

The Treasury

Budget 2021 Information Release

August 2021

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Cabinet Document Details

Title: **Cabinet Minute: CAB-21-MIN-0116.27: 2021 Budget Package: Vote Social Development**

Date: **19 April 2021**

Creator: Cabinet Office

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- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
- [33] 9(2)(f)(iv) - to maintain the current constitutional conventions protecting the confidentiality of advice tendered by ministers and officials
- [34] 9(2)(g)(i) - to maintain the effective conduct of public affairs through the free and frank expression of opinions
- [37] 9(2)(i) - to enable the Crown to carry out commercial activities without disadvantage or prejudice
- [38] 9(2)(j) - to enable the Crown to negotiate without disadvantage or prejudice
- [39] 9(2)(k) - to prevent the disclosure of official information for improper gain or improper advantage

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Cabinet

Minute of Decision

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2021 Budget Package: Vote Social Development

On 12 April 2021, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2021 Budget package, as listed in the summary below and detailed in the attached initiative documents:

Summary of initiatives included in the attached initiative documents:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)					Outyears
		2020/21	2021/22	2022/23	2023/24	2024/25	
13235	Additional Ministry of Social Development Housing Staff Required to Meet the Emergency Housing Demand of Those in Need	-	3.130	3.130	3.130	-	-
13233	Additional Ministry of Social Development Staff to Respond to New Zealanders' Income, Housing and Employment Needs	-	30.325	55.761	-	-	-
13228	Continuation of Kāinga Whānau Ora to Support Whānau to Maintain and Grow Resilience	-	2.250	-	-	-	-
13227	Continued Funding for KickStart Breakfasts for School Children to Support Families in Need	-	1.266	1.266	1.266	1.266	-
13238	Continued Investment to Address At-Risk Ministry of Social Development Service Delivery Systems	-	3.723	5.575	4.575	4.575	4.575
13237	Continuing the Investment in the Ministry of Social Development's Financial Management and Payroll System Replacements	-	2.748	17.372	13.187	12.537	12.537
13495	Enabling the Ministry of Social Development to Investigate and Respond to Alleged Non-Registered Social Worker Offending	-	-	-	-	-	-

Initiative ID	Initiative Name	\$m - increase/(decrease)					Outyears
		2020/21	2021/22	2022/23	2023/24	2024/25	
13236	Enabling the Separation of the Ministry of Social Development and Oranga Tamariki Corporate Services Functions	-	8.421	8.421	7.472	7.472	7.472
13241	Growing Disability and Accessibility Leadership and Advice for Disabled People	-	1.065	1.701	1.499	1.499	1.499
13247	Implementation of the Better Later Life Strategy for Seniors	-	0.494	0.490	0.490	0.490	0.490
13401	Implementing a Court of Appeal Decision on Means Assessment for Long-term Aged Residential Care	5.000	15.000	-	-	-	-
13243	Improving Childcare Assistance for Low and Middle-income Families	-	1.298	2.099	3.812	6.089	6.089
13520	Improving Financial Assistance for Caregivers	-	4.151	16.277	17.130	17.979	17.979
13242	Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability	-	31.431	18.460	17.420	17.689	17.689
13229	Increasing Places Available within Out of School Care and Recreation Service (OSCAR) Providers for Low-income Families	-	2.250	2.250	2.250	2.250	2.250
13231	Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders	-	11.201	15.341	15.341	15.341	15.341
13234	Meeting Demand for the Ministry of Social Development's Employment Services to Support People into or in Employment	-	22.734	76.814	-	-	-
13239	Paying a Living Wage Rate to Security Guards Working at the Ministry of Social Development	-	0.909	0.748	0.643	0.617	0.617
13484	Preventing Family Violence and Sexual Violence: Extending Early Wrap-around Support to Help People Stop Using Violence	-	2.598	3.207	3.207	3.207	3.207
13240	Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	-	34.552	38.137	38.232	16.124	-
13230	Remuneration Increases for Ministry of Social Development Staff as a Result of Collective Bargaining	-	28.161	57.341	57.341	57.341	57.341
13232	Supporting and Strengthening Site Safety and Security at the Ministry of Social Development	-	12.599	10.650	9.364	8.343	8.343
13268	Supporting the Children's Commissioner to Make Changes Associated with the Independent Children's Monitor	-	1.200	-	-	-	-

Initiative ID	Initiative Name	\$m - increase/(decrease)					Outyears
		2020/21	2021/22	2022/23	2023/24	2024/25	
13554	Transfer of Funding for the Training Incentive Allowance up to Level 3 on the New Zealand Qualifications Framework	-	-	-	-	-	-
13226	Working in Partnership with KidsCan to Support Families in Need	-	0.350	0.350	0.350	0.350	-
Total Operating		5.000	221.856	335.390	196.709	173.169	155.429

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase / (decrease)						Outyears
		2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
13238	Continued Investment to Address At-Risk Ministry of Social Development Service Delivery Systems	-	12.500	-	-	-	-	-
13237	Continuing the Investment in the Ministry of Social Development's Financial Management and Payroll System Replacements	-	34.836	-	-	-	-	-
13240	Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework	-	20.236	10.288	4.391	1.596	0.200	-
13372	Remedial Action for the New Zealand Artificial Limb Service's Christchurch and Auckland Centres	-	5.000	-	-	-	-	-
Total Capital		-	72.572	10.288	4.391	1.596	0.200	-

- 2 **agreed** to establish new appropriations where required to implement these initiatives, as described in the attached initiative documents;
- 3 **approved** changes to appropriations and capital injections to the administering department to implement the initiatives, as set out in the attached initiative documents;
- 4 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;

- 5 **agreed** that the proposed changes to appropriations and capital injections for 2020/21 above be included in the 2020/21 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 6 **authorised** the Minister of Finance and the Appropriation Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2020/21 Supplementary Estimates, the 2021/22 Estimates and the fiscal forecasts;
- 7 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a Budget-in-confidence-until-Budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 8 **noted** that all communications relating to the 2021 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

Michael Webster
Secretary of the Cabinet

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Additional Ministry of Social Development Housing Staff Required to Meet the Emergency Housing Demand of Those in Need

Description: This initiative sustains the additional staff required to continue meeting demand for the Ministry of Social Development's (MSD) housing support services with a focus on those eligible for emergency housing. This will enable MSD to make sure people have access to emergency housing. It also supports MSD to help these clients find more sustainable housing and access broader support.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	3.130	3.130	3.130	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	3.130	3.130	3.130	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Services to Support People to Access Accommodation (funded by revenue Crown)	-	3.130	3.130	3.130	-
Total Operating	-	3.130	3.130	3.130	-

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Additional Ministry of Social Development Staff to Respond to New Zealanders' Income, Housing and Employment Needs

Description: This initiative sustains the additional Ministry of Social Development (MSD) staff required to meet the increase in demand for MSD's services brought on by COVID-19. Funding additional staff ensures MSD has the capacity to continue to respond to people's income, housing and employment needs.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	30.325	55.761	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	30.325	55.761	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	21.227	39.033	-	-
Improving Employment Outcomes (funded by revenue Crown)	-	9.098	16.728	-	-
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	30.325	55.761	-	-
Total Operating	-	30.325	55.761	-	-

Additional recommendation

9 **agreed** that this initiative be charged against the COVID-19 Response and Recovery Fund established at Budget 2020;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Continuation of Kāinga Whānau Ora to Support Whānau to Maintain and Grow Resilience

Description: This initiative extends the Kāinga Whānau Ora programme for a further year. The initiative will continue to provide access for existing whānau and for an additional 60 to 75 whānau to: structurally safe, warm, dry homes; pathways to education, training and employment; and support to live in safe, violence-free relationships.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	2.250	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.250	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Non-Departmental Output Expense:</i>					
Expansion of Kāinga Whānau Ora pilot	-	2.250	-	-	-
Total Operating	-	2.250	-	-	-

Additional recommendation

[33]

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Continued Funding for KickStart Breakfasts for School Children to Support Families in Need

Description: This initiative provides for the Government’s contribution to the KickStart breakfast programme to continue to support up to 36,000 school children with five nutritious breakfast meals each week. This will help take pressure off financially strained families, including Māori and Pacific families in need.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25
Operating Balance Impact	-	1.266	1.266	1.266	1.266
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.266	1.266	1.266	1.266

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Non-Departmental Output Expense:</i>					
Improving Children’s Participation in Education	-	1.266	1.266	1.266	1.266
Total Operating	-	1.266	1.266	1.266	1.266

Additional recommendations

11 [33]

[33]

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Continued Investment to Address At-Risk Ministry of Social Development Service Delivery Systems

Description: This initiative continues the rebuild of the Ministry of Social Development's critical income support and employment technology systems, thereby reducing operational risk.

The investment will enable more seamless service provision by removing high-priority technology obstacles that are impeding the improvement of client and staff experience.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	3.723	5.575	4.575	4.575
Debt Impact	-	12.500	-	-	-
No Impact	-	-	-	-	-
Total	-	16.223	5.575	4.575	4.575

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injections:					
Ministry of Social Development - Capital Injection	-	12.500	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	1.786	2.675	2.195	2.195
Improving Employment Outcomes (funded by revenue Crown)	-	1.937	2.900	2.380	2.380
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	3.723	5.575	4.575	4.575
Total Operating	-	3.723	5.575	4.575	4.575
Total Capital	-	12.500	-	-	-

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Continuing the Investment in the Ministry of Social Development's Financial Management and Payroll System Replacements

Description: This initiative continues the replacement of the Ministry of Social Development's (MSD) financial management and payroll systems, thereby reducing operational risk.

This investment is a step towards enabling the future transformation of MSD services. This will deliver modern, fit-for-purpose financial management and payroll systems. These systems will be flexible and reliable, and deliver timely, accessible and useful information.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	2.748	17.372	13.187	12.537
Debt Impact	-	34.836	-	-	-
No Impact	-	-	-	-	-
Total	-	37.584	17.372	13.187	12.537

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Capital Injections:					
Ministry of Social Development - Capital Injection	-	34.836	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Administering Income Support (funded by revenue Crown)	-	2.748	17.372	13.187	12.537
Total Operating	-	2.748	17.372	13.187	12.537
Total Capital	-	34.836	-	-	-

Additional recommendations

- 13 **authorised** the Minister of Finance, Minister for Social Development and Employment and Minister for the Digital Economy and Communications to approve the final Implementation Business Case which will be associated with this initiative;

- 14 **noted** that related funding, for the implementation of new Financial Management and Payroll technology systems and costs arising from the shared service separation for the Ministry of Social Development and Oranga Tamariki, has also been provided through each of Vote Social Development (Initiatives 13237 and 13236), and Vote Oranga Tamariki (Initiatives 13071 and 13498);
- 15 **noted** that this funding is to cover one year of project activity and associated operating expenses, [33]

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Enabling the Ministry of Social Development to Investigate and Respond to Alleged Non-Registered Social Worker Offending

Description: This initiative enables the Ministry of Social Development to investigate and respond to alleged offending by non-registered social workers. This function will enhance the professionalism of the social worker workforce, assist in reducing the risk of poor social work practice and deliver on responsibilities under the Social Workers Registration Act 2003.

New appropriation approval

Name	Period	Type	Scope
Investigating and Responding to Alleged Social Work Offending	Annual	Departmental Output Expenses	This appropriation is limited to services to investigate and respond to alleged offending under the Social Workers Registration Act 2003.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Investigating and Responding to Alleged Social Work Offending (funded by revenue Crown)	-	0.500	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Administering Income Support (funded by revenue Crown)	-	(0.500)	-	-	-
Total Operating	-	-	-	-	-

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Enabling the Separation of the Ministry of Social Development and Oranga Tamariki Corporate Services Functions

Description: This initiative provides funding to address fixed costs that will remain for the Ministry of Social Development (MSD) once it ceases to provide corporate services to Oranga Tamariki. It also invests in Oranga Tamariki to progressively maintain and replace some of its smaller legacy technology systems.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	8.421	8.421	7.472	7.472
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	8.421	8.421	7.472	7.472

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.208	0.208	0.185	0.185
Income Support and Assistance to Seniors (funded by revenue Crown)	-	0.400	0.400	0.355	0.355
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (funded by revenue Crown)	-	0.341	0.341	0.302	0.302
Management of Student Loans (funded by revenue Crown)	-	0.127	0.127	0.113	0.113
Management of Student Support (funded by revenue Crown)	-	0.128	0.128	0.114	0.114
Policy Advice (funded by revenue Crown)	-	0.094	0.094	0.083	0.083
Services to Support People to Access Accommodation (funded by revenue Crown)	-	0.401	0.401	0.356	0.356

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Developing and Managing Community Services (funded by revenue Crown)	-	0.207	0.207	0.184	0.184
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	2.767	2.767	2.455	2.455
Improving Employment Outcomes (funded by revenue Crown)	-	3.001	3.001	2.663	2.663
Improving Work Readiness Outcomes (funded by revenue Crown)	-	0.747	0.747	0.662	0.662
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	6.515	6.515	5.780	5.780
Total Operating	-	8.421	8.421	7.472	7.472

Additional recommendations

- 16 **noted** that there is associated operating funding in Vote Oranga Tamariki (Initiative 13498);
- 17 **noted** that related funding, for the implementation of new Financial Management and Payroll technology systems and costs arising from the shared service separation for the Ministry of Social Development and Oranga Tamariki, has been provided through each of Vote Social Development (Initiatives 13237 and 13236), and Vote Oranga Tamariki (Initiatives 13071 and 13498);

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Improving Financial Assistance for Caregivers

Description: This initiative provides funding to remove the remaining disparities in standardised payments between caregivers receiving the Orphan's Benefit (OB) or the Unsupported Child's Benefit (UCB) and those receiving the Foster Care Allowance (FCA). It increases the base rate of the OB and UCB by \$30 per week for children aged 0-4 years and by \$10 for children aged 5 years and over. It also provides for a small increase to the nappy payment for caregivers receiving the OB, UCB and FCA, to better reflect the cost of nappies. Updating the standardised payments will support greater placement stability for children being looked after by caregivers.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	4.151	16.277	17.130	17.979
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	4.151	16.277	17.130	17.979

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Benefits or Related Expenses:					
Orphan's/Unsupported Child's Benefit	-	3.897	16.277	17.130	17.979
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Administering Income Support (funded by revenue Crown)	-	0.254	-	-	-
Total Operating	-	4.151	16.277	17.130	17.979

Additional recommendation

18 **noted** that there is associated operating funding in Vote Oranga Tamariki (Initiative 13090);

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Growing Disability and Accessibility Leadership and Advice for Disabled People

Description: This initiative supports Sir Robert Martin’s disability advocacy role at the United Nations and strengthens the Office for Disability Issues’ advocacy and disability advice to Government. It also enables equal access to Government information through accessible formats for disabled people and others with access needs.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	1.065	1.701	1.499	1.499
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.065	1.701	1.499	1.499

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Promoting Positive Outcomes for Disabled People (funded by revenue Crown)	-	1.065	1.701	1.499	1.499
Total Operating	-	1.065	1.701	1.499	1.499

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Implementation of the Better Later Life Strategy for Seniors

Description: This initiative enables the Office for Seniors to continue implementing the Better Later Life Strategy. The strategy informs and aligns cross-government action with a current focus on three key areas: digital inclusion, housing and employment. This will help enable older people to better engage with others online and secure access to homes that meet their needs. It will also support improvements in employment outcomes for vulnerable older workers.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	0.494	0.490	0.490	0.490
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.494	0.490	0.490	0.490

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Promoting Positive Outcomes for Seniors (funded by revenue Crown)	-	0.494	0.490	0.490	0.490
Total Operating	-	0.494	0.490	0.490	0.490

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Implementing a Court of Appeal Decision on Means Assessment for Long-term Aged Residential Care

Description: This initiative enables the Ministry of Social Development to correct clients' financial means assessments for residential care. Funding covers repayments to clients and/or their estates for Residential Care Subsidy underpayments following a 2019 Court of Appeal decision.

New appropriation approval

Name	Period	Type	Scope
Retrospective Residential Care Subsidy Payments	Annual	Non-Departmental Other Expenses	This appropriation is limited to paying Residential Care Subsidy to those impacted by the revised financial means assessment required as a result of a Court of Appeal decision and in accordance with the criteria established by Cabinet.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	5.000	15.000	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	5.000	15.000	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Non-Departmental Other Expense:					
Retrospective Residential Care Subsidy Payments	5.000	15.000	-	-	-
Total Operating	5.000	15.000	-	-	-

Additional recommendations

- 19 **agreed** to an exemption from end of year performance reporting for the Non Departmental Other Expenses appropriation, Retrospective Residential Care Subsidy Payments, under section 15D(2)(b)(ii) of the Public Finance Act 1989 as additional information is unlikely to be informative;
- 20 **agree** that any underspends for the Retrospective Residential Care Subsidy Payments, over the period of this funding, be transferred to the following financial year to ensure that funding is available for payments;
- 21 **authorise** the Minister of Finance and the Minister of Health to jointly agree the final amount to be transferred (as in the paragraph above), following completion of the relevant year's audited financial statements of the Ministry of Social Development (or sooner if necessary), with no impact on the operating balance across the forecast period;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Improving Childcare Assistance for Low and Middle-income Families

Description: This initiative will improve Childcare Assistance by introducing indexation of income thresholds to average wage growth. This is expected to maintain financial incentives to work for low and middle-income families, improve income adequacy and increase the number of people eligible for Childcare Assistance.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	1.298	2.099	3.812	6.089
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.298	2.099	3.812	6.089

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.300	-	-	-
Benefits or Related Expenses:					
Childcare Assistance	-	0.448	1.999	3.712	5.989
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Administering Income Support (funded by revenue Crown)	-	0.550	0.100	0.100	0.100
Total Operating	-	1.298	2.099	3.812	6.089

Additional recommendations

- 22 **noted** that the income thresholds for Childcare Assistance have not been annually adjusted since 2010, resulting in weakening financial incentives to work, especially in light of subsequent increases to the minimum wage;
- 23 **agreed** to adjust the income thresholds for Childcare Assistance annually in line with any upwards percentage movement in average wage (net) from 1 April 2022;

- 24 **noted** that annual adjustment to the income thresholds for Childcare Assistance requires amendment to the Social Security Regulations 2018 under section 424(2)(d) of the Social Security Act 2018 each year;
- 25 **agreed** to amend the Social Security Regulations 2018 each year through the annual general adjustment process to adjust the income thresholds for Childcare Assistance in line with the above two paragraphs;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Improving the Subsequent Work Capacity Medical Certificate Process for Jobseeker Support Health Condition and Disability

Description: The initiative provides for changes to the medical certificate process for entitlement to Jobseeker Support – Health Condition and Disability, as well as an extended deferral of the current medical certificate process to 31 January 2022. Review periods will be based on a health practitioner’s recommendation to improve discretion and the client experience.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	31.431	18.460	17.420	17.689
Debt Impact	-	-	-	-	-
No Impact	-	3.390	1.596	1.620	1.642
Total	-	34.821	20.056	19.040	19.331

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.080	0.080	-	-
Benefits or Related Expenses:					
Accommodation Assistance	-	1.609	3.834	3.918	4.003
Disability Assistance	-	0.112	0.262	0.263	0.264
Hardship Assistance	-	(0.207)	(0.484)	(0.486)	(0.487)
Jobseeker Support and Emergency Benefit	-	30.563	14.485	14.693	14.899
Sole Parent Support	-	0.008	0.003	0.003	0.003
Supported Living Payment	-	0.061	0.023	0.023	0.023
Youth Payment and Young Parent Payment	-	0.004	0.002	0.002	0.002

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Administering Income Support (funded by revenue Crown)	-	2.591	1.851	0.624	0.624
Total Operating	-	34.821	20.056	19.040	19.331

Additional recommendations

- 26 **noted** that in response to the significant and sustained impacts of COVID-19, Cabinet agreed to suspend the requirement for clients receiving Jobseeker Support – Health Condition and Disability (JS-HCD) to provide subsequent work capacity medical certificates at fixed intervals (mandatory review periods) [CMG-20-MIN-0027];
- 27 **noted** that to give effect to the above policy decision, Cabinet also:
- 27.1 rescinded a previous Cabinet decision [CAB Min (10) 7/10] underpinning the Ministry of Social Development’s policy and practice around mandatory review periods;
- 27.2 approved further funding to cover the resulting increased expenditure under the Benefits or Related Expenses (BORE) appropriation until 31 July 2021;
- 28 **agreed** to introduce a new medical certificate process for clients receiving JS-HCD from early 2022, whereby a client’s work capacity review periods are tailored based on the advice of the client’s health practitioner;
- 29 **agreed** to extend the current suspension of the mandatory review periods by another six months to 31 January 2022, to allow time to implement the necessary operational changes required for the new medical certificate process;
- 30 **agreed** that, as part of the new medical certificate process, JS-HCD payments can continue for up to four weeks if the Ministry of Social Development is satisfied that the client has a good and sufficient reason (discretionary grace period), which will minimise risks of avoidable benefit suspension and increased hardship;
- 31 **agreed** to apply the new medical certificate process to a small number of other cohorts who also have some or all of their work obligations deferred on the grounds of health or disability, including recipients of Sole Parent Support, the Youth Payment and Young Parent Payment, as well as partners of clients on Jobseeker Support – Health Condition and Disability and the Supported Living Payment;
- 32 **noted** that the new process is expected to reduce compliance and administration costs and improve the client experience, relative to the previous regime;
- 33 **authorised** the Minister for Social Development and Employment to take further decisions on minor and technical matters in line with the policy decisions agreed by Cabinet;

Initiative No: 13229

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Increasing Places Available within Out of School Care and Recreation Service (OSCAR) Providers for Low-income Families

Description: This initiative provides for an additional 3,300 Out of School Care and Recreation Service (OSCAR) places and enables an approximate 900 low-income parents to remain or transition into employment, training and education. It will help address unmet service demand, particularly for Māori and Pacific communities.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	2.250	2.250	2.250	2.250
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.250	2.250	2.250	2.250

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Non-Departmental Other Expense:					
Out of School Care and Recreation Programmes	-	2.250	2.250	2.250	2.250
Total Operating	-	2.250	2.250	2.250	2.250

Additional recommendations

- 34 **agreed** that all funding allocated through Budget 2021 for OSCAR will be prioritised towards services operating in low socio-economic areas;
- 35 **agreed** that funding prioritised towards low socio-economic areas will be allocated through a competitive process utilising Otago University's 2018 Deprivation Index, allowing funding to be targeted in the first instance to communities with the highest levels of socio-economic deprivation;

[33]

Initiative No: 13231**Vote:** Social Development**Appropriation Administrator:** Ministry of Social Development**Title:** Investing in the Ministry of Social Development's Corporate Services to Continue Delivering Services to New Zealanders**Description:** This initiative aims to maintain the Ministry of Social Development's (MSD) services by addressing inflationary and demand cost pressures. This will be done by providing funding for: lost economies of scale faced by MSD as a result of the establishment of Oranga Tamariki and the Ministry of Housing and Urban Development; existing policy capacity; and addressing inflationary pressures in technology and accommodation portfolios such as licence and rent increases.**Appropriation changes**

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	11.201	15.341	15.341	15.341
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	11.201	15.341	15.341	15.341

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.277	0.379	0.379	0.379
Income Support and Assistance to Seniors (funded by revenue Crown)	-	0.532	0.729	0.729	0.729
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (funded by revenue Crown)	-	0.453	0.620	0.620	0.620
Management of Student Loans (funded by revenue Crown)	-	0.169	0.232	0.232	0.232
Management of Student Support (funded by revenue Crown)	-	0.170	0.233	0.233	0.233
Policy Advice (funded by revenue Crown)	-	0.125	0.171	0.171	0.171
Services to Support People to Access Accommodation (funded by revenue Crown)	-	0.534	0.731	0.731	0.731

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Developing and Managing Community Services (funded by revenue Crown)	-	0.275	0.377	0.377	0.377
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	3.681	5.041	5.041	5.041
Improving Employment Outcomes (funded by revenue Crown)	-	3.992	5.468	5.468	5.468
Improving Work Readiness Outcomes (funded by revenue Crown)	-	0.993	1.360	1.360	1.360
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	8.666	11.869	11.869	11.869
Total Operating	-	11.201	15.341	15.341	15.341

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Meeting Demand for the Ministry of Social Development's Employment Services to Support People into or in Employment

Description: This initiative helps to address the additional demand for the Ministry of Social Development's (MSD) employment services and products in response to the labour market impacts of COVID-19. It will allow MSD to support more people to obtain and sustain employment and assist New Zealand's economic recovery.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	22.734	76.814	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	22.734	76.814	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Improving Employment Outcomes (funded by revenue Crown)	-	18.187	61.451	-	-
Improving Work Readiness Outcomes (funded by revenue Crown)	-	4.547	15.363	-	-
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	22.734	76.814	-	-
Total Operating	-	22.734	76.814	-	-

Additional recommendation

38 **agreed** that this initiative be charged against the COVID-19 Response and Recovery Fund established at Budget 2020;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Paying a Living Wage Rate to Security Guards Working at the Ministry of Social Development

Description: This initiative ensures that security guards contracted by the Ministry of Social Development continue to be paid at least the current living wage rate. This will help take pressure off financially strained individuals and their families.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	0.909	0.748	0.643	0.617
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.909	0.748	0.643	0.617

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	0.386	0.318	0.273	0.262
Improving Employment Outcomes (funded by revenue Crown)	-	0.419	0.344	0.296	0.284
Improving Work Readiness Outcomes (funded by revenue Crown)	-	0.104	0.086	0.074	0.071
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	0.909	0.748	0.643	0.617
Total Operating	-	0.909	0.748	0.643	0.617

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Preventing Family Violence and Sexual Violence: Extending Early Wrap-around Support to Help People Stop Using Violence

Description: This initiative aims to improve the effectiveness of Police Safety Orders (PSOs) as a family violence intervention tool by providing access to 24/7 accommodation and wrap-around support services for people using violence. It replaces time-limited funding for existing services in five sites and establishes three new sites to further develop the intervention in demographically and geographically diverse areas. It will integrate existing service components (including accommodation and wrap-around services, risk assessment and management), address immediate needs and provide ongoing support, to provide fit for purpose effective responses at a time when behaviour change is more likely, clients can be monitored and further harm for victims can be prevented.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	2.598	3.207	3.207	3.207
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	2.598	3.207	3.207	3.207

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Departmental Output Expenses:</i>					
Developing and Managing Community Services (funded by revenue Crown)	-	0.150	0.147	0.147	0.147
<i>Non-Departmental Output Expenses:</i>					
Supporting Victims and Perpetrators of Family and Sexual Violence	-	2.448	3.060	3.060	3.060
Total Multi-Category Expenses and Capital Expenditure: Community Support Services (MCA)	-	2.598	3.207	3.207	3.207
Total Operating	-	2.598	3.207	3.207	3.207

Additional recommendation

39 **noted** that this initiative forms part of the package for preventing family violence and sexual violence, led by the Minister for the Prevention of Family and Sexual Violence with the support of family violence and sexual violence Ministers;

Initiative No: 13240

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Reinstating the Training Incentive Allowance for Levels 4 to 7 on the New Zealand Qualifications Framework

Description: This initiative will provide four years of funding to support around 16,000 sole parents, disabled people and carers receiving an eligible benefit with study costs when studying at levels 4 to 7 on the New Zealand Qualifications Framework. Higher-level qualifications are expected to improve participants' employment outcomes and incomes.

New appropriation approval

Name	Period	Type	Scope
Training Incentive Allowance	Annual	Benefits or Related Expenses	This appropriation is limited to the Training Incentive Allowance, paid in accordance with delegated legislation made under the Social Security Act 2018.

Appropriation changes

	\$m - increase/(decrease)						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Outyears
Operating Balance Impact	-	34.552	38.137	38.232	16.124	-	-
Debt Impact	-	20.236	10.288	4.391	1.596	0.200	-
No Impact	-	(0.139)	(0.206)	(0.240)	(0.055)	(0.034)	(0.034)
Total	-	54.649	48.219	42.383	17.665	0.166	(0.034)

	\$m - increase/(decrease)						
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	Outyears
Departmental Output Expenses:							
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.030	0.030	-	-	-	-
Benefits or Related Expenses:							
Jobseeker Support and Emergency Benefit	-	2.260	6.467	11.547	6.988	-	-
Sole Parent Support	-	6.453	18.030	31.852	18.107	-	-
Student Allowances	-	(9.158)	(25.391)	(44.551)	(25.228)	-	-
Training Incentive Allowance	-	33.888	36.933	36.699	12.606	-	-
Winter Energy Payment	-	0.274	0.838	1.501	1.315	-	-
Non-Departmental Capital Expenditure:							
Recoverable Assistance	-	(0.061)	(0.050)	(0.041)	(0.034)	(0.034)	(0.034)
Student Loans	-	20.236	10.288	4.391	1.596	0.200	-
Multi-Category Expenses and Capital Expenditure:							
Improved Employment and Social Outcomes Support (MCA)							
<i>Departmental Output Expense:</i>							
Administering Income Support (funded by revenue Crown)	-	0.727	1.074	0.985	2.315	-	-
Total Operating	-	34.474	37.981	38.033	16.103	-	-
Total Capital	-	20.175	10.238	4.350	1.562	0.166	(0.034)

Additional recommendations

- 40 **agreed** that the \$127.045 million Operating Balance Impact for Vote Social Development be charged against the COVID-19 Response and Recovery Fund (CRRF) established at Budget 2020;
- 41 **noted** that the \$36.711 million Debt Impact is the capital cost of student loans and will not be charged against the CRRF, as this is expected to be fiscally neutral over 10 years;
- 42 **noted** that the components with No Impact on the operating balance or net core Crown debt consist of tax on benefits and of the disestablishment of the Sole Parent Support Subsidy Assistance Loan which was deemed to have no impact on debt when it was established;

- 43 **noted** that the Minister for Social Development and Employment intends to disestablish the Sole Parent Study Assistance welfare programme as part of the process of reinstating the Training Incentive Allowance, as this welfare programme will no longer be required as it duplicates assistance that will be provided through the Training Incentive Allowance;
- 44 **noted** that related funding has also been provided through each of Vote Revenue (Initiative 13521) and Vote Tertiary Education (Initiative 13532);
- 45 **noted** that the total charged against the CRRF is \$153.105 million, which includes Vote Revenue and Vote Tertiary Education operating expenses;
- 46 **agreed** that any underspends for the administration costs of the Training Incentive Allowance, over the period of this funding, be transferred to the following financial year to ensure that funding is available for the delivery of this initiative;
- 47 **authorised** the Minister for Social Development and Employment and the Minister of Finance jointly to agree the final amount to be transferred (as in the paragraph above), following completion of the relevant year's audited financial statements of the Ministry of Social Development (or sooner if necessary), with no impact on the operating balance and/or net core Crown debt across the forecast period;
- 48 **agreed** to an exemption from end of year performance reporting for the Benefits or Related Expenses appropriation, Training Incentive Allowance under section 15D(2)(b)(ii) of the Public Finance Act 1989 as additional information is unlikely to be informative because this appropriation is solely for Training Incentive Allowance payments;
- 49 **agreed** that the Benefits or Related Expenses appropriation, Training Incentive Allowance be subject to forecast adjustments as a result of changes in demand levels;
- 50 **authorised** the Minister for Social Development and Employment and the Minister of Finance jointly to agree any forecast adjustments for the Benefits or Related Expenses appropriation, Training Incentive Allowance;
- 51 **noted** that the current Training Incentive Allowance supports sole parents receiving eligible benefits, as well as disabled people and carers receiving the Supported Living Payment, with tuition fees, transport, childcare and care costs when studying towards qualifications at levels 1-3 of the New Zealand Qualifications Framework;
- 52 **noted** that this initiative will reinstate support for eligible groups to gain qualifications at levels 4-7 on the New Zealand Qualifications Framework, for a four-year period from 1 July 2021;
- [33]
- 54 **noted** that there is a related initiative to transfer the funding for the Training Incentive Allowance up to Level 3 on the New Zealand Qualifications Framework from the Multi-Category Expenses and Capital Expenditure appropriation: Improved Employment Outcomes (MCA) into the new Benefits or Related Expenses appropriation: Training Incentive Allowance (Initiative 13554);

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Remedial Action for the New Zealand Artificial Limb Service's Christchurch and Auckland Centres

Description: This initiative reduces risks at the New Zealand Artificial Limb Service's Christchurch and Auckland limb centres by addressing urgent issues with the centres' buildings. The services provided at these centres support amputee independence and productivity. This investment allows for the continued provision of these critical services to amputees.

New appropriation approval

Name	Period	Type	Scope
New Zealand Artificial Limb Service Capital Injection	Annual	Non-Departmental Capital Expenditure	This appropriation is limited to capital injections to the New Zealand Artificial Limb Service for their capital programme.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	5.000	-	-	-
No Impact	-	-	-	-	-
Total	-	5.000	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Non-Departmental Capital Expenditure:					
New Zealand Artificial Limb Service Capital Injection	-	5.000	-	-	-
Total Capital	-	5.000	-	-	-

Additional recommendation

55 **agreed** to an exemption from end of year performance reporting for the Non-Departmental Capital Expenditure appropriation, New Zealand Artificial Limb Service Capital Injection under section 15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of this annual appropriation for non-departmental capital expenditure is less than \$15 million;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Remuneration Increases for the Ministry of Social Development Staff as a Result of Collective Bargaining

Description: This initiative will fund remuneration increases arising from collective bargaining negotiation commitments. Consistent with Government's principles, it will move staff pay closer to core government market rates, support the reduction of gender and ethnic pay gaps and move towards greater pay equity for the Ministry of Social Development's frontline critical staff.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	28.161	57.341	57.341	57.341
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	28.161	57.341	57.341	57.341

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.696	1.417	1.417	1.417
Income Support and Assistance to Seniors (funded by revenue Crown)	-	1.338	2.725	2.725	2.725
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (funded by revenue Crown)	-	1.139	2.319	2.319	2.319
Management of Student Loans (funded by revenue Crown)	-	0.426	0.867	0.867	0.867
Management of Student Support (funded by revenue Crown)	-	0.428	0.872	0.872	0.872
Policy Advice (funded by revenue Crown)	-	0.313	0.638	0.638	0.638
Services to Support People to Access Accommodation (funded by revenue Crown)	-	1.341	2.731	2.731	2.731

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Developing and Managing Community Services (funded by revenue Crown)	-	0.692	1.410	1.410	1.410
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	9.254	18.843	18.843	18.843
Improving Employment Outcomes (funded by revenue Crown)	-	10.037	20.435	20.435	20.435
Improving Work Readiness Outcomes (funded by revenue Crown)	-	2.497	5.084	5.084	5.084
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	21.788	44.362	44.362	44.362
Total Operating	-	28.161	57.341	57.341	57.341

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Supporting and Strengthening Site Safety and Security at the Ministry of Social Development

Description: This initiative sustains the provision of security guards' services at Work and Income sites and other Ministry of Social Development (MSD) locations. Security guards help to manage and reduce the risk of incidents. They form part of MSD's security system which works to ensure, as far as reasonably practicable, the health and safety of MSD's staff, clients and visitors.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	12.599	10.650	9.364	8.343
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	12.599	10.650	9.364	8.343

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expenses:					
Data, Analytics and Evidence Services (funded by revenue Crown)	-	0.311	0.263	0.231	0.208
Income Support and Assistance to Seniors (funded by revenue Crown)	-	0.599	0.506	0.445	0.396
Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments (funded by revenue Crown)	-	0.509	0.431	0.379	0.337
Management of Student Loans (funded by revenue Crown)	-	0.190	0.161	0.142	0.126
Management of Student Support (funded by revenue Crown)	-	0.192	0.162	0.142	0.127
Policy Advice (funded by revenue Crown)	-	0.140	0.119	0.104	0.093
Services to Support People to Access Accommodation (funded by revenue Crown)	-	0.600	0.507	0.446	0.397

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Departmental Output Expense:</i>					
Developing and Managing Community Services (funded by revenue Crown)	-	0.310	0.262	0.230	0.205
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expenses:</i>					
Administering Income Support (funded by revenue Crown)	-	4.140	3.500	3.077	2.742
Improving Employment Outcomes (funded by revenue Crown)	-	4.491	3.795	3.338	2.972
Improving Work Readiness Outcomes (funded by revenue Crown)	-	1.117	0.944	0.830	0.740
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	9.748	8.239	7.245	6.454
Total Operating	-	12.599	10.650	9.364	8.343

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Supporting the Children’s Commissioner to Make Changes Associated with the Independent Children’s Monitor

Description: This initiative funds the Ministry of Social Development to support the Office of the Children’s Commissioner (OCC). This support assists the OCC to develop and implement a transition plan that will enable the full establishment of the new Independent Children’s Monitor. This will ensure that the Oranga Tamariki system continues to be effectively monitored prior to the commencement of the new monitoring regime, thereby reducing the risk to children within the system.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Operating Balance Impact	-	1.200	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	1.200	-	-	-

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Departmental Output Expense:					
Planning, Correspondence and Monitoring (funded by revenue Crown)	-	1.200	-	-	-
Total Operating	-	1.200	-	-	-

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Transfer of Funding for the Training Incentive Allowance up to Level 3 on the New Zealand Qualifications Framework

Description: This initiative will consolidate funding for the Training Incentive Allowance (TIA). It provides for a fiscally neutral transfer of existing funding for TIA support at levels 1 to 3 on the New Zealand Qualifications Framework, from the Multi-Category Expenses and Capital Expenditure appropriation: Improved Employment and Social Outcomes Support (MCA) into the Benefits or Related Expenses appropriation: Training Incentive Allowance.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25 & Outyears
Benefits or Related Expenses:					
Training Incentive Allowance	-	0.960	0.960	0.960	0.960
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
<i>Departmental Output Expense:</i>					
Improving Work Readiness Outcomes (funded by revenue Crown)	-	(0.960)	(0.960)	(0.960)	(0.960)
Total Operating	-	-	-	-	-

Additional recommendation

56 **noted** that related funding for reinstating the Training Incentive Allowance for levels 4 to 7 on the New Zealand Qualifications Framework has been provided through each of Vote Social Development (Initiative 13240), Vote Revenue (Initiative 13521) and Vote Tertiary Education (Initiative 13532);

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Working in Partnership with KidsCan to Support Families in Need

Description: This initiative provides for the Government's contribution to KidsCan. It will contribute to the improved wellbeing of 17,500 children, by funding the provision of 17,500 warm, waterproof raincoats per year to school-aged children.

Appropriation changes

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25
Operating Balance Impact	-	0.350	0.350	0.350	0.350
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	0.350	0.350	0.350	0.350

	\$m - increase/(decrease)				
	2020/21	2021/22	2022/23	2023/24	2024/25
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
<i>Non-Departmental Output Expense:</i>					
Improving Children's Participation in Education	-	0.350	0.350	0.350	0.350
Total Multi-Category Expenses and Capital Expenditure: Community Support Services (MCA)	-	0.350	0.350	0.350	0.350
Total Operating	-	0.350	0.350	0.350	0.350

Additional recommendations

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