The Treasury

Budget 2026 Information Release

September 2026

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Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

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

[2] 6(b)(i) - to avoid prejudice the entrusting of information to the Government of New Zealand on a basis of confidence by the Government of any other country or any agency of such a Government

[4] 6(c) - to avoid prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial

[7] 6(e)(ii) - to prevent serious damage to the economy of New Zealand by disclosing prematurely decisions to change or continue government economic or financial policies relating to the regulation of banking or credit

[12] 7(a)(i) - to avoid prejudice to the security or defence of the self-governing State of the Cook Islands

[13] 7(a)(ii) - to avoid prejudice to the security or defence of the self-governing State of Niue

[14] 7(a)(iii) - to avoid prejudice to the security or defence of Tokelau

[15] 7(a)(iv) - to avoid prejudice to the security or defence of the Ross Dependency

[23] 9(2)(a) - to protect the privacy of natural persons, including deceased people

[25] 9(2)(b)(ii) - to protect the commercial position of the person who supplied the information or who is the subject of the information

[26] 9(2)(ba)(i) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied

[27] 9(2)(ba)(ii) - to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest

[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

[41] 18(d) - information requested is or will soon be publicly available

Where information has been withheld, a numbered reference to the applicable section of the Act has been made, as listed above. For example, a [23] appearing where information has been withheld in a release document refers to section 9(2)(a).

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Cabinet

Minute of Decision

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Budget 2026 Package: Vote Social Development

On 7 May 2026, Cabinet:

Appropriation Administrator: Ministry of Social Development

1 **approved** the Budget initiatives for the above Vote for inclusion in the 2026 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)

		$m - increase/(decrease)				
Initiative ID	**Initiative Name**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
17260	Accommodation Supplement - Increasing the Maxima	-	27.982	114.533	113.084	118.748
17612	Apprenticeship Boost - Reprioritising Underspends	(3.000)	-	-	-	-
17589	Automated Decision-Making Remediation - Recognition of Additional Savings	-	(2.709)	(16.699)	(17.583)	(17.583)
17202	Dame Karen Poutasi Response - Reprioritising Funding	(5.450)	-	-	-	-
17208	Emergency Housing - Extending Scaled-down Support Services	-	(1.162)	(5.681)	-	-
17516	Employment and Community Multi-Category Appropriations (MCA) - Replacing Funding	-	16.209	16.208	16.208	16.208
17206	Employment Supports for Sole Parents	-	34.605	0.983	(70.702)	(62.106)
17514	Food Secure Communities and KickStart Breakfast Programmes - Continuing Funding	(7.000)	16.500	9.500	9.500	9.500
17205	Income Charging Phase 2 - Savings from Further Policy Decisions	-	-	7.261	(29.772)	(29.941)
17622	Income-Related Rent - Increasing the Minimum Tenant Contribution to Emergency Housing Costs	-	1.698	1.128	0.218	0.151

		$m - increase/(decrease)				
Initiative ID	**Initiative Name**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
17247	SuperGold Card - Official Form of Identification	-	2.669	4.315	14.562	14.867^
17204	Temporary Additional Support - Change to the Maximum Rate and Removing Child Support as an Allowable Cost	-	(10.397)	(59.312)	(60.998)	(64.850)
17614	Tertiary Education - Increase to Tertiary Fees (Impact on Student Loans)	-	-	-	-	-
Total Operating		**(15.450)**	**85.395**	**72.236**	**(25.483)**	**(15.006)**

^ Denotes irregular outyears.

Capital Initiative (Impact on Debt)

		$m - increase/(decrease)				
Initiative ID	**Initiative Name**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
17247	SuperGold Card: Official Form of Identification	-	2.364	4.096	-	-
17622	Income-Related Rent - Increasing the Minimum Tenant Contribution to Emergency Housing Costs	-	1.500	-	-	-
Total Capital		**-**	**3.864**	**4.096**	**-**	**-**

Summary of contingency initiative:

Operating Contingency

		$m - increase/(decrease)				
Initiative ID	**Initiative Name**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
17615	Emergency Housing - Extending Scaled-down Support Services - Tagged Contingency	-	-	(1.693)	(5.740)	-
Total Operating		**-**	**-**	**(1.693)**	**(5.740)**	**-**

Diana Hawker
Acting Secretary of the Cabinet

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Accommodation Supplement - Increasing the Maxima

Description: This initiative provides funding to increase the maximum rates (maxima) for the Accommodation Supplement in all Accommodation Supplement areas by between $10 and $30 per week from 1 April 2027. This increase in support helps to lift the incomes of households in the private accommodation market, and it also improves equity and incentives across housing subsidies.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	27.982	114.533	113.084	118.748
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**27.982**	**114.533**	**113.084**	**118.748**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Benefits or Related Expenses:					
Accommodation Assistance	-	38.887	159.713	156.065	161.394
Hardship Assistance	-	(10.905)	(45.180)	(42.981)	(42.646)
Total Operating	**-**	**27.982**	**114.533**	**113.084**	**118.748**

Additional Recommendations

2 **noted** that the Accommodation Supplement maximum rates (maxima) are not subject to an annual adjustment, and were last updated in 2018, based on 2016 rental bond data;

3 **agreed** to increase the Accommodation Supplement maxima to lift the incomes of households in the private accommodation market and improve equity and incentives across housing subsidies;

4 **agreed** to update the Accommodation Supplement maxima from 1 April 2027 as follows:

	Accommodation Supplement area	Status quo maxima	Updated maxima	Increase
1 person	**1**	$165	$175	$10
	2	$105	$115	$10
	3	$80	$90	$10
	4	$70	$80	$10
2 people	**1**	$235	$250	$15
	2	$155	$175	$20
	3	$105	$125	$20
	4	$80	$100	$20
3+ people	**1**	$305	$325	$20
	2	$220	$245	$25
	3	$160	$190	$30
	4	$120	$145	$25

5 **noted** that increasing the maxima will increase the maximum Accommodation Supplement payment by up to $30 per week as of 1 April 2027, depending on household size and where people live;

6 **noted** that some Accommodation Supplement recipients will not receive an increase in their weekly income due to corresponding decreases to their Temporary Additional Support payments;

7 **authorised** the Minister for Social Development and Employment to make final decisions on the policy decisions and technical matters required to implement the changes outlined in paragraphs 3 and 4 above;

8 **noted** that the decisions in paragraphs 3 and 4 above will require amending the Social Security Regulations 2018 via an Order in Council under section 428 of the Social Security Act 2018;

9 **invited** the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions above;

Initiative No: 17612

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Apprenticeship Boost - Reprioritising Underspends

Description: This initiative reprioritises funding that is unlikely to be required to fund Apprenticeship Boost for employers of eligible existing and incoming apprentices in 2025/26. This funding will be reprioritised to support Industry Skills Boards' Strategic Workforce Analysis and Planning function during their initial establishment.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	(3.000)	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**(3.000)**	**-**	**-**	**-**	**-**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Non-Departmental Other Expenses:					
Apprentice Support	(3.000)	-	-	-	-
Total Operating	**(3.000)**	**-**	**-**	**-**	**-**

Additional Recommendations

10 **noted** that reprioritised funding will be used to fund Initiative 17238 in Vote Tertiary Education;

11 **noted** that this initiative relates to Initiative 17238 in Vote Tertiary Education;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Automated Decision-Making Remediation - Recognition of Additional Savings

Description: This initiative recognises additional savings from the Budget 2025 initiative "Automated Decision-Making remediation". These additional savings reflect that in finalising the policy design, the Ministry of Social Development now expects that it will make a lower level of Temporary Additional Support payments than previously forecast, resulting in additional savings that can be recognised through Budget 2026.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	(2.709)	(16.699)	(17.583)	(17.583)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**(2.709)**	**(16.699)**	**(17.583)**	**(17.583)**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Benefits or Related Expenses:					
Hardship Assistance	-	(2.709)	(16.699)	(17.583)	(17.583)
Total Operating	**-**	**(2.709)**	**(16.699)**	**(17.583)**	**(17.583)**

Initiative No: 17202

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Dame Karen Poutasi Response - Reprioritising Funding

Description: This initiative reprioritises funding to support the implementation of recommendations made in the Dame Karen Poutasi review to improve the system of safety nets for preventing harm in the children's system. Funding is being reprioritised from a historical underspend from the South Auckland Social Wellbeing Board.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	(5.450)	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**(5.450)**	**-**	**-**	**-**	**-**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Non-Tax Revenue:					
Programme Recoveries	5.450	-	-	-	-
Total Operating	**(5.450)**	**-**	**-**	**-**	**-**

Additional Recommendations

12 **directed** the Ministry of Social Development to work with the Social Investment Agency, the Ministry of Education, the Ministry of Health, and Oranga Tamariki, as appropriate, to develop an evidence-based, programme-level theory of change and monitoring and evaluation plan;

13 **noted** that this initiative relates to Initiative 17583 in Vote Health, Initiative 17584 in Vote Education, and Initiatives 17585 and 17586 in Vote Oranga Tamariki;

Initiative No: 17208

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Emergency Housing - Extending Scaled-down Support Services

Description: This initiative funds Emergency Housing (EH) support services from July 2026 to June 2027 at a lower level than existing funding. Funding for EH Support Services (EHSS) is required to support households and prevent them needing EH, reduce the duration of stay in EH for clients and facilitate sustainable exits (reducing reoccurring need). Funding for EHSS will be important for managing the inflow, maintaining the current low number of EH clients.

Savings from fewer people requiring EH will be greater than the cost of investment. This initiative is anticipated to result in net savings of $6.843 million over the forecast period due to maintaining the number of households in EH below 500 from July 2026 to June 2027.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	(1.162)	(5.681)	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**(1.162)**	**(5.681)**	**-**	**-**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Departmental Output Expenses:					
Services to Support People to Access Accommodation (funded by revenue Crown)	-	10.844	-	-	-
Benefits or Related Expenses:					
Emergency Housing Assistance	-	(12.374)	(5.681)	-	-
Non-Departmental Other Expenses:					
Emergency Housing Support Package	-	0.048	-	-	-
Multi-Category Expenses and Capital Expenditure:					
Housing Support Assistance (MCA)					
Non-Departmental Output Expenses:					
Provision to better prepare people to access and sustain private rentals	-	0.320	-	-	-
Total Multi-Category Expenses and Capital Expenditure: Housing Support Assistance (MCA)	-	0.320	-	-	-
Total	**-**	**(1.162)**	**(5.681)**	**-**	**-**

Additional Recommendations

14 **noted** that this initiative relates to Initiative 17615 in Vote Social Development, which establishes a tagged contingency for the continuation of EH support services for an additional year, from July 2027 to June 2028;

15 **invited** the Minister for Social Development and Employment to approve and sign an amendment to the Flexible Funding Programme under section 101 of the Social Security Act 2018, to extend the expiry date of the programme to the end of 30 June 2027;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Emergency Housing – Extending Scaled-down Support Services - Tagged Contingency

Description: This initiative establishes a tagged contingency to continue scaled-down Emergency Housing support services for an additional year, from July 2027 to June 2028.

Tagged Contingency

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Contingency	-	-	(1.693)	(5.740)	-
Total	**-**	**-**	**(1.693)**	**(5.740)**	**-**

Additional Recommendations

16 **noted** that this initiative relates to Initiative 17208 in Vote Social Development, which appropriates funding directly to continue Emergency Housing support services from July 2026 to June 2027;

17 **agreed** to establish a negative tagged operating contingency associated with Vote Social Development of up to the above amounts to provide for continued scaled-down Emergency Housing support services;

18 **noted** the table below provides funding details in relation to initiatives 17208 and 17615;

	$m - increase/(decrease)					
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**Total**
Total Cost	-	11.212	11.212	-	-	22.424
Total Savings	-	12.374	18.586	5.740	-	36.700
Net Funding	-	**(1.162)**	**(7.374)**	**(5.740)**	**-**	**(14.276)**

19 **authorised** the Minister of Finance, Minister for Social Development and Employment, Minister of Social Investment, and the Minister of Housing (joint Ministers) jointly to draw down the negative tagged operating contingency, [33]

20 **agreed** that the expiry date for the tagged contingency be 30 June 2028;

21 **invited** the Minister for Social Development and Employment to approve and sign an amendment to the Flexible Funding Programme under section 101 of the Social Security Act 2018, to extend the expiry date of the programme for an additional year to the end of 30 June 2028, subject to joint Ministers approving the draw-down of this tagged contingency funding;

Initiative No: 17516

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Employment and Community Multi-Category Appropriations (MCA) - Replacing Funding

Description: This initiative returns funding to the Improved Employment and Social Outcomes Support MCA, and Community Support Services MCA. Funding in these appropriations had been reduced to meet the costs of changes to the Budget 2025 initiative to tighten access to Jobseeker Support and Emergency Benefit for 18 and 19 year olds.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	16.209	16.208	16.208	16.208
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**16.209**	**16.208**	**16.208**	**16.208**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
Departmental Output Expenses:					
Developing and Managing Community Services (funded by revenue Crown)	-	4.052	4.052	4.052	4.052
Total Multi-Category Expenses and Capital Expenditure: Community Support Services (MCA)	-	4.052	4.052	4.052	4.052
Improved Employment and Social Outcomes Support (MCA)					
Departmental Output Expenses:					
Administering Income Support (funded by revenue Crown)	-	12.157	12.156	12.156	12.156
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	12.157	12.156	12.156	12.156
Total Operating	**-**	**16.209**	**16.208**	**16.208**	**16.208**

Additional Recommendation

22 **agreed** the operating impact of this initiative is funded from outside Budget 2026 allowances;

Initiative No: 17206

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Employment Support for Sole Parents

Description: This initiative delivers funding from July 2026 to June 2028 for 228 additional frontline case management staff, more Flexi-Wage funding, enhanced placement programmes, and a $1 million flexible fund for 25,000 sole parents to receive employment support.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	34.605	0.983	(70.702)	(62.106)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	(1.251)	(7.315)	(10.559)	(9.346)
Total	**-**	**33.354**	**(6.332)**	**(81.261)**	**(71.452)**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Benefits or Related Expenses:					
Accommodation Assistance	-	(0.231)	(1.337)	(1.847)	(1.590)
Disability Assistance	-	(0.010)	(0.058)	(0.084)	(0.072)
Hardship Assistance	-	(0.367)	(2.158)	(3.066)	(2.638)
Sole Parent Support	-	(8.939)	(52.108)	(74.984)	(66.008)
Winter Energy Payment	-	(0.207)	(0.871)	(1.280)	(1.144)
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
Departmental Output Expenses:					
Improving Employment Outcomes (funded by revenue Crown)	-	43.108	50.200	-	-
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	43.108	50.200	-	-
Total Operating	**-**	**33.354**	**(6.332)**	**(81.261)**	**(71.452)**

Additional Recommendation

23 **directed** the Ministry of Social Development, in consultation with the Treasury, to develop an evaluation plan for this initiative, to be agreed by the Minister of Finance and the Minister for Social Development and Employment, by 30 June 2026;

Initiative No: 17514

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Food Secure Communities and KickStart Breakfast Programmes - Continuing Funding

Description: This initiative will provide funding of $9.5 million per annum for the Food Secure Communities programme and the Government's contribution to the KickStart Breakfast programme. The initiative also reprioritises $7 million of underspends from other areas in 2025/26 to continue the other components of the Food Secure Communities programme for one year in 2026/27.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	(7.000)	16.500	9.500	9.500	9.500
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**(7.000)**	**16.500**	**9.500**	**9.500**	**9.500**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Multi-Category Expenses and Capital Expenditure:					
Community Support Services (MCA)					
Non-Departmental Output Expenses:					
Improving Children's Participation in Education	-	1.500	1.500	1.500	1.500
Participation and Support Services for Seniors	(1.200)	-	-	-	-
Place-Based Approaches	(4.000)	-	-	-	-
Supporting Victims and Perpetrators of Family and Sexual Violence	(1.800)	-	-	-	-
Non-Departmental Other Expenses:					
Developing provider capability and capacity	-	15.000	8.000	8.000	8.000
Total Multi-Category Expenses and Capital Expenditure: Community Support Services (MCA)	(7.000)	16.500	9.500	9.500	9.500
Total Operating	**(7.000)**	**16.500**	**9.500**	**9.500**	**9.500**

Additional Recommendation

24 **agreed** to add the following category to the Multi-Category appropriation, '*Community Support Services'*:

Title	**Type**	**Scope**
Developing Provider Capability and Capacity	Non-Departmental Other Expense	This category is limited to providing financial assistance to build provider capability and capacity for the benefit of vulnerable individuals, families and communities.

Initiative No: 17205

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Income Charging Phase 2 - Savings from Further Policy Decisions

Description: This savings initiative removes the ability for a client's income to be considered weekly over 52 weeks, meaning that all clients will have their income assessed for each individual week. It also extends information-sharing and income-charging rules to some Accident Compensation Corporation (ACC) payments, while also applying these income charging rules to most non-PAYE payments.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	-	7.261	(29.772)	(29.941)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	0.822	(3.772)	(3.772)
Total	**-**	**-**	**8.083**	**(33.544)**	**(33.713)**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Benefits or Related Expenses:					
Accommodation Assistance	-	-	2.484	(5.035)	(5.119)
Hardship Assistance	-	-	0.275	(1.180)	(1.265)
Jobseeker Support and Emergency Benefit	-	-	2.869	-	-
New Zealand Superannuation	-	-	-	(0.282)	(0.282)
Sole Parent Support	-	-	1.590	(19.441)	(19.441)
Supported Living Payment	-	-	0.865	(7.606)	(7.606)
Total Operating	**-**	**-**	**8.083**	**(33.544)**	**(33.713)**

Additional Recommendations

25 **agreed** to remove the ability for Ministry of Social Development clients to have their income charged weekly over 52-weeks, and transition all clients to have their income assessed for each week individually from 5 July 2027, with all clients having transitioned before or at the implementation of Income Charging Phase 2;

26 **agreed** that with respect to non-PAYE and ACC payments, from 3 July 2028:

26.1 the charging rules for non-PAYE and ACC income will be the same as those agreed for PAYE salary and wage payments with some minor exceptions;

26.2 business income, Inland Revenue-administered child support and lump sum ACC payments relating to a past period will continue to be charged under existing rules; and

26.3 non-PAYE and ACC payments that are considered income for benefit purposes will be charged forward from the week they are received by the client for the number of weeks equal to the frequency or period over which it is earned for a maximum of four weeks;

27 **agreed** that from 3 July 2028, weekly compensation ACC payments will be charged automatically for benefit purposes using Inland Revenue PAYE income information except in the case that:

27.1 the client has been receiving both weekly compensation and a main benefit since 1999 which will be processed manually; or

27.2 the payment is a lump sum;

28 **agreed** that as part of the transitional approach for Income Charging Phase 2, income that was earned in the week prior to the go-live on income charging changes (3 July 2028) is not charged as income in that week;

29 **authorised** the Minister for Social Development and Employment to make final decisions on the policy decisions and technical matters required to implement the changes outlined at paragraphs 25 to 28 above;

30 **noted** the decisions in paragraphs 25 to 28 will primarily require amendments to the Social Security Act 2018 and the Social Security Regulations 2018;

31 **invited** the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions above;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Income-Related Rent - Increasing the Minimum Tenant Contribution to Emergency Housing Costs

Description: This initiative lifts the Income-Related Rent (IRR) contribution of Emergency Housing (EH) tenants. For most households this will result in an IRR increase from 25 to 30 percent of income.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	1.698	1.128	0.218	0.151
Net Core Crown Debt Impact Only	-	1.500	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**3.198**	**1.128**	**0.218**	**0.151**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Departmental Output Expenses:					
Services to Support People to Access Accommodation (funded by revenue Crown)	-	1.911	1.539	0.375	0.375
Non-Tax Revenue:					
Programme Recoveries	-	0.218	0.903	0.919	0.943
Capital Injections:					
Ministry of Social Development - Capital Injection	-	1.500	-	-	-
Benefits or Related Expenses:					
Hardship Assistance	-	0.005	0.492	0.762	0.719
Total Operating	**-**	**1.698**	**1.128**	**0.218**	**0.151**
Total Capital	**-**	**1.500**	**-**	**-**	**-**

Additional Recommendations

32 **noted** that the above initiative was modelled as part of package of housing initiatives including the following initiatives, and as such, fiscal impacts cannot be considered in isolation as impacts overlap:

32.1 Income-Related Rent /Emergency Housing/Transitional Housing contribution changes (Initiative 17622 in Vote Social Development and Initiative 17277 in Vote Housing and Urban Development);

32.2 Accommodation Supplement maxima increase (Initiative 17260 in Vote Social Development); and

32.3 a change to the maximum rate for Temporary Additional Support, and removing child support as an allowable cost (Initiative 17204 in Vote Social Development);

33 **invited** the Associate Minister of Housing to make an amendment to the Emergency Housing Grants programme under section 101 of the Social Security Act 2018, to increase the emergency housing contribution from 25 percent to 30 percent of income from 1 April 2027;

Initiative No: 17247

Vote:	Social Development
Appropriation Administrator:	Ministry of Social Development
Title:	SuperGold Card - Official Form of Identification
Description:	This initiative introduces a version of the SuperGold Card that can be used as official ID, meeting a need for older people who have difficulty accessing supports that require photo identification, such as banking services.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**
Operating Balance Impact*	-	2.669	4.315	14.562	14.867
Net Core Crown Debt Impact Only	-	2.364	4.096	-	-
No Impact	-	-	-	-	-
Total	**-**	**5.033**	**8.411**	**14.562**	**14.867**
	2030/31	**2031/32**	**2032/33**	**2033/34**	**2034/35**
Operating Balance Impact*	4.458	2.956	3.019	3.096	3.186
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**4.458**	**2.956**	**3.019**	**3.096**	**3.186**
	2035/36	**2036/37**	**2037/38**	**2038/39**	**2039/40 & Outyears**
Operating Balance Impact*	3.253	3.333	3.300	10.536	10.829
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**3.253**	**3.333**	**3.399**	**10.536**	**10.829**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30**
Departmental Output Expenses:					
Administration of Service Cards (funded by revenue Crown)	-	-	-	14.562	14.867
Enhancement and Promotion of SuperGold Cards (funded by revenue Crown)	-	2.669	4.315	-	-
Capital Injections:					
Ministry of Social Development - Capital Injection	-	2.364	4.096	-	-
Total Operating	**-**	**2.669**	**4.315**	**14.562**	**14.867**
Total Capital	**-**	**2.364**	**4.096**	**-**	**-**

	2030/31	2031/32	2032/33	2033/34	2034/35
Departmental Output Expenses:					
Administration of Service Cards (funded by revenue Crown)	4.458	2.956	3.019	3.096	3.186
Total Operating	**4.458**	**2.956**	**3.019**	**3.096**	**3.186**
	2035/36	**2036/37**	**2037/38**	**2038/39**	**2039/40 & outyears**
Departmental Output Expenses:					
Administration of Service Cards (funded by revenue Crown)	3.253	3.333	3.399	10.536	10.829
Total Operating	**3.253**	**3.333**	**3.399**	**10.536**	**10.829**

Additional Recommendations

34 **agreed** that "2039/40 and outyears" means that from 2040/41 onwards, funding continuously repeats the 10-year profile used from 2030/31 to 2039/40;

35 **agreed** to introduce a version of the SuperGold Card that can be used as official ID by SuperGold Card holders;

36 **authorised** the Minister for Social Development and Employment, the Minister for Seniors, and other Ministers as appropriate, to jointly make final decisions on the policy detail of the change outlined at paragraph 35 above;

37 **noted** the decision in paragraph 35 above will require legislative amendments, the detail of which is being worked through by officials and will be set out in a future paper to Cabinet;

Initiative No: 17204

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Temporary Additional Support - Change to the Maximum Rate and Removing Child Support as an Allowable Cost

Description: This savings initiative will reduce the maximum rate for Temporary Additional Support and Special Benefit that can be paid to recipients (not including New Zealand Superannuation or Veteran's Pension recipients) from 30 percent to 25 percent of the main benefit rate. The initiative also removes formula-assessed child support liability (i.e., unpaid child support costs) as an allowable cost for Temporary Additional Support, consistent with the policy intent that it is not intended to cover personal liabilities.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	(10.397)	(59.312)	(60.998)	(64.850)
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	-	-	-	-
Total	**-**	**(10.397)**	**(59.312)**	**(60.998)**	**(64.850)**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Benefits or Related Expenses:					
Hardship Assistance	-	(14.080)	(59.791)	(60.998)	(64.850)
Multi-Category Expenses and Capital Expenditure:					
Improved Employment and Social Outcomes Support (MCA)					
Departmental Output Expenses:					
Administering Income Support (funded by revenue Crown)	-	3.683	0.479	-	-
Total Multi-Category Expenses and Capital Expenditure: Improved Employment and Social Outcomes Support (MCA)	-	3.683	0.479	-	-
Total Operating	**-**	**(10.397)**	**(59.312)**	**(60.998)**	**(64.850)**

Additional Recommendations

38 **noted** that the objectives of changing Temporary Additional Support are to:

38.1 reduce the maximum rate to reflect the large above-inflation increases in main benefit rates that occurred over the previous two terms of parliament, reducing reliance on Temporary Additional Support and helping to make work pay, and

38.2 ensure that Temporary Additional Support does not generally cover personal liabilities by removing formula-assessed child support liability as an allowable cost;

39 **agreed** to:

39.1 reduce the maximum rate of payment for Temporary Additional Support and Special Benefit, from 30 percent of main benefit to 25 percent of main benefit for main benefit recipient and non-beneficiaries only from 1 April 2027;

39.2 maintain the maximum rate of payment of Temporary Additional Support and Special Benefit at 30 percent for New Zealand Superannuation and Veteran's Pension recipients;

40 **agreed** to remove formula-assessed child support liability from the list of allowable costs for Temporary Additional Support and Special Benefit for all recipients from 1 April 2027;

41 **authorised** the Minister for Social Development and Employment to make final decisions on the policy decisions and technical matters required to implement the changes outlined at paragraphs 39 and 40 above;

42 **noted** that the decisions in paragraphs 39 and 40 above will require amending the Social Security Regulations 2018 via an Order in Council under section 428 of the Social Security Act 2018;

43 **invited** the Minister for Social Development and Employment to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions above;

Vote: Social Development

Appropriation Administrator: Ministry of Social Development

Title: Tertiary Education - Increase to Tertiary Fees (Impact on Student Loans)

Description: This initiative provides funding for the student loan impacts of enabling tertiary education providers to increase tuition and training fees charged to learners by up to 6 percent in 2027, consistent with the increase planned for 2026. These increases will support Tertiary Education Organisations to address ongoing cost pressures and maintain the quality of delivery.

Appropriation Changes

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Operating Balance Impact*	-	-	-	-	-
Net Core Crown Debt Impact Only	-	-	-	-	-
No Impact	-	42.276	51.961	52.168	52.910
Total	**-**	**42.276**	**51.961**	**52.168**	**52.910**

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

	$m - increase/(decrease)				
	2025/26	**2026/27**	**2027/28**	**2028/29**	**2029/30 & Outyears**
Non-Departmental Capital Expenditure:					
Student Loans	-	42.276	51.961	52.168	52.910
Total Capital	**-**	**42.276**	**51.961**	**52.168**	**52.910**

Additional Recommendations

44 **noted** that the capital impacts of student loans above are considered neutral for fiscal management purposes as the impact on the operating balance and net core Crown debt is broadly neutral over time;

45 **noted** that this initiative relates to Initiative 17236 in Vote Tertiary Education and Initiative 17613 in Vote Revenue (IRD-Crown).