5.012 million from 2017/18 to enable the Ministry to secure more supply of public housing and services. This funding was reprioritised during 2018/19 for the transition and establishment costs of the Ministry of Housing and Urban Development.

Social Housing Purchasing (M96)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to secure and purchase the provision of social housing.

Scope of Appropriation

Non-Departmental Output Expenses

Purchase of Social Housing Provision

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

Services Related to the Provision of Social Housing

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

Non-Departmental Other Expenses

Support for the Provision of Social Housing Supply

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

Expenses, Revenue and Capital Expenditure

	2018/19		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,013,271	(749,767)	263,504
Non-Departmental Output Expenses			
Purchase of Social Housing Provision	977,651	(737,255)	240,396
Services Related to the Provision of Social Housing	300	(150)	150
Non-Departmental Other Expenses			
Support for the Provision of Social Housing Supply	35,320	(12,362)	22,958

Reasons for Change in Appropriation

This appropriation decreased by \$749.767 million to \$263.504 million in 2018/19. This is due to the appropriation transferring to Vote Housing and Urban Development as a result of the establishment of the Ministry of Housing and Urban Development, which commenced operations on 1 October 2018.

Transitional Housing (M96)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to fund the delivery of transitional housing places 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 category is limited to funding the acquisition, construction and development or redevelopment of land or properties for the purpose of providing transitional housing.

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

	2018/19		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Non-Departmental Capital Expenditure			
Acquisition, Development and Construction of Transitional Housing			
This category is intended to achieve:			
The number of transitional housing places that will be acquired, developed or constructed will be	195-220	(165-190)	30

Expenses, Revenue and Capital Expenditure

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

Reasons for Change in Appropriation

This appropriation decreased by \$121.465 million to \$46.718 million in 2018/19. This is due to the appropriation transferring to Vote Housing and Urban Development as a result of the establishment of the Ministry of Housing and Urban Development, which commenced operations on 1 October 2018.