

Vote Housing and Urban Development

APPROPRIATION MINISTER(S): Minister of Housing (M37)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Housing and Urban Development (A22)

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

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Departmental Capital Expenditure			
Ministry of Housing and Urban Development - Capital Expenditure PLA (M37) (A22) This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Housing and Urban Development, as authorised by section 24(1) of the Public Finance Act 1989.	6,850	-	6,850
Total Departmental Capital Expenditure	6,850	-	6,850
Non-Departmental Output Expenses			
Contracted emergency housing accommodation and services (M37) (A22) This appropriation is limited to contracting with service providers for emergency housing accommodation (including ancillary services such as onsite management) and to supporting clients in contracted emergency housing to move into sustainable housing.	32,180	-	32,180
Independent Review of Kāinga Ora - Homes and Communities (M37) (A22) This appropriation is limited to conducting an independent review of Kāinga Ora - Homes and Communities (and any of its subsidiaries) and any immediate short term actions following the review.	-	500	500
Kāinga Ora - Homes and Communities (M37) (A22) This appropriation is limited to the delivery of services by Kāinga Ora - Homes and Communities that contribute to housing and urban development activity.	93,392	(11,000)	82,392
Local Innovations and Partnerships (M37) (A22) This appropriation is limited to the delivery and evaluation of locally-driven initiatives to respond to and prevent homelessness.	9,075	660	9,735
Management of Crown Properties held under the Housing Act 1955 (M37) (A22) This appropriation is limited to the administration and management of Crown-owned properties held under the Housing Act 1955.	8	-	8
Support Services to increase home ownership (M37) (A22) This appropriation is limited to the delivery of support services for applicants to progressive home ownership schemes.	6,000	7,111	13,111
Total Non-Departmental Output Expenses	140,655	(2,729)	137,926
Benefits or Related Expenses			
First Home Grants (M37) (A22) This appropriation is limited to First Home Grants for people who meet the required eligibility criteria.	145,150	-	145,150
Total Benefits or Related Expenses	145,150	-	145,150
Non-Departmental Other Expenses			
Housing Assistance (M37) (A22) This appropriation is limited to payments made to Kāinga Ora and other mortgage providers to compensate for the difference between the cost of funds and the rate at which funds are lent, and provide write-offs for loans.	789	-	789
Total Non-Departmental Other Expenses	789	-	789

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Non-Departmental Capital Expenditure			
Land purchase within the Housing Agency Account (M37) (A22) This appropriation is limited to the purchase of land for State Housing purposes in accordance with the Housing Act 1955.	-	40,000	40,000
Total Non-Departmental Capital Expenditure	-	40,000	40,000
Multi-Category Expenses and Capital Expenditure			
Amortisation of Upfront Payments MCA (M37) (A22) The single overarching purpose of this appropriation is to recognise the amortisation of prepaid expenses associated with implementation of government housing policy.	20,770	(4,551)	16,219
Non-Departmental Other Expenses			
<i>Amortisation of Upfront Payments - Affordable Housing Fund</i> This category is limited to the amortisation of contribution prepayments associated with the Affordable Rental Pathway within the Affordable Housing Fund.	3,333	-	3,333
<i>Amortisation of Upfront Payments - Community Housing Providers - Early Stage Operating Supplement</i> This category is limited to the amortisation of early stage operating funding provided to Community Housing Providers who provide Public Housing.	1,221	-	1,221
<i>Amortisation of Upfront Payments - He Kūkū ki te Kāinga</i> This category is limited to the amortisation of prepayments of funding to increase the housing supply provided by Māori service providers.	3,144	3,869	7,013
<i>Amortisation of Upfront Payments - Māori Infrastructure Fund</i> This category is limited to the amortisation of prepayments of contributions for Māori infrastructure projects to advance development-ready land.	6,087	(5,956)	131
<i>Amortisation of Upfront Payments - Progressing the Pipeline of Māori Housing</i> This category is limited to the amortisation of prepayments of funding interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing.	2,464	(2,464)	-
<i>Amortisation of Upfront Payments - Public Housing Upfront Capital Payments</i> This category is limited to the amortisation of upfront capital funding to Community Housing Providers who provide Public Housing.	4,120	-	4,120
<i>Amortisation of Upfront Payments - Transitional Housing Providers</i> This category is limited to the amortisation of prepayments of upfront funding to Transitional Housing Providers who provide transitional housing.	401	-	401
Community Group Housing MCA (M37) (A22) The single overarching purpose of this appropriation is to purchase housing services from Kāinga Ora and Community Group Housing providers to maintain the supply of tenanted Community Group Housing properties.	23,795	7,100	30,895
Non-Departmental Output Expenses			
<i>Community Group Housing Market Rent Top-Up</i> This category is limited to the provision of funding to Kāinga Ora to pay the difference between the contracted rent with each Community Group Housing provider and market rent for the leased properties.	13,891	7,100	20,991
Non-Departmental Other Expenses			
<i>Community Housing Rent Relief</i> 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	-	4,104

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
<i>Non-Departmental Capital Expenditure</i>			
<i>Acquisition and Improvement of Community Group Housing Properties</i>	5,800	-	5,800
This category is limited to providing debt or equity to Kāinga Ora to acquire, modernise or reconfigure properties leased by Community Housing Providers.			
Housing Programme Fair Value Impairment Loss and Inventory Disposal MCA (M37) (A22)	639,284	(251,539)	387,745
The single overarching purpose of this appropriation is to recognise the non-cash expenses associated with implementation of government housing policy.			
<i>Non-Departmental Other Expenses</i>			
<i>Fair Value Impairment Loss - Affordable Housing Fund</i>	14,000	-	14,000
This category is limited to the expense incurred in the fair-value impairment loss and any consequent write off arising from loans from the Affordable Housing Fund.			
<i>Fair Value Impairment Loss - Housing Infrastructure Fund</i>	9,063	-	9,063
This category is limited to the expense incurred in the fair value impairment loss arising from interest-free loans from the Housing Infrastructure Fund to Territorial Local Authorities.			
<i>Fair Value Impairment Loss - Progressive Home Ownership Loans</i>	155,961	22,801	178,762
This category is limited to the expense incurred in the fair value impairment loss arising from interest-free loans to suppliers of Progressive Home Ownership schemes.			
<i>Sale of Developments Underwritten - Costs</i>	45,200	(29,842)	15,358
This category is limited to the expenses incurred as part of the sale of underwritten developments incurred under the Supporting Stalled and At-Risk Developments Scheme.			
<i>Sale of Land and Dwellings - Costs</i>	325,450	(293,102)	32,348
This category is limited to the expenses incurred as part of the sale of land and dwellings.			
<i>Non-Departmental Capital Expenditure</i>			
<i>Land for Housing - Deferred Settlements</i>	89,610	48,604	138,214
This category is limited to deferred settlement agreements associated with land sales.			
Managing the Housing and Urban Development Portfolio MCA (M37) (A22)	73,163	6,266	79,429
The single overarching purpose of this appropriation is to improve the functioning of the housing sector by providing good quality advice to Ministers and effective departmental operations.			
<i>Departmental Output Expenses</i>			
<i>Facilitating the Purchase and redevelopment of land for housing purposes</i>	6,745	-	6,745
This category is limited to the activities associated with the facilitation of the purchase and redevelopment of land for housing purposes.			
<i>Management of Housing Provision and Services</i>	26,526	893	27,419
This category is limited to managing and regulating housing and housing support providers (including Kāinga Ora) through negotiating, managing and paying contracts.			
<i>Policy Advice and Ministerial Servicing</i>	39,892	5,373	45,265
This category is limited to advice to support decision making by Ministers on government policy matters relating to housing and urban development, and Ministerial servicing and performance monitoring.			

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Titles and Scopes of Appropriations by Appropriation Type			
Public Housing MCA (M37) (A22) The single overarching purpose of this appropriation is to secure and purchase the provision of public housing and associated support services.	1,761,163	3,182	1,764,345
Non-Departmental Output Expenses			
<i>Purchase of Public Housing Provision</i> This category is limited to purchasing the provision of public housing and related services from public housing providers.	1,659,829	326	1,660,155
<i>Services for People in Need of or at risk of Needing Public Housing</i> This category is limited to the provision of support services to those in need of public housing or those at risk of entering or exiting public housing.	101,034	2,856	103,890
<i>Services Related to the Provision of Public Housing</i> This category is limited to the provision of services related to the provision of public housing by a public housing provider.	300	-	300
Transitional Housing MCA (M37) (A22) The single overarching purpose of this appropriation is to fund the delivery of transitional housing places and services in New Zealand.	410,427	70,274	480,701
Non-Departmental Output Expenses			
<i>Provision of Transitional Housing Places</i> This category is limited to supporting transitional housing providers to provide transitional housing places.	208,620	21,333	229,953
<i>Transitional Housing Services</i> This category is limited to payments to transitional housing providers to cover tenancy and property management, and services to support tenants in transitional housing to move into sustainable housing.	201,807	48,941	250,748
Upfront Payments MCA (M37) (A22) The single overarching purpose of this appropriation is to record the prepayment of expenses associated with implementation of government housing policy.	326,850	19,118	345,968
Non-Departmental Capital Expenditure			
<i>Affordable Housing Fund - Prepayment of Grants</i> This category is limited to the prepayments of contributions to providers of affordable rentals within the Affordable Housing Fund.	50,000	50,000	100,000
<i>Community Housing Providers - Early Stage Operating Supplement</i> This category is limited to early-stage operating funding to Community Housing Providers who provide Public Housing.	25,836	10,557	36,393
<i>He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds</i> This category is limited to the prepayment of funding to increase the housing supply provided by Māori service providers.	189,826	(25,197)	164,629
<i>Māori Infrastructure Projects - Prepayment of Upfront Funds</i> This category is limited to the prepayment of contributions for Māori infrastructure projects to advance development-ready land.	49,365	(14,423)	34,942
<i>Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds</i> This category is limited to the prepayment of funding interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing.	11,823	(11,823)	-
<i>Progressive Home Ownership - Prepayment of Grants</i> This category is limited to prepayment of grants associated with Progressive Home Ownership loans.	-	1,983	1,983

Titles and Scopes of Appropriations by Appropriation Type	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<i>Transitional Housing Providers - Prepayment of Upfront Funds</i> This category is limited to the prepayment of upfront funding to Transitional Housing Providers who provide transitional housing.	-	8,021	8,021
Total Multi-Category Expenses and Capital Expenditure	3,255,452	(150,150)	3,105,302
Total Annual Appropriations and Forecast Permanent Appropriations	3,548,896	(112,879)	3,436,017

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Output Expenses		
Affordable Housing Fund (M37) (A22) This appropriation is limited to expenses incurred in increasing the provision of affordable housing, through supporting the development of new-build affordable housing for rent or home ownership. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	294,000 (50,000) (10,000) 234,000 - 28,741 35,173 170,086
Authority for the Residential Property Management Regime (M37) (A22) This appropriation is limited to the costs of the Real Estate Authority to establish its role as the Authority of the residential property management regime, and the Authority's initial operating costs of regulating the residential property management regime. Commences: 01 July 2023 Expires: 30 June 2027	Original Appropriation Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	7,510 - - 7,510 - 762 1,074 5,674
Buying off the Plans Programme (M37) (A22) This appropriation is limited to the provision of dwellings for the Buying off the Plans programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation Adjustments to 2022/23 Adjustments for 2023/24 Adjusted Appropriation Actual to 2022/23 Year End Estimated Actual for 2023/24 Estimate for 2024/25 Estimated Appropriation Remaining	271,500 - (37,000) 234,500 - 28,982 28,430 177,088

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
He Kūkū ki te Kāinga - Increasing Māori Housing Supply (M37) (A22) This appropriation is limited to increasing the housing supply provided by Māori service providers. Commences: 01 July 2022 Expires: 30 June 2025	Original Appropriation	190,550
	Adjustments to 2022/23	(47,048)
	Adjustments for 2023/24	(73,139)
	Adjusted Appropriation	70,363
	Actual to 2022/23 Year End	7,282
	Estimated Actual for 2023/24	52,081
	Estimate for 2024/25	11,000
	Estimated Appropriation Remaining	-
Infrastructure Investment to Progress Urban Development (M37) (A22) This appropriation is limited to investment into housing and infrastructure projects to enable urban development, regeneration and housing outcomes. Commences: 01 August 2020 Expires: 30 June 2024	Original Appropriation	271,670
	Adjustments to 2022/23	5,200
	Adjustments for 2023/24	(67,569)
	Adjusted Appropriation	209,301
	Actual to 2022/23 Year End	119,363
	Estimated Actual for 2023/24	89,938
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-
Land for Housing Programme (M37) (A22) This appropriation is limited to the acquisition and provision of land for the Land for Housing programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	294,218
	Adjustments to 2022/23	141,781
	Adjustments for 2023/24	-
	Adjusted Appropriation	435,999
	Actual to 2022/23 Year End	47,118
	Estimated Actual for 2023/24	39,437
	Estimate for 2024/25	280,525
	Estimated Appropriation Remaining	68,919
Operating the Buying off the Plans Programme (M37) (A22) This appropriation is limited to the operating expenses incurred in relation to the facilitation and acquisition of the Buying off the Plans programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	3,000
	Adjustments to 2022/23	5,000
	Adjustments for 2023/24	-
	Adjusted Appropriation	8,000
	Actual to 2022/23 Year End	96
	Estimated Actual for 2023/24	100
	Estimate for 2024/25	100
	Estimated Appropriation Remaining	7,704
Operating the Land for Housing Programme (M37) (A22) This appropriation is limited to the holding costs incurred for land acquired and developed under the Land for Housing Programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	7,000
	Adjustments to 2022/23	11,746
	Adjustments for 2023/24	1,541
	Adjusted Appropriation	20,287
	Actual to 2022/23 Year End	3,906
	Estimated Actual for 2023/24	4,210
	Estimate for 2024/25	4,209
	Estimated Appropriation Remaining	7,962

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Progressing the Pipeline of Māori Housing 2022 - 2025 (M37) (A22) This appropriation is limited to interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing. Commences: 01 July 2022 Expires: 30 June 2025	Original Appropriation	24,000
	Adjustments to 2022/23	(19,791)
	Adjustments for 2023/24	29,946
	Adjusted Appropriation	34,155
	Actual to 2022/23 Year End	1,741
	Estimated Actual for 2023/24	25,647
	Estimate for 2024/25	6,767
	Estimated Appropriation Remaining	-
Non-Departmental Other Expenses		
Kāinga Ora Land Programme (M37) (A22) This appropriation is limited to operating expenditure including write downs incurred in the facilitation, acquisition, and development of land and residential properties through Kāinga Ora. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	230,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(5,000)
	Adjusted Appropriation	225,000
	Actual to 2022/23 Year End	1,880
	Estimated Actual for 2023/24	9,183
	Estimate for 2024/25	9,840
	Estimated Appropriation Remaining	204,097
Land for Housing Operations (M37) (A22) This appropriation is limited to operating expenditure incurred in the facilitation, acquisition, and development of land and residential properties, through the Land for Housing Programme. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	50,000
	Adjustments to 2022/23	15,000
	Adjustments for 2023/24	54,858
	Adjusted Appropriation	119,858
	Actual to 2022/23 Year End	57,358
	Estimated Actual for 2023/24	2,000
	Estimate for 2024/25	8,400
	Estimated Appropriation Remaining	52,100
Land for Housing Programme - developers' loans - Fair value write down (M37) (A22) This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans offered to developers under the Land for Housing programme. Commences: 01 September 2021 Expires: 30 June 2025	Original Appropriation	11,700
	Adjustments to 2022/23	(3,242)
	Adjustments for 2023/24	-
	Adjusted Appropriation	8,458
	Actual to 2022/23 Year End	8,458
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-
Write down and write off of Progressive Home Ownership Loans (M37) (A22) This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans to suppliers of Progressive Home Ownership schemes and write-off of any potential bad debts associated with such loans. Commences: 01 April 2020 Expires: 30 June 2024	Original Appropriation	286,755
	Adjustments to 2022/23	(260,619)
	Adjustments for 2023/24	-
	Adjusted Appropriation	26,136
	Actual to 2022/23 Year End	26,136
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Capital Expenditure		
Affordable Housing Fund - Capital Funding (M37) (A22) This appropriation is limited to loans and recyclable funding mechanisms from the Affordable Housing Fund for up to ten years for supporting the development of new-build affordable housing for rent or home ownership. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	50,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(50,000)
	Adjusted Appropriation	-
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-
Housing Infrastructure Fund Loans (M37) (A22) This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development. Commences: 01 July 2023 Expires: 30 June 2028	Original Appropriation	215,301
	Adjustments to 2022/23	-
	Adjustments for 2023/24	99,428
	Adjusted Appropriation	314,729
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	106,448
	Estimate for 2024/25	114,043
	Estimated Appropriation Remaining	94,238
Kāinga Ora - Homes and Communities Crown Lending Facility (M37) (A22) This appropriation is limited to loans to Kāinga Ora - Homes and Communities (and any of its subsidiaries). Commences: 01 October 2022 Expires: 30 June 2027	Original Appropriation	12,724,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	-
	Adjusted Appropriation	12,724,000
	Actual to 2022/23 Year End	2,150,000
	Estimated Actual for 2023/24	4,700,000
	Estimate for 2024/25	2,352,000
	Estimated Appropriation Remaining	3,522,000
Kāinga Ora - Homes and Communities Private Debt Refinancing Facility (M37) (A22) This appropriation is limited to loans to Kāinga Ora - Homes and Communities (and any of its subsidiaries) for the purpose of refinancing private debt. Commences: 01 October 2022 Expires: 30 June 2027	Original Appropriation	450,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	3,165,000
	Adjusted Appropriation	3,615,000
	Actual to 2022/23 Year End	450,000
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	1,925,000
	Estimated Appropriation Remaining	1,240,000
Land for Housing Programme - developers' loan payments (M37) (A22) This appropriation is limited to interest-free loans related to development payments to developers under the Land for Housing programme. Commences: 01 September 2021 Expires: 30 June 2025	Original Appropriation	42,500
	Adjustments to 2022/23	100
	Adjustments for 2023/24	-
	Adjusted Appropriation	42,600
	Actual to 2022/23 Year End	37,673
	Estimated Actual for 2023/24	4,927
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Progressive Home Ownership Fund (M37) (A22) This appropriation is limited to addressing housing affordability issues by assisting access to home ownership through progressive home ownership schemes. Commences: 01 February 2020 Expires: 30 June 2024	Original Appropriation	400,000
	Adjustments to 2022/23	3,021
	Adjustments for 2023/24	(125,381)
	Adjusted Appropriation	277,640
	Actual to 2022/23 Year End	88,848
	Estimated Actual for 2023/24	188,792
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-
Tāmaki Regeneration Company Limited - Equity Injection (M37) (A22) This appropriation is limited to the provision of an equity injection to Tāmaki Regeneration Company Limited. Commences: 01 July 2023 Expires: 30 June 2027	Original Appropriation	870,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	1,900
	Adjusted Appropriation	871,900
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	62,000
	Estimate for 2024/25	98,000
	Estimated Appropriation Remaining	711,900

Multi-Year Multi-Category Appropriations

Title, Overarching Purpose and Period of Appropriations and Type and Scope of Categories	Appropriations, Adjustments and Use	\$000
Housing Acceleration Fund (M37) (A22) The single overarching purpose of this appropriation is to achieve the outcome of advancing housing supply through the provision of infrastructure investment. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	3,729,000
	Adjustments to 2022/23	(69,169)
	Adjustments for 2023/24	(579,423)
	Adjusted Appropriation	3,080,408
	Actual to 2022/23 Year End	262,184
	Estimated Actual for 2023/24	215,429
	Estimate for 2024/25	979,574
	Estimated Appropriation Remaining	1,623,221
Non-Departmental Capital Expenditure		
Investment in Crown-owned Entities to Advance Development-Ready Land This category is limited to investments in Crown-owned entities to increase the amount of development-ready land.	Original Amount	1,682,000
	Adjustments to 2022/23	223,281
	Adjustments for 2023/24	(235,000)
	Adjusted Amount	1,670,281
	Actual to 2022/23 Year End	210,840
	Estimated Actual for 2023/24	104,100
	Estimate for 2024/25	649,000
	Estimated Amount Remaining	706,341

Title, Overarching Purpose and Period of Appropriations and Type and Scope of Categories	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
<i>Investment in Infrastructure to Advance Development-Ready Land</i> This category is limited to contributions for infrastructure projects to advance development-ready land.	Original Amount	2,047,000
	Adjustments to 2022/23	(292,450)
	Adjustments for 2023/24	(344,423)
	Adjusted Amount	1,410,127
	Actual to 2022/23 Year End	51,344
	Estimated Actual for 2023/24	111,329
	Estimate for 2024/25	330,574
	Estimated Amount Remaining	916,880

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

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	3,548,896	(112,879)	3,436,017
Total Forecast MYA Non-Departmental Output Expenses	391,348	(121,450)	269,898
Total Forecast MYA Non-Departmental Other Expenses	33,890	(22,707)	11,183
Total Forecast MYA Non-Departmental Capital Expenditure	5,936,509	(874,342)	5,062,167
Total Forecast MYA Multi-Category Expenses and Capital Expenditure	1,351,737	(1,136,308)	215,429
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	11,262,380	(2,267,686)	8,994,694

Capital Injection Authorisations

	2023/24		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Housing and Urban Development - Capital Injection (M37) (A22)	2,900	-	2,900

Supporting Information

Part 1 - Vote as a Whole

1.2 - Trends in the Vote

Summary of Financial Activity

	2023/24				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
Appropriations					
Output Expenses	532,003	-	(124,179)	(124,179)	407,824
Benefits or Related Expenses	145,150	N/A	-	-	145,150
Borrowing Expenses	-	-	-	-	-
Other Expenses	34,679	-	(22,707)	(22,707)	11,972
Capital Expenditure	5,943,359	-	(834,342)	(834,342)	5,109,017
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	2,258,644	6,266	80,556	86,822	2,345,466
<i>Other Expenses</i>	826,285	-	(445,102)	(445,102)	381,183
<i>Capital Expenditure</i>	1,522,260	N/A	(928,178)	(928,178)	594,082
Total Appropriations	11,262,380	6,266	(2,273,952)	(2,267,686)	8,994,694
Crown Revenue and Capital Receipts					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	152,350	N/A	(87,462)	(87,462)	64,888
Capital Receipts	-	N/A	-	-	-
Total Crown Revenue and Capital Receipts	152,350	N/A	(87,462)	(87,462)	64,888

Part 3 - Details of Non-Departmental Appropriations

3.1 - Non-Departmental Output Expenses

Affordable Housing Fund (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Affordable Housing Fund (M37) (A22) This appropriation is limited to expenses incurred in increasing the provision of affordable housing, through supporting the development of new-build affordable housing for rent or home ownership. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	294,000
	Adjustments to 2022/23	(50,000)
	Adjustments for 2023/24	(10,000)
	Adjusted Appropriation	234,000
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	28,741
	Estimate for 2024/25	35,173
	Estimated Appropriation Remaining	170,086

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The number of homes contracted through the Affordable Rental Pathway (see Note 1)	200	(200)	Refer to the Upfront Payments MCA
The number of homes delivered through the Affordable Rental Pathway (see Note 1)	Baseline Year	(Baseline Year)	Refer to the Upfront Payments MCA

Note 1 - As the funding for this pathway is now in the Upfront Payments MCA, the performance measures now appear in this MCA (category Affordable Housing Fund - Prepayment of Grants).

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$10 million to \$234 million for 2023/24 due to a reduction in funding of \$10 million for the Budget 2024 initiative Return of Funding for the Affordable Housing Fund Innovation Pathway (return of savings to the Crown).

Authority for the Residential Property Management Regime (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Authority for the Residential Property Management Regime (M37) (A22) This appropriation is limited to the costs of the Real Estate Authority to establish its role as the Authority of the residential property management regime, and the Authority's initial operating costs of regulating the residential property management regime. Commences: 01 July 2023 Expires: 30 June 2027	Original Appropriation	7,510
	Adjustments to 2022/23	-
	Adjustments for 2023/24	-
	Adjusted Appropriation	7,510
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	762
	Estimate for 2024/25	1,074
Estimated Appropriation Remaining	5,674	

What is Intended to be Achieved with this Appropriation

This appropriation is intended to fund the costs of the Real Estate Authority to establish its role as the Authority of the residential property management regime, and the Authority's initial operating costs of regulating the residential property management regime.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The regulatory functions, systems and processes necessary to give effect to the legislation are established by the date(s) that relevant sections of legislation and regulations commence (see Note 1)	-	Achieved	Achieved
The regulatory functions, systems and processes are established in accordance with the requirements of the regulatory regime (see Note 1)	-	Achieved	Achieved

Note 1 - These measures were chosen as they adequately gauge progress on the establishment of the regime.

End of Year Performance Reporting

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

Service Providers

The Real Estate Authority is the sole service provider.

Reasons for Change in Appropriation

This multi-year appropriation increased by \$7.510 million to \$7.510 million for 2023/24 due to a fiscally neutral transfer of \$7.510 million from the Transitional Housing MCA (category Provision of Transitional Housing Places) for implementing the regime.

Buying off the Plans Programme (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Buying off the Plans Programme (M37) (A22) This appropriation is limited to the provision of dwellings for the Buying off the Plans programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	271,500
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(37,000)
	Adjusted Appropriation	234,500
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	28,982
	Estimate for 2024/25	28,430
	Estimated Appropriation Remaining	177,088

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the development of affordable homes, by underwriting the development of new-build affordable housing.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of Signed KiwiBuild Developers Agreements (see Note 1)	-	5	5
The percentage of completed underwritten KiwiBuild homes acquired by the Crown as part of the Buying Off the Plans Programme since the start of the programme (see Note 1)	-	< 25%	< 25%

Note 1 - As there was no allocation of funding to 2023/24 in the Estimates of Appropriations 2023/24, performance measures were not required to be reported in that document, even though measures are in place for this MYA as a whole.

End of Year Performance Reporting

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

Service Providers

The Housing Agency Account is the sole service provider; it is administered as an agency of the Crown by Kāinga Ora - Homes and Communities.

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$37 million to \$234.500 million for 2023/24 due to a fiscally neutral transfer of \$37 million to the Progressive Homes Ownership (PHO) Fund to address a PHO funding shortfall in Kāinga Ora - Homes and Communities First Home Partner Pathway.

He Kūkū ki te Kāinga - Increasing Māori Housing Supply (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
He Kūkū ki te Kāinga - Increasing Māori Housing Supply (M37) (A22) This appropriation is limited to increasing the housing supply provided by Māori service providers. Commences: 01 July 2022 Expires: 30 June 2025	Original Appropriation	190,550
	Adjustments to 2022/23	(47,048)
	Adjustments for 2023/24	(73,139)
	Adjusted Appropriation	70,363
	Actual to 2022/23 Year End	7,282
	Estimated Actual for 2023/24	52,081
	Estimate for 2024/25	11,000
	Estimated Appropriation Remaining	-

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of new housing places created for individuals/whānau (see Note 1)	76	(76)	Refer to the Upfront Payments MCA

Note 1 - As the majority of the funding for increasing Māori Housing Supply has been transferred to the Upfront Funds MCA, the performance measure now appears in this MCA (category He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds).

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$73.139 million to \$70.363 million for 2023/24 due to:

- a reduction in funding of \$66.139 million for the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses, and
- a reduction in funding of \$7 million for the Budget 2024 initiative Return of Funding for New Supply and Capability of Māori Housing (return of savings to the Crown).

Independent Review of Kāinga Ora - Homes and Communities (M37) (A22)

Scope of Appropriation

This appropriation is limited to conducting an independent review of Kāinga Ora - Homes and Communities (and any of its subsidiaries) and any immediate short term actions following the review.

Expenses

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	500	500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to fund the costs of an independent review of Kāinga Ora - Homes and Communities (and any of its subsidiaries) and any immediate short term actions following the review.

How Performance will be Assessed and End of Year Reporting Requirements

The appropriation is one from which resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and an exemption from end of year performance reporting was granted under s15D2(b)(iii) of the Public Finance Act 1989, as the amount of this appropriation is less than \$5 million.

Reasons for Change in Appropriation

This appropriation increased by \$500,000 to \$500,000 for 2023/24 due to a fiscally neutral transfer of \$500,000 from the Transitional Housing MCA (category Provision of Transitional Housing Places) to fund the review and any resulting immediate short term actions.

Infrastructure Investment to Progress Urban Development (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Infrastructure Investment to Progress Urban Development (M37) (A22) This appropriation is limited to investment into housing and infrastructure projects to enable urban development, regeneration and housing outcomes. Commences: 01 August 2020 Expires: 30 June 2024	Original Appropriation	271,670
	Adjustments to 2022/23	5,200
	Adjustments for 2023/24	(67,569)
	Adjusted Appropriation	209,301
	Actual to 2022/23 Year End	119,363
	Estimated Actual for 2023/24	89,938
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

How Performance will be Assessed and End of Year Reporting Requirements

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
The forecasted completion date of the housing infrastructure projects are at or before 30 June 2024 (see Note 1)	100%	(43%)	57%

Note 1 - All projects were originally planned to be completed by 30 June 2024, however four projects will not be delivered until after this date.

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$67.569 million to \$209.301 million for 2023/24 due to the transfer of funds of \$68.010 million from 2023/24 to 2024/25 (\$62.370 million) and 2025/26 (\$5.640 million) to a new MYA created for Infrastructure Investment to Progress Urban Development (effective from 1 July 2024 to 30 June 2029), as this appropriation expires on 30 June 2024.

This decrease was partially offset by a fiscally neutral increase of \$441,000 funded by third party revenue received for the reimbursement of project costs related to the Carrington site.

Kāinga Ora - Homes and Communities (M37) (A22)

Scope of Appropriation

This appropriation is limited to the delivery of services by Kāinga Ora - Homes and Communities that contribute to housing and urban development activity.

Reasons for Change in Appropriation

This appropriation decreased by \$11 million to \$82.392 million for 2023/24 due to a reduction in funding of \$20 million from the 2023 Rapid Savings exercise (decrease).

This decrease was partially offset by an expense transfer of \$9 million from 2022/23 to 2023/24 for Kāinga Ora to fund development projects (increase).

Local Innovations and Partnerships (M37) (A22)

Scope of Appropriation

This appropriation is limited to the delivery and evaluation of locally-driven initiatives to respond to and prevent homelessness.

Reasons for Change in Appropriation

This appropriation increased by \$660,000 to \$9.735 million for 2023/24 due to increases from:

- an expense transfer of \$2.563 million from 2022/23 to 2023/24 for local initiatives to respond to and to prevent homelessness, and
- additional funding of \$97,000 received for extending pay equity settlements for Social Workers in community and iwi organisations.

These increases were partially offset by a reduction in funding of \$2 million in 2023/24 for the Budget 2024 initiative Return of Funding for the Emergency Housing Review and Homelessness Action Plan (return of savings to the Crown).

Operating the Land for Housing Programme (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Operating the Land for Housing Programme (M37) (A22) This appropriation is limited to the holding costs incurred for land acquired and developed under the Land for Housing Programme. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	7,000
	Adjustments to 2022/23	11,746
	Adjustments for 2023/24	1,541
	Adjusted Appropriation	20,287
	Actual to 2022/23 Year End	3,906
	Estimated Actual for 2023/24	4,210
	Estimate for 2024/25	4,209
Estimated Appropriation Remaining	7,962	

Reasons for Change in Appropriation

This multi-year appropriation increased by \$1.541 million to \$20.287 million for 2023/24 due to a fiscally neutral adjustment of \$1.541 million funded by rental income received from incidental commercial buildings located at the Carrington site.

Progressing the Pipeline of Māori Housing 2022 - 2025 (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Progressing the Pipeline of Māori Housing 2022 - 2025 (M37) (A22) This appropriation is limited to interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing. Commences: 01 July 2022 Expires: 30 June 2025	Original Appropriation	24,000
	Adjustments to 2022/23	(19,791)
	Adjustments for 2023/24	29,946
	Adjusted Appropriation	34,155
	Actual to 2022/23 Year End	1,741
	Estimated Actual for 2023/24	25,647
	Estimate for 2024/25	6,767
	Estimated Appropriation Remaining	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to increase the capability and capacity of Māori housing providers to deliver targeted Māori housing solutions and contribute to homelessness prevention.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of capability buildings projects enabled (see Note 1)	-	15	15

Note 1 - This measure previously appeared in the Upfront Payments MCA (category Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds). However all expenditure in this Upfront Payments MCA category has now been reclassified as output expenditure, and therefore the measure has been moved to this appropriation.

End of Year Performance Reporting

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

Service Providers

Provider	2023/24			Expiry of Resourcing Commitment
	Estimates \$000	Supplementary Estimates \$000	Total \$000	
Māori Housing providers	-	25,647	25,647	Various

Reasons for Change in Appropriation

This multi-year appropriation increased by \$29.946 million to \$34.155 million for 2023/24 due to an increase in funding of \$32.946 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

This increase was partially offset by a reduction in funding of \$3 million for the Budget 2024 initiative Return of Funding for New Supply and Capability of Māori Housing (return of savings to the Crown).

Support Services to increase home ownership (M37) (A22)

Scope of Appropriation

This appropriation is limited to the delivery of support services for applicants to progressive home ownership schemes.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		Total Standard
	Estimates Standard	Supplementary Estimates Standard	
Number of households settled into home ownership will be at least (see Note 1)	345	(345)	Refer to the Progressive Home Ownership Fund MYA
Number of homes contracted (see Note 1)	665	(665)	Refer to the Progressive Home Ownership Fund MYA

Note 1 - This appropriation funds grants relating to the Progressive Home Ownership Fund. Refer to the Progressive Home Ownership Fund (PHO) MYA for standards relating to households settled into home ownership. In the Estimates of Appropriation 2023/24 the same measures appeared in both this appropriation and the PHO MYA, resulting in unnecessary duplication.

Reasons for Change in Appropriation

This appropriation increased by \$7.111 million to \$13.111 million for 2023/24 due to an expense transfer of \$7.111 million from 2022/23 to 2023/24 for the Progressive Home Ownership Pilot, to align funding with the anticipated timing of grant payments.

3.4 - Non-Departmental Other Expenses

Kāinga Ora Land Programme (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Kāinga Ora Land Programme (M37) (A22) This appropriation is limited to operating expenditure including write downs incurred in the facilitation, acquisition, and development of land and residential properties through Kāinga Ora. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	230,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(5,000)
	Adjusted Appropriation	225,000
	Actual to 2022/23 Year End	1,880
	Estimated Actual for 2023/24	9,183
	Estimate for 2024/25	9,840
	Estimated Appropriation Remaining	204,097

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$5 million to \$225 million for 2023/24 due to a fiscally neutral transfer of \$5 million to the Housing Acceleration Fund to fund a \$5 million shortfall in the Eastern Porirua large-scale project.

Land for Housing Operations (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Land for Housing Operations (M37) (A22) This appropriation is limited to operating expenditure incurred in the facilitation, acquisition, and development of land and residential properties, through the Land for Housing Programme. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	50,000
	Adjustments to 2022/23	15,000
	Adjustments for 2023/24	54,858
	Adjusted Appropriation	119,858
	Actual to 2022/23 Year End	57,358
	Estimated Actual for 2023/24	2,000
	Estimate for 2024/25	8,400
	Estimated Appropriation Remaining	52,100

Reasons for Change in Appropriation

This multi-year appropriation increased by \$54.858 million to \$119.858 million for 2023/24 due to a technical adjustment of \$54.858 million to increase funding in this appropriation, as a write down of inventory (non-cash technical transaction) was made against this appropriation in 2023/24 for a downward revaluation of inventory resulting from declining market values.

3.5 - Non-Departmental Capital Expenditure

Affordable Housing Fund - Capital Funding (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Affordable Housing Fund - Capital Funding (M37) (A22) This appropriation is limited to loans and recyclable funding mechanisms from the Affordable Housing Fund for up to ten years for supporting the development of new-build affordable housing for rent or home ownership. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	50,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	(50,000)
	Adjusted Appropriation	-
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	-
	Estimated Appropriation Remaining	-

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$50 million to \$nil for 2023/24 due to a reduction in funding of \$50 million for the Budget 2024 initiative Return of Funding for the Affordable Housing Fund Innovation Pathway (return of savings to the Crown).

Housing Infrastructure Fund Loans (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Housing Infrastructure Fund Loans (M37) (A22) This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development. Commences: 01 July 2023 Expires: 30 June 2028	Original Appropriation	215,301
	Adjustments to 2022/23	-
	Adjustments for 2023/24	99,428
	Adjusted Appropriation	314,729
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	106,448
	Estimate for 2024/25	114,043
	Estimated Appropriation Remaining	94,238

Reasons for Change in Appropriation

This multi-year appropriation increased by \$99.428 million to \$314.729 million for 2023/24 due to the transfer of funds of \$99.428 million from 2022/23 to 2023/24 to this new MYA from the previous Housing Infrastructure Fund Loans MYA which expired on 30 June 2023.

Kāinga Ora - Homes and Communities Private Debt Refinancing Facility (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Kāinga Ora - Homes and Communities Private Debt Refinancing Facility (M37) (A22) This appropriation is limited to loans to Kāinga Ora - Homes and Communities (and any of its subsidiaries) for the purpose of refinancing private debt. Commences: 01 October 2022 Expires: 30 June 2027	Original Appropriation	450,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	3,165,000
	Adjusted Appropriation	3,615,000
	Actual to 2022/23 Year End	450,000
	Estimated Actual for 2023/24	-
	Estimate for 2024/25	1,925,000
	Estimated Appropriation Remaining	1,240,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to enable Kāinga Ora - Homes and Communities (and any of its subsidiaries) to meet its refinancing commitments of bonds on issue.

Reasons for Change in Appropriation

This multi-year appropriation increased by \$3,165 million to \$3,615 million for 2023/24 due to funding received of \$3,165 million from the Budget 2024 initiative Kāinga Ora - Homes and Communities Private Debt Refinancing Facility.

Land purchase within the Housing Agency Account (M37) (A22)

Scope of Appropriation

This appropriation is limited to the purchase of land for State Housing purposes in accordance with the Housing Act 1955.

Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	40,000	40,000

What is Intended to be Achieved with this Appropriation

This appropriation is intended to fund the purchase of land for State Housing purposes in accordance with the Housing Act 1955.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
All unconditional KiwiBuild homes in Stage 1 are delivered by 30 June 2024 (see Note 1)	-	56	56

Note 1 - These measures reflect progress made in the purchasing of land.

End of Year Performance Reporting

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

Reasons for Change in Appropriation

This appropriation increased by \$40 million to \$40 million for 2023/24 due to funding received of \$40 million to purchase stage 3 land at The Neighbourhood (the Site) at Ormiston for up to \$40 million, to protect the interests of the 56 stage 1 KiwiBuild owners and to secure continued development on the site.

Progressive Home Ownership Fund (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Progressive Home Ownership Fund (M37) (A22) This appropriation is limited to addressing housing affordability issues by assisting access to home ownership through progressive home ownership schemes. Commences: 01 February 2020 Expires: 30 June 2024	Original Appropriation	400,000
	Adjustments to 2022/23	3,021
	Adjustments for 2023/24	(125,381)
	Adjusted Appropriation	277,640
	Actual to 2022/23 Year End	88,848
	Estimated Actual for 2023/24	188,792
	Estimate for 2024/25	-
Estimated Appropriation Remaining	-	

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$125.381 million to \$277.640 million for 2023/24 due to the transfer of \$162.381 million from 2023/24 to 2024/25 (\$96.003 million), 2025/26 (\$45.589 million) and 2026/27 (\$20.789 million) to a new MYA created for the Progressive Home Ownership Fund (effective from 1 July 2024 to 30 June 2029), as this appropriation expires on 30 June 2024.

This decrease was partially offset by a fiscally neutral transfer of \$37 million from the Buying off the Plans Programme to address a PHO funding shortfall in Kāinga Ora - Homes and Communities First Home Partner Pathway.

Tāmaki Regeneration Company Limited - Equity Injection (M37) (A22)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Tāmaki Regeneration Company Limited - Equity Injection (M37) (A22) This appropriation is limited to the provision of an equity injection to Tāmaki Regeneration Company Limited. Commences: 01 July 2023 Expires: 30 June 2027	Original Appropriation	870,000
	Adjustments to 2022/23	-
	Adjustments for 2023/24	1,900
	Adjusted Appropriation	871,900
	Actual to 2022/23 Year End	-
	Estimated Actual for 2023/24	62,000
	Estimate for 2024/25	98,000
	Estimated Appropriation Remaining	711,900

Reasons for Change in Appropriation

This multi-year appropriation increased by \$1.900 million to \$871.900 million for 2023/24 due to a fiscally neutral transfer of \$1.900 million from Vote Finance, as funding for equity injections to this company has transferred from Vote Finance to Vote Housing and Urban Development.

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

4 - Multi-Category Expenses and Capital Expenditure

Amortisation of Upfront Payments (M37) (A22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to recognise the amortisation of prepaid expenses associated with implementation of government housing policy.

Scope of Appropriation

Non-Departmental Other Expenses

Amortisation of Upfront Payments - Affordable Housing Fund

This category is limited to the amortisation of contribution prepayments associated with the Affordable Rental Pathway within the Affordable Housing Fund.

Amortisation of Upfront Payments - Community Housing Providers - Early Stage Operating Supplement

This category is limited to the amortisation of early stage operating funding provided to Community Housing Providers who provide Public Housing.

Amortisation of Upfront Payments - He Kūkū ki te Kāinga

This category is limited to the amortisation of prepayments of funding to increase the housing supply provided by Māori service providers.

Amortisation of Upfront Payments - Māori Infrastructure Fund

This category is limited to the amortisation of prepayments of contributions for Māori infrastructure projects to advance development-ready land.

Amortisation of Upfront Payments - Progressing the Pipeline of Māori Housing

This category is limited to the amortisation of prepayments of funding interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing.

Amortisation of Upfront Payments - Public Housing Upfront Capital Payments

This category is limited to the amortisation of upfront capital funding to Community Housing Providers who provide Public Housing.

Amortisation of Upfront Payments - Transitional Housing Providers

This category is limited to the amortisation of prepayments of upfront funding to Transitional Housing Providers who provide transitional housing.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	20,770	(4,551)	16,219
Non-Departmental Other Expenses			
Amortisation of Upfront Payments - Affordable Housing Fund	3,333	-	3,333
Amortisation of Upfront Payments - Community Housing Providers - Early Stage Operating Supplement	1,221	-	1,221
Amortisation of Upfront Payments - He Kūkū ki te Kāinga	3,144	3,869	7,013
Amortisation of Upfront Payments - Māori Infrastructure Fund	6,087	(5,956)	131
Amortisation of Upfront Payments - Progressing the Pipeline of Māori Housing	2,464	(2,464)	-
Amortisation of Upfront Payments - Public Housing Upfront Capital Payments	4,120	-	4,120
Amortisation of Upfront Payments - Transitional Housing Providers	401	-	401

Reasons for Change in Appropriation

This appropriation decreased by \$4.551 million to \$16.219 million for 2023/24 due to:

Amortisation of Upfront Payments - He Kūkū ki te Kāinga

- an increase in funding from an expense transfer of \$8.355 million from 2022/23 to 2023/24 for the expected timing of the amortisation of upfront payments made for Māori Housing supply projects.

This increase was partially offset by a reduction in funding of \$4.486 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

Amortisation of Upfront Payments - Māori Infrastructure Fund

- a reduction in funding of \$10.233 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

This decrease was partially offset by an increase from an expense transfer of \$4.277 million from 2022/23 to 2023/24 for the expected timing of the amortisation of upfront payments made for Māori Housing supply projects.

Amortisation of Upfront Payments - Progressing the Pipeline of Māori Housing

- a reduction in funding of \$10.720 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

This decrease was partially offset by an increase from an expense transfer of \$8.256 million from 2022/23 to 2023/24 for the expected timing of the amortisation of upfront payments made for Māori Housing capability projects.

Community Group Housing (M37) (A22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to purchase housing services from Kāinga Ora 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 Kāinga Ora to pay the difference between the contracted rent with each Community Group Housing provider and market rent for the leased properties.

Non-Departmental Other Expenses

Community Housing Rent Relief

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

Non-Departmental Capital Expenditure

Acquisition and Improvement of Community Group Housing Properties

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

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	23,795	7,100	30,895
Non-Departmental Output Expenses			
Community Group Housing Market Rent Top-Up	13,891	7,100	20,991
Non-Departmental Other Expenses			
Community Housing Rent Relief	4,104	-	4,104
Non-Departmental Capital Expenditure			
Acquisition and Improvement of Community Group Housing Properties	5,800	-	5,800

Reasons for Change in Appropriation

This appropriation increased by \$7.100 million to \$30.895 million for 2023/24 due to additional funding in the Community Group Housing Market Rent Top Up category of \$7.100 million drawn down from the Homelessness package: Increasing the supply of public and transitional housing - tagged operating contingency. This was used to fund ongoing cost pressures and to ensure continuity of current programmes associated with the Aotearoa Homelessness Action Plan (HAP) initiatives and the provision of other public and transitional housing.

Housing Acceleration Fund (M37) (A22)

Scope of Appropriation, Expenses and Capital Expenditure

Title, Overarching Purpose and Period of Appropriations and Type and Scope of Categories	Appropriations, Adjustments and Use	\$000	
Housing Acceleration Fund (M37) (A22) The single overarching purpose of this appropriation is to achieve the outcome of advancing housing supply through the provision of infrastructure investment. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	3,729,000	
	Adjustments to 2022/23	(69,169)	
	Adjustments for 2023/24	(579,423)	
	Adjusted Appropriation	3,080,408	
	Actual to 2022/23 Year End	262,184	
	Estimated Actual for 2023/24	215,429	
	Estimate for 2024/25	979,574	
	Estimated Appropriation Remaining	1,623,221	
	<i>Non-Departmental Capital Expenditure</i>		
	<i>Investment in Crown-owned Entities to Advance Development-Ready Land</i> This category is limited to investments in Crown-owned entities to increase the amount of development-ready land.	Original Amount	1,682,000
Adjustments to 2022/23		223,281	
Adjustments for 2023/24		(235,000)	
Adjusted Amount		1,670,281	
Actual to 2022/23 Year End		210,840	
Estimated Actual for 2023/24		104,100	
Estimate for 2024/25		649,000	
Estimated Amount Remaining		706,341	
<i>Non-Departmental Other Expenses</i>			
<i>Investment in Infrastructure to Advance Development-Ready Land</i> This category is limited to contributions for infrastructure projects to advance development-ready land.	Original Amount	2,047,000	
	Adjustments to 2022/23	(292,450)	
	Adjustments for 2023/24	(344,423)	
	Adjusted Amount	1,410,127	
	Actual to 2022/23 Year End	51,344	
	Estimated Actual for 2023/24	111,329	
	Estimate for 2024/25	330,574	
	Estimated Amount Remaining	916,880	

How Performance will be Assessed for this Appropriation

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The total number of houses enabled	750	30	780

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

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Non-Departmental Other Expenses			
Investment in Infrastructure to Advance Development-Ready Land			
The total number of houses enabled through the competitive component of the Infrastructure Acceleration Fund (see Note 1)	-	-	Measure deleted
The total number of houses to be enabled on land where an infrastructure agreement has been signed (see Note 1)	-	-	Measure deleted
Number of dwellings enabled as a result of the Infrastructure Acceleration Fund (see Note 1)	0	30	30

Note 1 - Two performance indicators have been removed and replaced with the number of dwellings enabled as a result of the Infrastructure Acceleration Fund, to reflect the move from signing funding agreements with local authorities to the local authorities delivering infrastructure projects and actually enabling homes as a result. The definition of a house or dwelling being "enabled" through the Infrastructure Acceleration Fund (IAF) is: the point in time in which all of the IAF funded and all other non-IAF funded enabling infrastructure projects (if any) required for the development (or stage of the development) are complete.

Reasons for Change in Appropriation

This multi-year appropriation decreased by \$579.423 million to \$3,080.408 million for 2023/24 due to:

Investment in Infrastructure to Advance Development-Ready Land

A reduction in funding for the following:

- \$120 million from the 2024 Budget Initiative Return of Funding for Kāinga Ora led Large-Scale Projects (return of savings to the Crown)
- \$94 million from the 2023 Rapid Savings exercise
- \$80 million from the 2024 Budget Initiative Return of Funding for Large Scale Projects (return of savings to the Crown), and
- \$55.423 million from the 2024 Budget Initiative Accounting for Upfront Payments and Amortisation Expenses.

These decreases were partially offset by an increase in funding from a fiscally neutral transfer of \$5 million from the Kāinga Ora Land Programme to fund a \$5 million shortfall in the Eastern Porirua large-scale project.

Investment in Crown-owned Entities to Advance Development-Ready Land

A reduction in funding of \$235 million from the 2024 Budget Initiative Return of Funding for Large Scale Projects (return of savings to the Crown).

Housing Programme Fair Value Impairment Loss and Inventory Disposal (M37) (A22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to recognise the non-cash expenses associated with implementation of government housing policy.

Scope of Appropriation

Non-Departmental Other Expenses

Fair Value Impairment Loss - Affordable Housing Fund

This category is limited to the expense incurred in the fair-value impairment loss and any consequent write off arising from loans from the Affordable Housing Fund.

Fair Value Impairment Loss - Housing Infrastructure Fund

This category is limited to the expense incurred in the fair value impairment loss arising from interest-free loans from the Housing Infrastructure Fund to Territorial Local Authorities.

Fair Value Impairment Loss - Progressive Home Ownership Loans

This category is limited to the expense incurred in the fair value impairment loss arising from interest-free loans to suppliers of Progressive Home Ownership schemes.

Sale of Developments Underwritten - Costs

This category is limited to the expenses incurred as part of the sale of underwritten developments incurred under the Supporting Stalled and At-Risk Developments Scheme.

Sale of Land and Dwellings - Costs

This category is limited to the expenses incurred as part of the sale of land and dwellings.

Non-Departmental Capital Expenditure

Land for Housing - Deferred Settlements

This category is limited to deferred settlement agreements associated with land sales.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	639,284	(251,539)	387,745
Non-Departmental Other Expenses			
Fair Value Impairment Loss - Affordable Housing Fund	14,000	-	14,000
Fair Value Impairment Loss - Housing Infrastructure Fund	9,063	-	9,063
Fair Value Impairment Loss - Progressive Home Ownership Loans	155,961	22,801	178,762
Sale of Developments Underwritten - Costs	45,200	(29,842)	15,358
Sale of Land and Dwellings - Costs	325,450	(293,102)	32,348
Non-Departmental Capital Expenditure			
Land for Housing - Deferred Settlements	89,610	48,604	138,214

Reasons for Change in Appropriation

This appropriation decreased by \$251.539 million to \$387.745 million for 2023/24 due to:

Fair Value Impairment Loss - Progressive Home Ownership Loans

- a transfer of \$22.801 million was made from 2022/23 to 2023/24 to cover anticipated impairments triggered by the timing of signing new interest-free loans (increase).

Sale of Developments Underwritten - Costs

- expenditure has been reduced by \$67.740 million to align expenditure with expected revenue.

This decrease was partially offset by an increase from a transfer of \$37.898 million from 2022/23 to 2023/24 to reflect an update to the forecast driven by the anticipated timing of sales for underwritten properties under the KiwiBuild scheme; expense transfers are required to align expenditure with the timing of these sales.

Sale of Land and Dwellings - Costs

A reduction in funding from the following:

- \$283.102 million to align expenditure to expected revenue, and
- \$10 million from the 2023 Rapid Savings exercise.

Land for Housing - Deferred Settlements

- a transfer of \$48.604 million was made from 2022/23 to 2023/24 to reflect an update to the forecast to align the authority to lend with the anticipated sales where developers under the Land for Housing Scheme will exercise their contractual right to take up deferred settlement options (increase).

Managing the Housing and Urban Development Portfolio (M37) (A22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to improve the functioning of the housing sector by providing good quality advice to Ministers and effective departmental operations.

Scope of Appropriation

Departmental Output Expenses

Facilitating the Purchase and redevelopment of land for housing purposes

This category is limited to the activities associated with the facilitation of the purchase and redevelopment of land for housing purposes.

Management of Housing Provision and Services

This category is limited to managing and regulating housing and housing support providers (including Kāinga Ora) through negotiating, managing and paying contracts.

Policy Advice and Ministerial Servicing

This category is limited to advice to support decision making by Ministers on government policy matters relating to housing and urban development, and Ministerial servicing and performance monitoring.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	73,163	6,266	79,429
Departmental Output Expenses			
Facilitating the Purchase and redevelopment of land for housing purposes	6,745	-	6,745
Management of Housing Provision and Services	26,526	893	27,419
Policy Advice and Ministerial Servicing	39,892	5,373	45,265
Funding for Departmental Output Expenses			
Revenue from the Crown	72,863	5,632	78,495
Facilitating the Purchase and redevelopment of land for housing purposes	6,720	-	6,720
Management of Housing Provision and Services	26,436	893	27,329
Policy Advice and Ministerial Servicing	39,707	4,739	44,446
Revenue from Others	300	634	934
Facilitating the Purchase and redevelopment of land for housing purposes	25	-	25
Management of Housing Provision and Services	90	-	90
Policy Advice and Ministerial Servicing	185	634	819

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

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Departmental Output Expenses			
Management of Housing Provision and Services			
Percentage of payments to contracted housing and support providers processed within 10 working days (see Note 1)	100%	(5%)	95%
Policy Advice and Ministerial Servicing			
Departmental Official Information Act 1982 requests	New Measure	95% or above	95% or above

Note 1 - The target has been reset to recognise that each year there are limited circumstances where it is not possible to process payments within 10 working days.

Reasons for Change in Appropriation

This appropriation increased by \$6.266 million to \$79.429 million for 2023/24 due to:

Management of Housing Provision and Services

- an expense transfer of \$893,000 from 2022/23 to 2023/24 for implementing the reset and redesign of the Emergency Housing system (increase).

Policy Advice and Ministerial Servicing

Increases in funding from the following:

- additional funding of \$2.200 million drawn down from the Waitangi Tribunal Housing Policy and Services Kaupapa Inquiry -tagged operating contingency to fund the Ministry's continuation to lead the inquiry for the 2023/24 financial year
- an expense transfer of \$1.200 million from 2022/23 to 2023/24 for managing the Whai Kāinga Whai Oranga initiative
- an expense transfer of \$900,000 from 2022/23 to 2023/24 for implementing the reset and redesign of the Emergency Housing system
- an expense transfer of \$439,000 from 2022/23 to 2023/24 for the WAI2750 inquiry
- a fiscally neutral increase of \$260,000 funded by third party revenue received from the secondment of Ministry staff
- a fiscally neutral increase of \$198,000 funded by revenue received from the Department of Internal Affairs for the Youth Housing Access project
- a fiscally neutral increase of \$101,000 funded by third party revenue received from Western Bay of Plenty District Council as a contribution towards the Eastern Centre development, and
- a fiscally neutral increase of \$75,000 funded by third party revenue received from Te Puni Kōkiri for the Whai Kāinga Whai Oranga evaluation.

Public Housing (M37) (A22)

Overarching Purpose Statement

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

Scope of Appropriation

Non-Departmental Output Expenses

Purchase of Public Housing Provision

This category is limited to purchasing the provision of public housing and related services from public housing providers.

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

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

Services Related to the Provision of Public Housing

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

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	1,761,163	3,182	1,764,345
Non-Departmental Output Expenses			
Purchase of Public Housing Provision	1,659,829	326	1,660,155
Services for People in Need of or at risk of Needing Public Housing	101,034	2,856	103,890
Services Related to the Provision of Public Housing	300	-	300

Reasons for Change in Appropriation

This appropriation increased by \$3.182 million to \$1,764.345 million for 2023/24 due to:

Purchase of Public Housing Provision

- an increase in funding of \$344,000 received for the Emergency Housing system Reset and Redesign programme.

This increase was partially offset by a decrease in funding of \$18,000 from changing Main Benefit Indexation to CPI rather than Wages from 1 April 2024 from Fiscal Management: Mini Budget, Budget 2024 and the Fiscal Sustainability Programme.

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

Increases in funding from:

- an expense transfer of \$4 million from 2022/23 to 2023/24 for various public housing service providers, predominantly Sustaining Tenancies
- additional funding of \$2.500 million drawn down from the Homelessness package: Increasing the supply of public and transitional housing - tagged operating contingency to fund ongoing cost pressures and ensure continuity of current programmes associated with the Aotearoa Homelessness Action Plan (HAP) initiatives and the provision of other public and transitional housing
- an expense transfer of \$2.470 million from 2022/23 to 2023/24 for local initiatives to respond to and to prevent homelessness
- additional funding of \$1.021 million received for the Emergency Housing system Reset and Redesign programme
- an expense transfer of \$1 million from 2022/23 to 2023/24 for single site supported housing, and
- an increase in funding of \$5,000 received for extending pay equity settlements for Social Workers in community and iwi organisations.

These increases were partially offset by a decrease in funding from a fiscally neutral transfer of \$8.140 million to the Transitional Housing MCA, to align funding to where the actual costs are being allocated for supported accommodation for high needs rangatahi.

Transitional Housing (M37) (A22)

Overarching Purpose Statement

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

Scope of Appropriation

Non-Departmental Output Expenses

Provision of Transitional Housing Places

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

Transitional Housing Services

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

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	410,427	70,274	480,701
Non-Departmental Output Expenses			
Provision of Transitional Housing Places	208,620	21,333	229,953
Transitional Housing Services	201,807	48,941	250,748

Reasons for Change in Appropriation

This appropriation increased by \$70.274 million to \$480.701 million for 2023/24 due to:

Provision of Transitional Housing Places

Increases in funding from:

- an expense transfer of \$20 million from 2022/23 to 2023/24 towards the delivery of 500 additional transitional housing places
- an expense transfer of \$7.810 million from 2022/23 to 2023/24 to fund the implementation of the residential property managers regulatory regime
- additional funding of \$1.261 million received for the Emergency Housing system reset and redesign programme, and
- an expense transfer of \$572,000 from 2022/23 to 2023/24 for local initiatives to respond to and to prevent homelessness.

These increases were partially offset by decreases in funding from:

- a fiscally neutral transfer of \$7.810 million to the Authority for the Residential Property Management Regime MYA and to Vote Courts to fund the implementation of the residential property managers regulatory regime, and
- a fiscally transfer of \$500,000 to the Independent Review of Kāinga Ora - Homes and Communities appropriation to fund the costs of an independent review of Kāinga Ora - Homes and Communities (and any of its subsidiaries) and any immediate short-term actions following the review.

Transitional Housing Services

Increases in funding from:

- an expense transfer of \$20 million from 2022/23 to 2023/24 towards the delivery of 500 additional transition housing places
- an increase in funding of \$19.764 million received for the Emergency Housing system reset and redesign programme
- a fiscally neutral transfer of \$8.140 million from the Public Housing MCA, to align funding to where the actual costs are being allocated regarding supported accommodation for high needs rangatahi
- an expense transfer of \$1.010 million from 2022/23 to 2023/24 for increased costs faced by the Contract Management Team when contract management and ongoing support functions transferred from the Ministry of Social Development, and
- additional funding of \$27,000 received for extending pay equity settlements for Social Workers in community and iwi organisations.

Upfront Payments (M37) (A22)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to record the prepayment of expenses associated with implementation of government housing policy.

Scope of Appropriation

Non-Departmental Capital Expenditure

Affordable Housing Fund - Prepayment of Grants

This category is limited to the prepayments of contributions to providers of affordable rentals within the Affordable Housing Fund.

Community Housing Providers - Early Stage Operating Supplement

This category is limited to early-stage operating funding to Community Housing Providers who provide Public Housing.

He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds

This category is limited to the prepayment of funding to increase the housing supply provided by Māori service providers.

Māori Infrastructure Projects - Prepayment of Upfront Funds

This category is limited to the prepayment of contributions for Māori infrastructure projects to advance development-ready land.

Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds

This category is limited to the prepayment of funding interventions that develop Māori housing capability across the Māori housing continuum, and reduce technical and cost barriers to increasing the supply of Māori housing.

Progressive Home Ownership - Prepayment of Grants

This category is limited to prepayment of grants associated with Progressive Home Ownership loans.

Transitional Housing Providers - Prepayment of Upfront Funds

This category is limited to the prepayment of upfront funding to Transitional Housing Providers who provide transitional housing.

Expenses, Revenue and Capital Expenditure

	2023/24		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	326,850	19,118	345,968
Non-Departmental Capital Expenditure			
Affordable Housing Fund - Prepayment of Grants	50,000	50,000	100,000
Community Housing Providers - Early Stage Operating Supplement	25,836	10,557	36,393
He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds	189,826	(25,197)	164,629
Māori Infrastructure Projects - Prepayment of Upfront Funds	49,365	(14,423)	34,942
Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds	11,823	(11,823)	-
Progressive Home Ownership - Prepayment of Grants	-	1,983	1,983
Transitional Housing Providers - Prepayment of Upfront Funds	-	8,021	8,021

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

	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Non-Departmental Capital Expenditure			
He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds			
Number of new housing places created for individuals/whānau (see Notes 1 and 3)	550	(400)	150
Number of cabins delivered as part of the 2023 North Island Weather Events response (see Notes 2 and 3)	-	400	400

Assessment of Performance	2023/24		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds			
Number of capability buildings projects enabled (see Note 4)	15	(15)	Refer to output expense appropriation
Percentage of funded contracts that meet agreed deliverables (see Note 5)	90%	(90%)	Measure deleted

Note 1 - The measure was split out into two measures between the current measure and a new measure for cabins delivered as part of the 2023 North Island Weather Events response.

Note 2 - A new measure has been created for the number of cabins delivered in response to the North Island Weather Events of 2023, as funding was specifically received for this event. Funding is for 2023/24 only and all cabins will be delivered by 30 June 2024.

Note 3 - The total number of new housing places created for individuals/whānau under both this MYA and the Upfront Funds MCA totalled 626 in the Estimates of Appropriations 2023/24. The correct total is 550 places.

Note 4 - This measure now appears in the Progressing the Pipeline of Māori Housing 2022 - 2025 output expense appropriation (MYA), as all expenditure in this Upfront Payments MCA category has now been reclassified as output expenditure. Therefore the measure has been moved to the output expense appropriation.

Note 5 - This measure was deleted as it is not meaningful and does not provide an accurate view of underlying delivery.

Reasons for Change in Appropriation

This appropriation increased by \$19.118 million to \$345.968 million for 2023/24 due to:

Affordable Housing Fund - Prepayment of Grants

- an expense transfer of \$49.601 million from 2022/23 to 2023/24 to align funding for the timing of milestone payments made to providers under the Affordable rental pathways scheme (increase), and
- a fiscally neutral transfer of \$399,000 from the Māori Infrastructure Projects - prepayment of upfront funds category, to ensure each programme has the correct amount of funding in 2023/24 (increase).

Community Housing Providers - Early Stage Operating Supplement

Increases in funding from:

- an expense transfer of \$9.108 million from 2022/23 to 2023/24 to align funding with the timing of upfront development payments to community housing providers, and
- a fiscally neutral transfer of \$1.449 million from the Ministry of Pacific Peoples to enable a Community Housing Provider to purchase a complex that will be used for public housing purposes.

He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds

- a reduction in funding of \$34.167 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expense.

This decrease was partially offset by a fiscally neutral transfer of \$8.970 million from the Māori Infrastructure Projects - prepayment of upfront funds category, to ensure each programme has the correct amount of funding in 2023/24 (increase).

Māori Infrastructure Projects - Prepayment of Upfront Funds

- a fiscally neutral transfer of \$14.220 million to the Affordable Housing Fund - Prepayment of Grants, He Kūkū ki te Kāinga - Increasing Māori Housing Supply - prepayment of upfront funds and Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds categories, to ensure each programme has the correct amount of funding in 2023/24) (decrease), and
- a reduction in funding of \$203,000 from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

Progressing the Pipeline of Māori Housing - Prepayment of Upfront Funds

- a reduction in funding of \$16.674 million from the Budget 2024 initiative Accounting for Upfront Payments and Amortisation Expenses.

This was partially offset by a fiscally neutral transfer of \$4.851 million from the Māori Infrastructure Projects - prepayment of upfront funds category, to ensure each programme has the correct amount of funding in 2023/24 (increase).

Progressive Home Ownership - Prepayment of Grants

- an expense transfer from 2022/23 to 2023/24 of \$1.983 million for the expected timing of payments under the Progressive Home Ownership (PHO) scheme (increase).

Transitional Housing Providers - Prepayment of Upfront Funds

- an expense transfer from 2022/23 to 2023/24 of \$8.021 million for the payment of funds to a marae to support the development of buildings within the marae (increase).