

The Treasury

Budget 2024 Information Release

September 2024

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Key to sections of the Act under which information has been withheld:

- [1] 6(a) - to avoid prejudice to the security or defence of New Zealand or the international relations of the government
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- [31] 9(2)(f)(ii) - to maintain the current constitutional conventions protecting collective and individual ministerial responsibility
- [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
- [35] 9(2)(g)(ii) - to maintain the effective conduct of public affairs through protecting ministers, members of government organisations, officers and employees from improper pressure or harassment;
- [36] 9(2)(h) - to maintain legal professional privilege
- [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
- [40] 18(c)(i) - that the making available of the information requested would be contrary to the provisions of a specified enactment

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Cabinet

Minute of Decision

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Budget 2024 Package: Vote Housing and Urban Development

On 29 April 2024, Cabinet:

Appropriation Administrator: Ministry of Housing and Urban Development

- approved** the Budget initiatives for the above Vote for inclusion in the 2024 Budget package, as listed in the summary tables below and detailed in the attached initiative documents:

Summary of initiatives:

Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears*
16089	Return of Funding for Large Scale Projects	-	(20.000)	(20.000)	(20.000)	(20.000)*
15489	Return of Funding for the Affordable Housing Fund Innovation Pathway	-	(10.000)	-	-	-
15493	Return of Funding for Contracted Emergency Housing	-	(5.000)	(5.000)	(5.000)	(5.000)
15491	Return of Funding for the Emergency Housing Review and Homelessness Action Plan	(2.000)	(13.000)	(14.000)	(15.000)	(2.000)*
16072	Return of Funding for the First Home Grant Scheme	-	(35.000)	(70.000)	(70.000)	(70.000)
16195	Return of Funding for Housing Subsidies Contribution	-	-	-	(6.040)	(15.376)
15495	Ministerial and Management Services Reduction – Housing and Urban Development	-	(13.250)	(2.710)	(2.730)	(2.910)
15499	Kāinga Ora Crown-Funded Programmes and Statutory Obligations – Continuation of Funding	-	34.920	14.970	12.610	12.610
15496	Return of Funding for Kāinga Ora led Large-Scale Projects	-	(30.000)	(30.000)	(30.000)	(30.000)*

15497	Return of Funding for New Supply and Capability of Māori Housing	-	(10.000)	(10.000)	(10.000)	(10.000)
15492	Return of Funding for Progressive Home Ownership	-	(2.000)	(5.000)	(5.000)	(5.000)
16073	Return of Funding for Rangatahi Youth Transitional Housing	-	(5.000)	(5.000)	(5.000)	(5.000)
16099	Social Housing Supply – Additional 1,500 Social Housing Places	-	-	17.500	52.500	70.000
16087	Transfer of Assets	-	65.000	10.000	-	-
16071	Reduced Expenditure – Kāinga Ora	(36.000)	(159.000)	(277.000)	(284.500)	(284.500)
16208	Personal Income Tax and Independent Earner Tax Credit Threshold Changes – Operating Costs	-	(0.218)	(0.578)	(1.064)	(1.085)
Total Operating		(38.000)	(202.540)	(396.818)	(389.224)	(368.261)

*Denotes initiatives with no outyear funding impacts.

Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
16089	Return of Funding for Large Scale Projects	-	(32.500)	(32.500)	(32.500)	(32.500)^
15489	Return of Funding for the Affordable Housing Fund Innovation Pathway	(33.000)	(17.000)	-	-	-
Total Capital		(33.000)	(49.500)	(32.500)	(32.500)	(32.500)

^ Note that Outyears funding for this initiative has yearly variance.

Summary of contingency initiative:

Operating Contingency

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
15490	Emergency Housing System and Homelessness Action Plan Tagged Contingencies – Return of Funding	(68.756)	(3.509)	(15.666)	(21.576)	(19.000)
Total Operating		(68.756)	(3.509)	(15.666)	(21.576)	(19.000)

Note: Throughout the document, “total operating” refers to funding over five years (2023/24 to 2027/28) and “total capital” refers to funding over 10 years (2023/24 to 2032/33).

Rachel Hayward
Secretary of the Cabinet

Secretary’s note: This minute was revised to add paragraphs 11 and 12 to confirm the decision to stop the First Home Grant Scheme.

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Large Scale Projects

Description: This savings initiative returns \$80.000 million total operating and \$235.000 million total capital funding by scaling the delivery of the Kāinga Ora-led Large-Scale Project ^[33]

Forecast Adjustments

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Balance Impact*	-	(20.000)	(20.000)	(20.000)	(20.000)
Net Core Crown Debt Impact Only	-	(32.500)	(32.500)	(32.500)	(32.500)
No Impact	-	-	-	-	-
Total	-	(52.500)	(52.500)	(52.500)	(52.500)
	2028/29	2029/30	2030/31	2031/32	2032/33
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	(21.000)	(21.000)	(21.000)	(21.000)	(21.000)
No Impact	-	-	-	-	-
Total	(21.000)	(21.000)	(21.000)	(21.000)	(21.000)

* Unless non-cash, will also impact net core Crown debt.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Housing Acceleration Fund (MCA MYA)					
<i>Non-Departmental Other Expenses:</i>					
Investment in Infrastructure to Advance Development-Ready Land	-	-	(80.000)	-	-
<i>Non-Departmental Capital Expenditure:</i>					
Investment in Crown-owned Entities to Advance Development-Ready Land	-	(32.500)	(202.500)	-	-
Total Multi-Category Expenses and Capital Expenditure: Housing Acceleration Fund (MCA MYA)	-	(32.500)	(282.500)	-	-
Total Operating	-	-	(80.000)	-	-
Total Capital	-	(32.500)	(202.500)	-	-

Additional Recommendations

- 2 **agreed** that the Multi-Year Multi Category Appropriation: 'Investment in Infrastructure to Advance Development-Ready Land ' be adjusted by (\$80.000 million);
- 3 **agreed** that the Multi-Year Multi Category Appropriation: 'Investment in Crown-owned Entities to Advance Development-Ready Land' be adjusted by (\$235.000 million);
- 4 **noted** that the amounts shown in the Forecast Adjustments table above reflect adjustments to forecast expenditure as at the 2024 March Baseline Update;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for the Affordable Housing Fund Innovation Pathway

Description: This savings initiative returns \$10.000 million total operating and \$50.000 million total capital funding remaining in the Affordable Housing Fund.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(10.000)	-	-	-
Net Core Crown Debt Impact Only	(33.000)	(17.000)	-	-	-
No Impact	-	-	-	-	-
Total	(33.000)	(27.000)	-	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Affordable Housing Fund (MYA)	-	(10.000)	-	-	-
Non-Departmental Capital Expenditure:					
Affordable Housing Fund - Capital Funding (MYA)	(33.000)	(17.000)	-	-	-
Total Operating	-	(10.000)	-	-	-
Total Capital	(33.000)	(17.000)	-	-	-

Additional Recommendations

- 5 **agreed** that the Multi Year Appropriation: ‘Affordable Housing Fund’ be adjusted by (\$10.000 million);
- 6 **noted** that the amounts shown in the Appropriation Changes table for the Multi Year Appropriation: ‘Affordable Housing Fund’ reflect the change to the indicative annual spending profile;
- 7 **agreed** that the Multi Year Appropriation: ‘Affordable Housing Fund - Capital Funding’ be adjusted by (\$50.000 million);
- 8 **noted** that the amounts shown in the Appropriation Changes table for the Multi Year Appropriation: ‘Affordable Housing Fund - Capital Funding’ reflect the change to the indicative annual spending profile;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Contracted Emergency Housing

Description: This savings initiative returns \$20.000 million total operating funding by exiting Contracted Emergency Housing motels in Rotorua due to declining demand.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(5.000)	(5.000)	(5.000)	(5.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(5.000)	(5.000)	(5.000)	(5.000)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Contracted emergency housing accommodation and services	-	(5.000)	(5.000)	(5.000)	(5.000)
Total Operating	-	(5.000)	(5.000)	(5.000)	(5.000)

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for the Emergency Housing Review and Homelessness Action Plan

Description: This savings initiative returns \$46.000 million total operating funding allocated to the Emergency Housing Review and Homelessness Action Plan arising from underspends due to delivery capacity constraints.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Balance Impact*	(2.000)	(13.000)	(14.000)	(15.000)	(2.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(2.000)	(13.000)	(14.000)	(15.000)	(2.000)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Non-Departmental Output Expenses:					
Local Innovations and Partnerships	(2.000)	-	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Transitional Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Provision of Transitional Housing Places	-	(6.500)	(7.000)	(7.500)	(1.000)
Transitional Housing Services	-	(6.500)	(7.000)	(7.500)	(1.000)
Total Multi-Category Expenses and Capital Expenditure: Transitional Housing (MCA)	-	(13.000)	(14.000)	(15.000)	(2.000)
Total Operating	(2.000)	(13.000)	(14.000)	(15.000)	(2.000)

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Emergency Housing System and Homelessness Action Plan
 Tagged Contingencies – Return of Funding

Description: This savings initiative returns \$128.507 million total operating funding allocated to the Emergency Housing System and Homelessness Action Plan contingencies.

Tagged Contingency

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Contingency	(68.756)	(3.509)	(15.666)	(21.576)	(19.000)
Total	(68.756)	(3.509)	(15.666)	(21.576)	(19.000)

Additional Recommendations

9 **agreed** that the tagged operating contingencies be returned to the centre:

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Homelessness package – Increasing the supplier of public and transitional housing	(67.602)	(0.932)	(13.089)	(19.000)	(19.000)
Emergency Housing – progressing work on system changes	(1.154)	(2.577)	(2.577)	(2.576)	-
Total	(68.756)	(3.509)	(15.666)	(21.576)	(19.000)

10 **noted** that the above tagged contingencies are now closed;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for the First Home Grant Scheme

Description: This savings initiative returns \$245.000 million total operating funding from the First Home Grant scheme that provides deposit support for eligible first home buyers.

Forecast Adjustments

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(35.000)	(70.000)	(70.000)	(70.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(35.000)	(70.000)	(70.000)	(70.000)

* Unless non-cash, will also impact net core Crown debt.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Benefits or Related Expenses:					
First Home Grants	-	(117.744)	(160.737)	(160.737)	(160.737)
Total Operating	-	(117.744)	(160.737)	(160.737)	(160.737)

Additional Recommendation

- 11 **agreed** to stop the First Home Grant Scheme;
- 12 **noted** that the above appropriation changes give effect to the decision to stop the First Home Grant Scheme;
- 13 **noted** that the amounts shown in the Forecast Adjustments table above reflect further reductions in expenditure forecasts from those reported at the 2024 March Baseline Update;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Housing Subsidies Contribution

Description: This savings initiative returns \$21.416 million total operating funding for housing subsidies to reflect changes to the way costs are recognised where a person has boarders.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	-	-	(6.040)	(15.376)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	-	(6.040)	(15.376)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Public Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Purchase of Public Housing Provision	-	-	-	(6.040)	(15.376)
Total Multi-Category Expenses and Capital Expenditure: Public Housing (MCA)	-	-	-	(6.040)	(15.376)
Total Operating	-	-	-	(6.040)	(15.376)

Additional Recommendation

14 **noted** that there is a related initiative in Vote Social Development (Initiative 15564);

Initiative No: 15495

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Ministerial and Management Services Reduction – Housing and Urban Development

Description: This savings initiative returns \$21.600 million total operating funding from the Managing the Housing and Urban Development Portfolio (MCA) to reduce departmental baselines. Savings arise from departmental services that manage and regulate housing and housing support providers, and advice, servicing, and monitoring to support Ministerial decision-making.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(13.250)	(2.710)	(2.730)	(2.910)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(13.250)	(2.710)	(2.730)	(2.910)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Managing the Housing and Urban Development Portfolio (MCA)					
<i>Departmental Output Expenses:</i>					
Management of Housing Provision and Services (funded by revenue Crown)	-	(6.625)	-	-	-
Policy Advice and Ministerial Servicing (funded by revenue Crown)	-	(6.625)	(2.710)	(2.730)	(2.910)
Total Multi-Category Expenses and Capital Expenditure: Managing the Housing and Urban Development Portfolio (MCA)	-	(13.250)	(2.710)	(2.730)	(2.910)
Total Operating	-	(13.250)	(2.710)	(2.730)	(2.910)

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Kāinga Ora Crown-Funded Programmes and Statutory Obligations – Continuation of Funding

Description: This initiative will support Kāinga Ora – Homes and Communities to retain capability required to execute its non-public housing statutory functions and obligations, and to deliver housing products on behalf of the Crown.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	34.920	14.970	12.610	12.610
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	34.920	14.970	12.610	12.610

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Kāinga Ora - Homes and Communities	-	34.920	14.970	12.610	12.610
Total Operating	-	34.920	14.970	12.610	12.610

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Kāinga Ora-Led Large-Scale Projects

Description: This savings initiative returns \$120.000 million total operating funding related to three neighbourhoods within the Large-Scale Projects which are not proceeding. It also returns the cost-overruns contingencies.

Forecast Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28
Operating Balance Impact*	-	(30.000)	(30.000)	(30.000)	(30.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(30.000)	(30.000)	(30.000)	(30.000)

* Unless non-cash, will also impact net core Crown debt.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Housing Acceleration Fund (MCA MYA)					
<i>Non-Departmental Other Expenses:</i>					
Investment in Infrastructure to Advance Development-Ready Land	-	(30.000)	(90.000)	-	-
Total Multi-Category Expenses and Capital Expenditure: Housing Acceleration Fund (MCA MYA)	-	(30.000)	(90.000)	-	-
Total Operating	-	(30.000)	(90.000)	-	-

Additional Recommendations

- 15 **agreed** that the Multi Year Multi-Category Appropriation: 'Housing Acceleration Fund Investment in Infrastructure to Advance Development Ready Land' be adjusted by (\$120.000 million);
- 16 **noted** that the amounts shown in the Appropriation Changes table for the Multi Year Appropriation: " Housing Acceleration Fund Investment in Infrastructure to Advance Development Ready Land" reflect the change to the indicative annual spending profile;
- 17 **noted** that the amounts shown in the Forecast Adjustments table above reflect adjustments to forecast expenditure as at the 2024 March Baseline Update;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for New Supply and Capability of Māori Housing

Description: This savings initiative returns \$40.000 million total operating funding by reducing the level of ongoing funding for both new Māori housing supply and investments in capability and capacity of Māori housing providers.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(10.000)	(10.000)	(10.000)	(10.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(10.000)	(10.000)	(10.000)	(10.000)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
He Kūkū ki te Kāinga – Increasing Māori Housing Supply	-	-	(7.000)	(7.000)	(7.000)
He Kūkū ki te Kāinga – Increasing Māori Housing Supply (MYA)	-	(7.000)	-	-	-
He Taupae - Building Māori housing capability across the Māori housing continuum	-	-	(1.500)	(1.500)	(1.500)
He Taupua - Increasing Māori Housing Provider Capability	-	-	(1.500)	(1.500)	(1.500)
Progressing the Pipeline of Māori Housing 2022 - 2025 (MYA)	-	(3.000)	-	-	-
Total Operating	-	(10.000)	(10.000)	(10.000)	(10.000)

Additional Recommendations

18 **agreed that** the Multi Year Appropriation: ‘He Kūkū ki te Kāinga - Increasing Māori Housing Supply’ be adjusted by (\$7.000 million);

- 19 **noted** that the amounts shown in the Appropriation Changes table for the Multi Year Appropriation: ‘He Kūkū ki te Kāinga - Increasing Māori Housing Supply’ reflect the change to the indicative annual spending profile;
- 20 **agreed** that the Multi Year Appropriation: ‘Progressing the Pipeline of Māori Housing 2022 – 2025’ be adjusted by (\$3.000 million);
- 21 **noted** that the amounts shown in the Appropriation Changes table for the Multi Year Appropriation: ‘Progressing the Pipeline of Māori Housing 2022 – 2025’ reflect the change to the indicative annual spending profile;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Progressive Home Ownership

Description: This savings initiative returns \$17.000 million total operating funding underspends related to grants under the Progressive Home Ownership scheme, due to lower than expected uptake.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(2.000)	(5.000)	(5.000)	(5.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(2.000)	(5.000)	(5.000)	(5.000)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Output Expenses:					
Support Services to increase home ownership	-	(2.000)	(5.000)	(5.000)	(5.000)
Total Operating	-	(2.000)	(5.000)	(5.000)	(5.000)

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Return of Funding for Rangatahi Youth Transitional Housing

Description: This savings initiative returns \$20.000 million total operating funding for rangatahi youth-focused transitional housing places that will not be contracted.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(5.000)	(5.000)	(5.000)	(5.000)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(5.000)	(5.000)	(5.000)	(5.000)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Public Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Services for People in Need of or at Risk of Needing Public Housing	-	(2.500)	(2.500)	(2.500)	(2.500)
Total Multi-Category Expenses and Capital Expenditure: Public Housing (MCA)	-	(2.500)	(2.500)	(2.500)	(2.500)
Transitional Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Provision of Transitional Housing Places	-	(1.250)	(1.250)	(1.250)	(1.250)
Transitional Housing Services	-	(1.250)	(1.250)	(1.250)	(1.250)
Total Multi-Category Expenses and Capital Expenditure: Transitional Housing (MCA)	-	(2.500)	(2.500)	(2.500)	(2.500)
Total Operating	-	(5.000)	(5.000)	(5.000)	(5.000)

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Social Housing Supply – Additional 1,500 Social Housing Places

Description: This initiative provides funding for 1,500 new social housing places, with delivery to be phased from 1 July 2025 onwards. These places will be delivered by Community Housing Providers.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	-	17.500	52.500	70.000
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	-	17.500	52.500	70.000

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Public Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Purchase of Public Housing Provision	-	-	17.500	52.500	70.000
Total Multi-Category Expenses and Capital Expenditure: Public Housing (MCA)	-	-	17.500	52.500	70.000
Total Operating	-	-	17.500	52.500	70.000

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Transfer of Assets

Description: This initiative will provide technical non-cash funding so that the Ministry of Housing and Urban Development can transfer infrastructure assets to third parties to meet generally accepted accounting principles.

New Appropriation Approval

Vote	Appropriation Minister	Appropriation Administrator	Period	Title	Type	Scope
Housing and Urban Development	Minister of Housing	Ministry of Housing and Urban Development	Multi-Year Appropriation Start: 01/07/2024 Finish: 30/06/2029 Amount (\$m): 75.000	Transfer of infrastructure assets to Councils and other Stakeholders (MYA)	Non-Departmental Other Expense	This appropriation is limited to expenses incurred in transferring infrastructure assets to Councils and other Stakeholders

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	65.000	10.000	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	65.000	10.000	-	-

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Non-Departmental Other Expenses:					
Transfer of infrastructure assets to Councils and other Stakeholders (MYA)	-	65.000	10.000	-	-
Total Operating	-	65.000	10.000	-	-

Additional Recommendations

- 22 **agreed** to establish the new Multi-Year Appropriation as above, to run from 1 July 2024 to 30 June 2029;
- 23 **approved** the following changes to appropriations to give effect to the policy decision above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Housing and Urban Development Minister of Housing	\$m – increase/(decrease)	
	2024/25 to 2028/29	2029/30 & Outyears
Non-Departmental Other Expense: Transfer of infrastructure assets to Councils and other Stakeholders	75.000	-

- 24 **noted** that the amounts shown in the Appropriation Changes table for the Multi-Year Appropriation: "Transfer of infrastructure assets to Councils and other Stakeholders (MYA)" reflect the indicative annual spending profile;
- 25 **noted** that the term of the new Multi-Year Appropriation runs from 1 July 2024 to 30 June 2029 due to uncertainty around the timing of divestment of assets, and the potential future need for further divestments;

Initiative No: 16071

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Reduced Asset Maintenance and Personnel Expenditure – Kāinga Ora

Description: This savings initiative reflects planned expenditure reductions of \$1,041.000 million total operating by Kāinga Ora in areas including asset maintenance and personnel costs, primarily from support services.

Forecast Adjustments

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	(36.000)	(159.000)	(277.000)	(284.500)	(284.500)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	(36.000)	(159.000)	(277.000)	(284.500)	(284.500)

Additional Recommendations

- 26 **noted** that this reduced forecast expenditure has been incorporated into Kāinga Ora’s 2024 Budget Economic and Fiscal Update forecasts;
- 27 **noted** that the net core Crown debt impacts of this saving initiative will depend on changes to Kāinga Ora’s broader operating model, and that these impacts will be captured through Kāinga Ora’s BEFU forecast submission;
- 28 **noted** that the Minister of Housing will seek assurances from the Kāinga Ora Board to ensure the achievement of savings, which may include seeking an implementation plan and regular reporting requirements;

Vote: Housing and Urban Development

Appropriation Administrator: Ministry of Housing and Urban Development

Title: Personal Income Tax and Independent Earner Tax Credit
Threshold Changes – Operating Costs

Description: This initiative will adjust the current income tax rates or thresholds (including the parameters of the Independent Earners Tax Credit) to provide tax relief and allow New Zealanders to keep more of their income.

Appropriation Changes

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Operating Balance Impact*	-	(0.218)	(0.578)	(1.064)	(1.085)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	-	(0.218)	(0.578)	(1.064)	(1.085)

* Unless non-cash, will also impact net core Crown debt.

	\$m - increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Multi-Category Expenses and Capital Expenditure:					
Public Housing (MCA)					
<i>Non-Departmental Output Expenses:</i>					
Purchase of Public Housing Provision	-	(0.218)	(0.578)	(1.064)	(1.085)
Total Multi-Category Expenses and Capital Expenditure: Public Housing (MCA)	-	(0.218)	(0.578)	(1.064)	(1.085)
Total Operating	-	(0.218)	(0.578)	(1.064)	(1.085)

Additional Recommendations

- 29 **noted** that there are corresponding initiatives in Vote Revenue (Initiatives 15754 and 15745) and Vote Social Development (Initiative 16209);
- 30 **noted** that policy decisions needed to implement the Tax Package have been included in the Budget 2024 Significant Initiatives Package [CAB-24-MIN-0148].