

# Vote Social Development

## Output Expense (Multi-year Appropriation<sup>61</sup>): Administering Support for the Mental Health and Employment Social Bond Pilot

### Scope

This appropriation is limited to the costs of administering and providing business support to the Mental Health and Employment Social Bond Pilot.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve efficient and effective administrative support to the Mental Health and Employment Social Bond Pilot.

### Summary of performance

#### Non-financial performance

This appropriation was introduced in February 2017. As the first payment to be administered is not due until August 2017, no result is available for 2016/2017.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure 2016/2017	All payments are administered according to social bond standards/agreements	Achieved	No result available*

\* No payments under this appropriation had been administered at 30 June 2017.

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000 <sup>62</sup>	Revised \$000 <sup>63</sup>	Actual \$000
	<b>Revenue</b>			
-	Crown	-	40	40
-	Department	-	-	-
-	Other	-	-	-
-	<b>Total Revenue</b>	-	<b>40</b>	<b>40</b>
-	<b>Total Expense</b>	-	<b>40</b>	-
-	<b>Net Surplus/(Deficit)</b>	-	-	<b>40</b>

61 The appropriation commenced from 1 February 2017 and expires on 30 June 2021.

62 As set out in the 2016/2017 Estimates of Appropriations for Vote Social Development.

63 Revised budget figures include any changes made in the 2016/2017 Supplementary Estimates of Appropriations for Vote Social Development.

## Output Expense: Adoption Services

This summary covers the period 1 July 2016 to 31 March 2017. From 1 April 2017 the Ministry of Social Development's functions relating to the support of vulnerable children and young people were transferred to the Ministry for Vulnerable Children, Oranga Tamariki, and the Adoption Services appropriation was transferred to Vote Vulnerable Children, Oranga Tamariki.

Performance information for April to June 2017 will be reported in the Ministry for Vulnerable Children, Oranga Tamariki: Report on Appropriations for the period 1 April 2017 to 30 June 2017.

### Scope

This appropriation is limited to the management of services, incorporating education, assessment, reporting, counselling, and mediation, to all people who are party to adoption-related matters, past or present.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the legal adoption of children by approved parents and to provide access to information on adoptions.

### Summary of performance

#### Non-financial performance

Between 1 July 2016 and 31 March 2017 we undertook 189 applicant assessments for domestic and intercountry adoptions, provided 110 statutory reports to the Family Court on the progress of adoption placements, and worked with 79 birth parents regarding adoption.

Our work ensured that:

- adoptive applicants and birth parents are fully informed and prepared before making their decision about adoption
- quality adoption reports are provided to courts in New Zealand, and overseas requests for information by adult adopted persons and birth parents relating to past adoptions are responded to.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
221	The number of requests <sup>64</sup> from adults seeking identifying information on birth parents will be between	150-200	182

### Financial Performance

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
7,177	<b>Revenue</b>			
-	Crown	7,183	3,998	3,998
-	Department	-	-	-
-	Other	-	-	-
<b>7,177</b>	<b>Total Revenue</b>	<b>7,183</b>	<b>3,998</b>	<b>3,998</b>
<b>7,029</b>	<b>Total Expense</b>	<b>7,183</b>	<b>3,998</b>	<b>3,998</b>
<b>148</b>	<b>Net Surplus/(Deficit)</b>	-	-	-

<sup>64</sup> Under section 9(4)(c) of the Adult Adoption Information Act 1985. Statistics on adoptions within New Zealand are provided by the Ministry of Justice on request. The Department of Internal Affairs can provide information on inter-country adoptions finalised overseas and recognised by New Zealand.

## Output Expense: Care and Protection Services

This summary covers the period 1 July 2016 to 31 March 2017. From 1 April 2017 the Ministry of Social Development's functions relating to the support of vulnerable children and young people were transferred to the Ministry for Vulnerable Children, Oranga Tamariki.

On 1 April 2017 this appropriation ceased and some funding<sup>65</sup> was transferred to the new Investing in Children and Young People Multi-category Appropriation in Vote Vulnerable Children, Oranga Tamariki. Performance information for April to June 2017 will be reported in the Ministry for Vulnerable Children, Oranga Tamariki: Report on Appropriations for the period 1 April 2017 to 30 June 2017.

### Scope

This appropriation is limited to the provision of social work and support services, both statutory and informal, to promote the wellbeing of children, young people and their families who are or have been in contact with the care system, including care and protection services; services for the development of the potential of such children and young people; and the provision of education and advice to help prevent child abuse and neglect.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve increased safety, security and wellbeing for vulnerable children who have been or are at risk of harm.

### Summary of performance

#### Non-financial performance

Between 1 July 2016 and 31 March 2017 we received notifications, including Police family violence referrals, in respect of 119,044 children and young people. For 29,187 children and young people these notifications required further action. We responded within timeliness standards to over 95 percent of children and young people who were experiencing immediate safety risks.

Children and young people we worked with during the year received comprehensive and ongoing assessment through the Tuituia assessment framework, and 78 percent were referred for individualised health and educational assessments through the Gateway programme.

We continued to meet all safety, security and stability standards for care and protection services including:

- responding within the timeframes appropriate to the safety and needs of children and young people who are reported
- completing investigations
- placement of children and young people in stable, safe and loving environments
- planning for children's reintegration into society.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Engagement and Assessment</b>		
	The percentage of notifications where there are immediate concerns <sup>66</sup> about the safety of the child or young person, that have an initial assessment commenced within the timeframe appropriate to the safety of the child or young person will be between:		
97%	Critical (less than 24 hours)	95-100%	96%
98%	Very urgent (up to 48 hours)	95-100%	95%

65 On 1 April 2017 funding was also transferred to the newly established departmental output expense *Claims Resolution MYA* in Vote Social Development.

66 When a report has been made that there may be imminent danger in relation to a child's welfare and therefore a response is needed quickly.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	The percentage of notifications requiring further action, but where there are no immediate concerns about the safety of the child or young person, that have an initial assessment commenced within the timeframe appropriate to the needs of the child or young person will be between:		
94%	Urgent (within seven working days)	85-95%	90%
95%	Low urgent (within 20 working days)	85-95%	90%
93%	The percentage of investigations/child and family assessments completed within 43 working days for those aged five and over will be between	80-90%	89%
92%	The percentage of investigations/child and family assessments completed within 36 working days for under five year olds will be between	85-95%	85%
11%	The percentage of children and young people who have been abused/neglected within six months of a previous finding of abuse/neglect will be no more than <sup>67</sup>	15%	11%
	<b>Seeking Safety and Security</b>		
99%	The percentage of care and protection family group conference plans reviewed by the agreed due date will be between	95-100%	94%*
	<b>Securing Stability and Wellbeing</b>		
80%	The percentage of children and young people in care referred for a Gateway assessment <sup>68</sup> will be between	70-80%	80%
77%	The percentage of children aged under five years old (who are unable to return home), who are placed with their Home for Life <sup>69</sup> caregiver within 12 months of coming into care will be between	75-85%	80%
95%	The percentage of children and young people discharged from a care and protection residence with an individual plan to help them transition back to the community will be between	95-100%	96%
7%	The percentage of children and young people in out-of-home care for more than 12 months, who have had more than three caregivers within the previous 12 months, will be no more than <sup>70</sup>	16% <sup>71</sup>	7%
New measure for 2016/2017	The percentage of children and young people with siblings in out-of-home care who are placed with at least one of their siblings will be no less than	80%	83%

\* This reflects an unexpected reduction in the total number of family group conferences (FGCs) held.

## Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
394,393	Crown	404,552	315,495	315,495
-	Department	-	-	-
3,013	Other	1,812	1,462	2,791
<b>397,406</b>	<b>Total Revenue</b>	<b>406,364</b>	<b>316,957</b>	<b>318,286</b>
<b>382,924</b>	<b>Total Expense</b>	<b>406,364</b>	<b>316,957</b>	<b>316,957</b>
<b>14,482</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>1,329</b>

<sup>67</sup> Repeat findings may relate to historical events before the child or young person came to the Ministry's attention.

<sup>68</sup> Individualised and comprehensive health and education assessment to identify and address unmet physical, mental, health and education needs.

<sup>69</sup> Up to 31 March 2017 a 'Home for Life' placement occurred when a child was placed by Child, Youth and Family with a caregiver who had been approved to offer a permanent home. Achieving a Home for Life occurred when the Chief Executive's custody was discharged in favour of a permanent caregiver.

<sup>70</sup> Many children will appropriately have more than one placement if they have an emergency placement followed by a longer-term placement, such as in their first year of care.

<sup>71</sup> Based on the United Kingdom national standard for a 12-month period.

## Output Expense: Children's Action Plan

The summary and results cover the period 1 July 2016 to 31 March 2017. From 1 April 2017 the Ministry of Social Development's functions relating to the support of vulnerable children and young people were transferred to the Ministry for Vulnerable Children, Oranga Tamariki.

On 1 April 2017 this appropriation ceased and the remaining funding was transferred to the new Investing in Children and Young People Multi-category Appropriation in Vote Vulnerable Children, Oranga Tamariki. Performance information for April to June 2017 will be reported in the Ministry for Vulnerable Children, Oranga Tamariki: Report on Appropriations for the period 1 April 2017 to 30 June 2017.

### Scope

This appropriation is limited to the activities necessary to implement the Children's Action Plan.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve a reduction in the vulnerability of children in New Zealand by identifying, protecting and supporting children who are at risk of abuse and neglect who require intensive, cross-agency support but do not quite meet the threshold for a statutory response.

### Summary of performance

#### Non-financial performance

Between 1 July 2016 and 31 March 2017 the Children's Teams enhanced the ability of the system to identify, protect and support children at risk of abuse by increasing the number of children, families and whānau they supported by 75 percent. At 31 March 2017 the ten Children's Teams had accepted 3,405 referrals, and 925 children had completed their engagement with Children's Teams, either by exiting with a transition plan (443), no longer requiring intervention from the team (152), or being transferred to care and protection (330).

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
Achieved	The total number of children accepted into Children's Teams is increased by at least	100%	75%*
New measure for 2016/2017	Two operational Children's Teams will extend their boundaries by 30 June 2017	Achieved	Not measured*
New measure for 2016/2017	All operational Children's Teams have workforce development plans approved by their Local Governance Group and have established processes to track progress	Achieved	Not measured*

\* On 1 April 2017 the function was transferred to the Ministry for Vulnerable Children, Oranga Tamariki.

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
12,894	Revenue			
-	Crown	12,020	8,780	8,780
-	Department	-	-	-
-	Other	-	-	-
<b>12,894</b>	<b>Total Revenue</b>	<b>12,020</b>	<b>8,780</b>	<b>8,780</b>
<b>12,505</b>	<b>Total Expense</b>	<b>12,020</b>	<b>8,780</b>	<b>8,780</b>
<b>389</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Output Expense (Multi-year Appropriation<sup>72</sup>): Claims Resolution

### Scope

This appropriation is limited to resolving claims of abuse and neglect for people who were under the supervision or in the care, custody or guardianship of the State or who had come to the notice of the State prior to 2008.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve financial resolution for victims of abuse and neglect who were in the care, custody or guardianship of the State.

### Summary of performance

#### Non-financial performance

Up to 30 June 2017 we resolved 1,555 of the 2,433 claims received, and made payments totalling over \$24 million to 1,256 people.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard <sup>73</sup>	2016/2017 Actual Standard
New measure for 2016/2017	The number of claims assessed by 30 June 2020 will be no less than	1,000	40*
New measure for 2016/2017	The percentage of claims assessed by 30 June 2020 that will have an offer made by 30 June 2021 will be	100%	100%**

\* Achieving the interim target for 30 June 2017 was contingent on implementation of a revised resolution process. The new process had not been confirmed at that date.

\*\* The proportion of offers made between 1 April 2017 and 30 June 2017 that were within 12 months of the claim being assessed.

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
-	Crown	-	2,000	2,000
-	Department	-	-	-
-	Other	-	-	-
-	<b>Total Revenue</b>	-	<b>2,000</b>	<b>2,000</b>
-	<b>Total Expense</b>	-	<b>2,000</b>	<b>1,837</b>
-	<b>Net Surplus/(Deficit)</b>	-	-	<b>163</b>

<sup>72</sup> The appropriation commenced on 1 April 2017 and expires on 30 June 2021. Claims resolution was funded from the Care and Protection Services appropriation prior to 1 April 2017. As the rest of the Care and Protection Services funding transferred to Vote Vulnerable Children, Oranga Tamariki, and the Claims Resolution function remained in the Ministry of Social Development, a new appropriation was established in Vote Social Development.

<sup>73</sup> The budgeted standards shown are for the life of the multi-year appropriation and are to be achieved by 30 June 2021.

## Output Expense: Corporate Support Services<sup>74</sup>

### Scope

This appropriation is limited to provision of corporate support services to other agencies.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve quality and efficient corporate support services.

### Summary of performance

#### Non-financial performance

Between the establishment of the Ministry for Vulnerable Children, Oranga Tamariki on 1 April 2017 and the end of the 2016/2017 financial year, we completed three full months of achieving quality and efficient corporate services across a number of shared and transitional service agreements. We achieved most of the agreed service level standards, levels and volumes in this period. We have actively managed any issues that have arisen in partnership with Oranga Tamariki.

We agreed with Oranga Tamariki that a number of transitional services would cease on 30 June 2017 as planned, and that some transitional services would continue for a further period of time to allow Oranga Tamariki to build its own capability in these areas.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	Services meet the standards and timeframes agreed between the Ministry of Social Development and the Ministry for Vulnerable Children, Oranga Tamariki	Achieved	Achieved

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
-	Crown	-	-	-
-	Department	-	25,000	25,000
-	Other	-	-	-
-	<b>Total Revenue</b>	-	<b>25,000</b>	<b>25,000</b>
-	<b>Total Expense</b>	-	<b>25,000</b>	<b>25,000</b>
-	<b>Net Surplus/(Deficit)</b>	-	-	-

74 This new appropriation was established from 1 April 2017, in order to fund the corporate support services provided by the Ministry of Social Development to Oranga Tamariki.

## Output Expense: Data, Analytics and Evidence Service<sup>75</sup>

### Scope

This appropriation is limited to providing data, analytics and evidence services to better inform government decision-making.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve an increase in the use and thereby the value of the data and information assets of the Ministry and other government agencies to improve outcomes for New Zealanders.

### Summary of performance

#### Non-financial performance

In 2016/2017 we developed foundational data assets to increase flexibility and reliability and to support a range of self-service tools and reports, through building to a set architecture and a more rigorous production and control process. We also enhanced our reporting suite and expanded the range of information published.

We produced three predictive models: one to predict the lifetime benefit costs of every client supported by a benefit in the last five years, one to predict the change in future benefit costs depending on which work-focused case management service a client is assigned to, and one that predicts the risk of 15- to 17-year-old school leavers being on benefit for at least three months in the three years after leaving school.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
Achieved	Data, analytics and evidence services will be delivered in accordance with a work programme agreed with Ministers	Achieved	Achieved
New measure for 2016/2017	The number of data assets developed that support analytic models, self-service tools and research, evaluation and data reports will be no less than	10	14
New measure for 2016/2017	The number of new analytics models in use to guide front line decision-making and improve client outcomes will be no less than	2	3
4	The number of research, evaluation and data reports published externally will be no less than	15	36 <sup>76</sup>
New measure for 2016/2017	The proportion of products and services produced that meet or exceed the quality standards (as assessed against the Insights Quality Framework) will be no less than	80%	100%
New measure for 2016/2017	Total Aggregate Social Development BORE spend accuracy on current year mid-point estimates will be within the range of	+/-2%	0.05% <sup>77</sup>

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
11,380	Revenue			
-	Crown	11,420	12,510	12,510
-	Department	-	-	-
-	Other	-	-	-
<b>11,380</b>	<b>Total Revenue</b>	<b>11,420</b>	<b>12,510</b>	<b>12,510</b>
<b>11,187</b>	<b>Total Expense</b>	<b>11,420</b>	<b>12,510</b>	<b>11,706</b>
<b>193</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>804</b>

<sup>75</sup> On 1 April 2017 some funding from this appropriation was transferred to the new Data, Analytics and Evidence Services appropriation in Vote Vulnerable Children, Oranga Tamariki.

<sup>76</sup> Thirty of these were data (monitoring) reports and six were research and evaluation reports. At 30 June 2017 three further research and evaluation reports were awaiting approval for publication.

<sup>77</sup> This measure used the Estimated Actual figures from Budget 2017 as the forecast and excluded any adjustments made in the Supplementary Estimates of Appropriations.



## Output Expense: Designing and Implementing Social Investment

### Scope

This appropriation is limited to expenses incurred in designing and implementing a cross-agency social investment system.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the provision of initial tools and infrastructure by the Social Investment Unit required to enable a collective social investment approach allowing investment in what works to improve the lives of New Zealanders, creating lasting change.

### Summary of performance

#### Non-financial performance

The cross-agency Social Investment Unit (SIU) was responsible for overseeing and co-ordinating the Government's social investment approach. It reported to the Minister Responsible for Social Investment. On 1 July 2017 it was replaced by the Social Investment Agency.

In 2016/2017 the SIU partnered with agencies through work such as the Social Housing Test Case, which demonstrates the ability to calculate the fiscal return to the investment in social housing.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	The percentage of tools and infrastructure required to enable a social investment approach that are delivered in accordance with a work programme agreed with Ministers will be no less than	100%	100%
New measure for 2016/2017	The satisfaction rating <sup>78</sup> given by Ministers for the quality and timeliness of advice, as per the Common Satisfaction Survey, will be at least	7.0	8.5
New measure for 2016/2017	The percentage of all social investment initiatives for Budget 2017 that meet agreed social investment principles for evidence and analysis will be no less than	80%	100%

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
2,000	<b>Revenue</b>			
-	Crown	1,500	9,018	9,018
-	Department	-	-	-
-	Other	-	-	-
<b>2,000</b>	<b>Total Revenue</b>	<b>1,500</b>	<b>9,018</b>	<b>9,018</b>
<b>1,518</b>	<b>Total Expense</b>	<b>1,500</b>	<b>9,018</b>	<b>8,309</b>
<b>482</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>709</b>

<sup>78</sup> The Common Satisfaction Survey rating measures Ministers' satisfaction with the quality, timeliness and value for money of policy advice on a scale from 1 to 10, where 1 means unsatisfied and 10 means extremely satisfied.

## Output Expense: Income Support and Assistance to Seniors

### Scope

This appropriation is limited to paying New Zealand Superannuation and social security entitlements to older persons, providing advice to them, administering international social security agreements relating to non-superannuitants, and assessing financial entitlement to Residential Care Subsidies.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the accurate and timely assessment and payment of entitlements to older people.

### Summary of performance

#### Non-financial performance

In 2016/2017 the number of people on New Zealand Superannuation increased to 729,445, compared with 704,607 at the end of 2015/2016, an increase of 24,838 or 3.5 percent.

We provided accurate and timely entitlement assessments and payments to 61,665 new applicants for New Zealand Superannuation to help them maintain independence.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
93.3%	The percentage of entitlement assessments for payment of New Zealand Superannuation (in New Zealand and overseas), Emergency Benefit for people over 65, other New Zealand entitlements paid overseas and residential subsidies completed accurately will be no less than	90%	94.6%
72.6%	The percentage of entitlement assessments for payment of New Zealand Superannuation (in New Zealand and overseas), Emergency Benefit for people over 65, other New Zealand entitlements paid overseas and residential subsidies finalised within timeframes <sup>79</sup> will be no less than	90%	86.1%*

\* A sharp increase in work volumes towards the end of the year impacted the final result. Extra resources have been committed to improve the result in 2017/2018.

### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
36,902	<b>Revenue</b>			
-	Crown	36,866	43,781	43,781
-	Department	-	-	-
-	Other	-	-	-
<b>36,902</b>	<b>Total Revenue</b>	<b>36,866</b>	<b>43,781</b>	<b>43,781</b>
<b>36,981</b>	<b>Total Expense</b>	<b>36,866</b>	<b>43,781</b>	<b>43,212</b>
<b>(79)</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>569</b>

79 This combines timeliness measures for all activities in this output expense. Standard timeframes for each component are as follows:

- six working days for New Zealand Superannuation and Emergency Benefit (for people over 65 years of age) entitlement assessments completed for payment in New Zealand
- 20 working days for New Zealand Superannuation entitlement assessments completed for payments overseas and other New Zealand entitlements paid overseas
- 20 working days for Residential Subsidy entitlement assessments.

## Output Expense: Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments

### Scope

This appropriation is limited to services to minimise errors, fraud and abuse of the benefit system and income-related rent, and services to manage the collection of overpayments, recoverable assistance loans and other balances owed by former clients.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve a welfare system that operates with fairness and integrity by ensuring that the right people receive the right entitlements and assistance at the right time.

### Summary of performance

#### Non-financial performance

We undertake prevention programmes and operate a range of detection activities to minimise and mitigate fraud and to protect the integrity of the welfare system. Our Debt Management Strategy helps guide our efforts to make it easier for clients to avoid committing fraud and accumulating debt.

In order to protect the integrity of the benefit system and Income-Related Rent Subsidy payments, we investigated 5,992 cases and established 2,307 overpayments in 2016/2017.

We completed 453 prosecutions, nearly all of which were successful. Cases are investigated only when allegations have been made and there is sound information indicating that fraud may be present.

We are committed to optimising debt recovery rates and we are encouraging the use of online and other channels to make it easier for clients to repay debt.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
58.4%	The percentage of investigations that result in an entitlement change <sup>80</sup> or identification of an overpayment will be no less than	50%	59%
96.6%	The percentage of successful prosecutions concluded will be no less than	95%	96.2%
71.1%	The percentage of non-current debt paid in full, or under arrangement to pay, within four months will be no less than	70%	70.3%

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
49,350	Revenue			
-	Crown	49,390	49,209	49,209
-	Department	-	-	-
-	Other	-	-	-
<b>49,350</b>	<b>Total Revenue</b>	<b>49,390</b>	<b>49,209</b>	<b>49,209</b>
<b>49,518</b>	<b>Total Expense</b>	<b>49,390</b>	<b>49,209</b>	<b>48,122</b>
<b>(168)</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>1,087</b>

80 This includes the increase, reduction or cessation of entitlement to benefit as a direct result of the investigation.

## Output Expense: Investing in Communities<sup>81</sup>

### Scope

This appropriation is limited to approving community-based social services; managing the relationship with service providers, including funding and monitoring; and the co-ordination of social support services to strengthen families and whānau.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve an improvement in outcomes for vulnerable children, youth and their families through the provision of community-based social services.

### Summary of performance

#### Non-financial performance

We continued to implement the Community Investment Strategy to target funding more effectively and to develop a new way of working with the community sector.

In 2016/2017 the Social Services Accreditation (SSA) team completed 146 accreditation assessments for Level 1 care providers across the country, an increase of 59 from 2015/2016. The increase was due to some new providers brought on as part of the Interagency Accreditation Project.

As part of the Inter-Agency Accreditation project to reduce accreditation compliance for providers, we now accredit providers for the Ministry of Justice and the Department of Corrections.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
100%	The percentage of Level 1 <sup>82</sup> and Level 2 <sup>83</sup> Ministry of Social Development-contracted providers who will be assessed at least once every two years against Ministry of Social Development approval standards will be no less than	100%	97%*
New measure for 2016/2017	The percentage of Level 3 <sup>84</sup> Ministry of Social Development-contracted providers who will be assessed within the review frequency <sup>85</sup> against Ministry of Social Development approval standards will be no less than	90-100%	92%
New measure for 2016/2017	The percentage of contracted providers assessed on behalf of the Ministry of Justice and the Department of Corrections within the review frequency against Ministry of Social Development approval standards will be no less than	100%	94%**

\* Level 1 assessments achieved 100%, while Level 2 assessments only reached 96.2%. The 100% target for Level 2 assessments was not met this year because the focus was on the top-priority Level 1 assessments. We are reviewing our resourcing requirements to focus on achieving these targets in 2017/2018.

\*\* Although we set a target of 100 percent for this new measure, we used the first year to determine the amount of resource that would be required for, and the extra workload generated by, this work. We have determined that additional support is needed to carry out assessments; we are working with other agencies to secure additional resource for 2017/2018.

81 On 1 April 2017 some funding from this appropriation was transferred to the new Investing in Children and Young People Multi-category Appropriation in Vote Vulnerable Children, Oranga Tamariki.

82 These are providers who deliver care-based services.

83 These are providers delivering services to high-risk/vulnerable clients who require intensive support.

84 These are providers delivering services to low-risk client groups or the general population.

85 Review frequency means: for Level 3 community service providers – every two years; for Level 3 OSCAR providers – every two to five years depending on risk.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	<b>Implementing the Community Investment Strategy</b> The percentage of services funded by Community Investment that have results-based measures and are aligned to the Results Measurement Framework (RMF) by July 2018	Baseline to be established	27%
93%	<b>Social Support Services Co-ordination</b> The percentage of surveyed clients that agree that they are better off as a result of accessing Heartland Services will be no less than	80%	93%
72%	The percentage of surveyed agencies agreeing that they are 'satisfied' or 'very satisfied' with Heartland Service Centres' accessibility, range of services and facilities will be no less than	90%	83%***
New measure for 2016/2017	<b>Supporting Communities<sup>86</sup></b> The proportion of communities funded by SKIP <sup>87</sup> that show evidence of reducing risk factors for vulnerable families	Baseline to be established	90%

\*\*\* Although this result has not met the performance standard for 2016/2017, it shows an improvement from 2015/2016. There was an increase in satisfaction with the range of services and facilities but a drop in satisfaction with location.

### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
45,786	<b>Revenue</b>			
-	Crown	43,938	39,163	39,163
-	Department	-	-	-
-	Other	-	-	-
<b>45,786</b>	<b>Total Revenue</b>	<b>43,938</b>	<b>39,163</b>	<b>39,163</b>
<b>45,054</b>	<b>Total Expense</b>	<b>43,938</b>	<b>39,163</b>	<b>37,290</b>
<b>732</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>1,873</b>

<sup>86</sup> This relates to the period 1 July 2016 to 31 March 2017. On 1 April 2017 this function was transferred to the Ministry for Vulnerable Children, Oranga Tamariki.

<sup>87</sup> The proportion of communities is measured via surveys conducted by SKIP (Strategies for Kids, Information for Parents) funded providers as part of their contractual arrangements.

## Output Expense: Management of Service Cards

### Scope

This appropriation is limited to assessing entitlement, issuing cards, and promoting and distributing information about the Community Services, SuperGold and Veteran SuperGold cards, including enlisting business partners to provide discounts to SuperGold Card holders.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the accurate and timely assessment and issuing of discount service cards to low-income New Zealanders and seniors.

### Summary of performance

#### Non-financial performance

In 2016/2017:

- the number of Community Services Card recipients fell from 867,383 to 842,711, reflecting decreases in all client categories
- the total number of SuperGold Card holders increased from 688,810 to 712,251
- the number of SuperGold Card business partners providing discounts to cardholders increased from 8,304 to 8,583, with a total of 301 new partners joining the programme.

The number of SuperGold Cards and Veteran SuperGold Cards issued is determined by the number of new card applicants and card renewals. In 2016/2017 the number of cards issued was 248,413, compared with 258,558 in 2015/2016.

The efficient and accurate assessment and issuing of discount cards enables more New Zealanders and seniors to take a fuller part in society.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
96.9%	The percentage of card entitlement assessments completed accurately will be no less than	90%	96.9%
88.1%	The percentage of card entitlement assessments completed within five working days will be no less than	90%	93.8%
297	The number of new business partners engaged will be no less than	250	301

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
6,279	Crown	6,629	4,879	4,879
-	Department	-	-	-
-	Other	-	-	-
<b>6,279</b>	<b>Total Revenue</b>	<b>6,629</b>	<b>4,879</b>	<b>4,879</b>
<b>6,227</b>	<b>Total Expense</b>	<b>6,629</b>	<b>4,879</b>	<b>4,618</b>
<b>52</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>261</b>

## Output Expense: Management of Student Loans

### Scope

This appropriation is limited to assessing, paying and reviewing entitlements for Student Loans and providing guidance to students making financial and study decisions.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the accurate and timely assessment and payment of student loans.

### Summary of performance

#### Non-financial performance

In 2016/2017 we processed 220,374 Student Loan applications, with over 98 percent of entitlement assessments being completed accurately.

Timely and accurate assessment and payment of Student Loans during the year helped reduce financial barriers for students, enabling them to access tertiary study.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
99.1%	The percentage of entitlement assessments for a Student Loan completed accurately will be no less than	90%	98.2%
100%	The percentage of initial entitlement assessments for a Student Loan completed within five working days will be no less than	90%	99.6%

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
15,045	<b>Revenue</b>			
-	Crown	15,545	15,545	15,545
-	Department	-	-	-
-	Other			
<b>15,045</b>	<b>Total Revenue</b>	<b>15,545</b>	<b>15,545</b>	<b>15,545</b>
<b>15,129</b>	<b>Total Expense</b>	<b>15,545</b>	<b>15,545</b>	<b>15,083</b>
<b>(84)</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>462</b>

## Output Expense: Management of Student Support

### Scope

This appropriation is limited to managing non-recoverable financial support to students, involving assessing and paying Student Allowances and other income support to eligible secondary and tertiary students.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the accurate and timely assessment and payment of non-recoverable financial support for students.

### Summary of performance

#### Non-financial performance

In 2016/2017 we processed 118,204 Student Allowance applications, with over 96 percent of entitlement assessments being completed accurately, and all initial entitlement assessments being completed within five working days of application.

Timely and accurate assessment and payment of Student Allowances during the year helped reduce financial barriers for students, enabling them to access tertiary study.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
96.5%	The percentage of entitlement assessments for a Student Allowance completed accurately will be no less than	90%	96.2%
99.8%	The percentage of initial entitlement assessments for a Student Allowance completed within five working days will be no less than	90%	100%

#### Financial Performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
15,704	<b>Revenue</b>			
-	Crown	16,056	17,356	17,356
-	Department	-	-	-
-	Other	-	-	-
<b>15,704</b>	<b>Total Revenue</b>	<b>16,056</b>	<b>17,356</b>	<b>17,356</b>
<b>15,794</b>	<b>Total Expense</b>	<b>16,056</b>	<b>17,356</b>	<b>16,712</b>
<b>(90)</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>644</b>



## Output Expense: Place-based Initiatives – National Support

### Scope

This appropriation is limited to providing support and evaluation across place-based initiatives.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the successful implementation and functioning of place-based initiatives to improve outcomes for at-risk children, young people and their families.

### Summary of performance

#### Non-financial performance

Place-based initiatives (PBIs) exemplify the social investment approach where local decision-makers, with the support of government agencies, ensure fit-for-purpose services to local communities to drive improvements and harness the collective efforts resulting in improved social, cultural and economic outcomes.

In 2016/2017 we continued to support the individual needs and capability of the PBIs. This included supporting relationships between local PBI governance groups and central government agencies and developing an approach to mapping decision rights for agencies.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	Agreement plans, tailored support systems and an evaluation plan are in place and operational by 30 June 2017	Achieved	Not achieved*
New measure for 2016/2017	The three place-based initiatives report that the support they are receiving from the national function is supporting them to deliver what they intend to achieve	Achieved	Not achieved*

\* The final Evaluation Strategy was delivered on 17 June 2017 but was not operational by 30 June 2017. Confirmation of the individual agreement plans with the three PBI boards, and canvassing the views of the PBI boards on the support provided by the National Support Team (NST) had not been undertaken by 30 June 2017. The delays were due to the transfer of the NST into the Social Investment Agency (SIA) from 1 July 2017<sup>88</sup>.

### Financial Performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
-	Crown	-	610	610
-	Department	-	-	-
-	Other	-	-	-
-	<b>Total Revenue</b>	-	<b>610</b>	<b>610</b>
-	<b>Total Expense</b>	-	<b>610</b>	<b>252</b>
-	<b>Net Surplus/(Deficit)</b>	-	-	<b>358</b>

88 The SIA was established on 1 July 2017 and from that date has responsibility for the support of the place-based initiatives.

## Output Expense: Place-based Initiatives – Tairāwhiti Local Leadership

### Scope

This appropriation is limited to the provision of operational support for the place-based approach being led by the Tairāwhiti Social Impact Collective.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve a new way of working together in Tairāwhiti in order to achieve an improvement in the outcomes of at-risk children, young people and their families.

### Summary of performance

#### Non-financial performance

Manāki Tairāwhiti is a place-based initiative comprising iwi, government and NGO leaders in Gisborne and Wairoa. The initiative aims to improve local collaborative practice and services for at-risk families.

The initiative has consolidated its social sector governance and developed a cross-agency triage process for engaging at-risk families, as the first steps in applying social investment locally.

A range of different programmes have been brought together under the Manāki Tairāwhiti governance structure so that social sector agencies and NGOs can work more effectively with the customers they serve.

Community-led action plans to capture collaborative work being undertaken across the social and health sectors were developed and distributed to Manāki Tairāwhiti in June 2017.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	A consolidation plan, operational plan and ongoing local support arrangements are in place and operational by 30 June 2017	Achieved	Achieved

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
-	Crown	-	205	205
-	Department	-	-	-
-	Other	-	-	-
-	<b>Total Revenue</b>	-	<b>205</b>	<b>205</b>
-	<b>Total Expense</b>	-	<b>205</b>	<b>194</b>
-	<b>Net Surplus/(Deficit)</b>	-	-	<b>11</b>

## Output Expense: Planning, Correspondence and Monitoring<sup>89</sup>

### Scope

This appropriation is limited to providing planning, reporting, monitoring and statutory appointment advice (other than policy decision-making advice) on Crown entities, and correspondence services to support Ministers to discharge their portfolio responsibilities.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve effective and efficient ministerial, advisory and administrative services to support Ministers to discharge their portfolio responsibilities.

### Summary of performance

#### Non-financial performance

In 2016/2017 we provided services to support Ministers to discharge their portfolio responsibilities, including their roles as Responsible Ministers for Crown entities that are attached to the Social Development portfolio. This included:

- supporting Crown entities to be better aligned with government and ministerial priorities
- appointing board members with the right skills and experience to deliver the Government's priorities.

Cabinet approved 16 appointments to our four Crown entities as well as to statutory tribunals and advisory bodies during the year.

During the year we prepared responses to 1,477 written Parliamentary questions, 1,220 items of correspondence and 105 Official Information Act requests for the Ministers for Social Development, Social Housing, Disability Issues, Youth and Seniors.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Crown Entity Monitoring</b>		
New measure for 2016/2017	The percentage of occasions on which advice is given to the Ministers on Crown entity and Statutory Tribunal appointments within agreed timeframes will be between	95-100% <sup>90</sup>	100%
100%	The percentage of all reports <sup>91</sup> provided to the Minister that are factually accurate, meet all legislative requirements, and contain no avoidable errors will be between	95-100%	100%
100%	The percentage of occasions on which advice to Ministers on draft accountability documents for Crown entities for the next financial year is provided within agreed timeframes will be no less than	100%	100%
	<b>Ministerial and Executive Services</b>		
97%	The percentage of ministerial correspondence replies completed within 20 working days of receipt by the Ministry, unless otherwise agreed, will be between	95-100%	95%
91%	The percentage of written Parliamentary question replies provided to the Minister's Office so that answers can meet the timeframe set in Parliamentary Standing Orders, will be between	95-100%	99.7%
100%	The percentage of ministerial Official Information Act request replies completed within the statutory timeframe (or unless otherwise agreed), will be between	95-100%	100%

<sup>89</sup> On 1 April 2017 some funding from this appropriation was transferred to the new Ministerial Services appropriation in Vote Vulnerable Children, Oranga Tamariki.

<sup>90</sup> Percentage will be calculated with reference to all the appointments identified in the report to Cabinet at the start of each calendar year that have been actioned as agreed with the Minister.

<sup>91</sup> Reports include policy advice, aide memoires, briefings and updates to support the Minister's decision-making responsibilities.

**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial Performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
6,154	<b>Revenue</b>			
-	Crown	5,554	6,344	6,344
-	Department	-	-	-
-	Other	-	-	-
<b>6,154</b>	<b>Total Revenue</b>	<b>5,554</b>	<b>6,344</b>	<b>6,344</b>
<b>6,081</b>	<b>Total Expense</b>	<b>5,554</b>	<b>6,344</b>	<b>6,316</b>
<b>73</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>28</b>

## Output Expense: Policy Advice<sup>92</sup>

### Scope

This appropriation is limited to providing advice (including second opinion advice and contributions to policy advice led by other agencies) to support decision-making by Ministers on government social policy matters, including social sector issues.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve high-quality social policy decisions.

### Summary of performance

#### Non-financial performance

We continued to provide high-quality policy advice to support Ministers to make decisions on social policy matters. This included providing advice on income support and employment issues, social housing, families and communities, issues faced by children and young people, people with a health condition or disability and older people, and social sector initiatives.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
8.33	The satisfaction rating <sup>93</sup> given by Ministers for the quality and timeliness of policy advice, as per the Common Satisfaction Survey will be at least	8.0	6.6*
71%	The technical quality of policy advice papers assessed by a survey with a methodological robustness of 85% <sup>94</sup> will be no less than	75%	73.7%**
\$128.28	The total cost <sup>95</sup> per hour per person of producing outputs will be	\$130.00- \$140.00	\$190.28***
Achieved	Social policy advice will be delivered in accordance with work priorities identified and advised by Ministers <sup>96</sup>	Achieved	Achieved

\* The result represents the average score from surveys completed by the Minister for Social Development and the Minister for Social Housing.

\*\* The performance standard was raised from 70 percent to 75 percent for 2016/2017. The result, while just short of the new target, was an improvement on the previous year's result of 71 percent.

\*\*\* The higher-than-expected result is largely due to increased overheads resulting from the application of a new overhead allocation model across MSD appropriations, the transfer of staff and funding to Oranga Tamariki on 1 April 2017, and methodological improvements to the calculation of the cost of policy advice.

92 On 1 April 2017 some funding from this appropriation was transferred to the new Policy Advice appropriation in Vote Vulnerable Children, Oranga Tamariki.

93 The Common Satisfaction Survey rating measures Ministers' satisfaction with the quality, timeliness and value for money of policy advice from 1 to 10, where 1 means unsatisfied and 10 means extremely satisfied. The result is the combined average score of the two Ministers that were surveyed. In previous years, only the Minister for Social Development has been surveyed. This year, the Minister for Social Housing was also surveyed.

94 This measure is a compulsory policy advice measure for all public sector agencies. The wording of the measure was supplied by the Treasury.

95 The total cost of an hour of professional staff time devoted to both policy advice and other policy unit outputs. Total cost includes the cost of labour, overheads, support staff, direct costs and outsourced work to support output production.

96 The Ministers who received services during 2016/2017 were the Minister for Social Development, the Minister for Social Housing, the Minister for Youth, the Minister for Seniors, the Minister for Disability Issues, the Associate Minister for Social Development (to 20 December 2016) and the Associate Minister for Social Housing (from 20 December 2016).

**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
19,572	Crown	19,395	20,167	20,167
920	Department	-	-	-
-	Other	-	-	-
<b>20,492</b>	<b>Total Revenue</b>	<b>19,395</b>	<b>20,167</b>	<b>20,167</b>
<b>20,421</b>	<b>Total Expense</b>	<b>19,395</b>	<b>20,167</b>	<b>19,821</b>
<b>71</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>346</b>

## Output Expense: Processing of Veterans' Pensions

### Scope

This appropriation is limited to the processing and administrative aspects of payment of Veterans' Pensions and related allowances.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the efficient, accurate and timely assessment and payment of Veterans' Pensions and related allowances.

### Summary of performance

#### Non-financial performance

In 2016/2017 we granted 169 pensions to veterans to support them to maintain their independence and social participation, compared with 280 in 2015/2016.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
91.1%	The percentage of Veteran's Pension entitlement assessments completed accurately will be no less than	90%	95.1%
87.5%	The percentage of Veteran's Pension entitlement assessments completed within timeframes <sup>97</sup> will be no less than	90%	94.7%

#### Financial Performance

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
438	Crown	438	588	588
-	Department	-	-	-
-	Other	-	-	-
<b>438</b>	<b>Total Revenue</b>	<b>438</b>	<b>588</b>	<b>588</b>
<b>386</b>	<b>Total Expense</b>	<b>438</b>	<b>588</b>	<b>464</b>
<b>52</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>124</b>

<sup>97</sup> Six working days for Veteran's Pension entitlement assessments for payment in New Zealand, and 20 working days for Veteran's Pension entitlement assessments for payment overseas.

## Output Expense: Promoting Positive Outcomes for Disabled People

### Scope

This appropriation is limited to providing services to promote and monitor the implementation of the New Zealand Disability Strategy, to monitor and implement the United Nations Convention on the Rights of Persons with Disabilities, and to provide information to Ministers on disability matters.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the increased participation and contribution of disabled people by providing advice and support to the Minister for Disability Issues and by co-ordinating and monitoring against the Convention on the Rights of Persons with Disabilities, the New Zealand Disability Strategy and the Disability Action Plan.

### Summary of performance

#### Non-financial performance

In 2016/2017 we led the revision of the New Zealand Disability Strategy and developed an outcomes framework to enable measurement on progress in implementing the revised Strategy.

We continued to provide secretariat support and advice for the New Zealand Sign Language (NZSL) Board and the associated NZSL Fund, and supported the Minister for Disability Issues, as part of the Disability Confident Campaign, to engage with employers through forums. We jointly led, with Statistics NZ, the Disability Data and Evidence Working Group, and helped to develop the Lead Toolkit to support the state sector to take a leadership role in the employment of disabled people.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	The quality rating given to a monitoring report by disabled people on their rights under the United Nations Convention on the Rights of Persons with Disabilities <sup>98</sup> is of high quality will be no less than	7.0	6.2*
New measure for 2016/2017	The satisfaction rating <sup>99</sup> given by the Minister for Disability Issues for the quality of the annual report is no less than	7.0	9
New measure for 2016/2017	A new disability strategy is developed in partnership between disabled people and government agencies and is agreed by 31 December 2016	Achieved	Achieved
New measure for 2016/2017	The proportion of actions in the Disability Action Plan that are on track for progress or are completed in line with agreed milestones will be no less than	75%	75%
New measure for 2016/2017	The percentage of stakeholders who report being 'satisfied' or 'very satisfied' with the level of engagement of the Office for Disability Issues	Baseline being established	89%

\* We will use this rating review to inform our discussions with the provider of the monitoring report on quality improvement for future work.

<sup>98</sup> Based on a rating system developed by the Office for Disability Issues that assesses the elements of a good-quality report, such as sound methodology and being easy to understand. This is measured on a scale from 1 to 10, where 1 means unsatisfied and 10 means extremely satisfied.

<sup>99</sup> The Satisfaction Survey rating measures the Minister for Disability Issues' satisfaction with the quality of the annual report providing an accurate picture of progress against agreed priorities, where 1 means unsatisfied and 10 means extremely satisfied.



**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
	<b>Revenue</b>			
5,745	Crown	4,045	4,045	4,045
-	Department	-	-	-
18	Other	-	-	-
<b>5,763</b>	<b>Total Revenue</b>	<b>4,045</b>	<b>4,045</b>	<b>4,045</b>
<b>5,685</b>	<b>Total Expense</b>	<b>4,045</b>	<b>4,045</b>	<b>3,951</b>
<b>78</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>94</b>

## Output Expense: Promoting Positive Outcomes for Seniors

### Scope

This appropriation is limited to providing information and facilitation to protect the rights and interests of older people, to promote local community involvement in senior issues, and ministerial services.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve positive outcomes for seniors by providing support and advice to the Minister for Seniors.

### Summary of performance

#### Non-financial performance

In 2016/2017 we continued to support the Minister for Seniors with speeches, communications and event management. We also provided information for seniors through the SuperSeniors suite of products, including a website, e-newsletter and social media channels, promoted the World Health Organization's age-friendly programme by working with three pilot communities (Kāpiti, New Plymouth and Hamilton), and administered contracts covering elder abuse and neglect prevention services.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
58	The number of ministerial speeches, communications and events prepared or organised by the Ministry to increase awareness of elder abuse and neglect prevention will be between	30-50	53
100%	The percentage of draft speeches and speech notes provided to the Minister for Seniors within the timeframe specified by the Minister's Office will be no less than	95%	100%
New measure for 2016/2017	The percentage of stakeholders <sup>100</sup> who report being 'satisfied' or 'very satisfied' with the level of engagement of the Office for Seniors will be no less than	75%	71%*
New measure for 2016/2017	The level of social media engagement <sup>101</sup> by the public on positive ageing will be no less than	8,000 per month	17,001 per month

\* The reduction in positive stakeholder feedback for this year may in part be related to a number of changes in the work and role of the Office for Seniors. We will aim to improve the result in the coming year and will engage with stakeholders about how we could improve how we work with the sector.

#### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
1,010	<b>Revenue</b>			
-	Crown	1,010	1,010	1,010
-	Department	-	-	-
-	Other	-	-	-
<b>1,010</b>	<b>Total Revenue</b>	<b>1,010</b>	<b>1,010</b>	<b>1,010</b>
<b>888</b>	<b>Total Expense</b>	<b>1,010</b>	<b>1,010</b>	<b>850</b>
<b>122</b>	<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>160</b>

100 Stakeholders are selected from the following groups: seniors, sector organisations, and central and local government.

101 Engagement is defined as commenting on, liking or sharing a Facebook post.

## Output Expense: Youth Justice Services

This summary covers the period 1 July 2016 to 31 March 2017. From 1 April 2017 the Ministry of Social Development's functions relating to the support of vulnerable children and young people were transferred to the Ministry for Vulnerable Children, Oranga Tamariki.

On 1 April 2017 this appropriation ceased and the remaining funding was transferred to the new Investing in Children and Young People Multi-Category Appropriation in Vote Vulnerable Children, Oranga Tamariki. Performance information for April to June 2017 will be reported in the Ministry for Vulnerable Children, Oranga Tamariki: Report on Appropriations for the period 1 April 2017 to 30 June 2017.

### Scope

This appropriation is limited to social work and other services to manage and resolve offending behaviour by children and young people, by providing assessment, support, programmes, containment and care of young offenders.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve a reduction in offending by children and young people through addressing underlying causes and contributing risk factors.

### Summary of performance

#### Non-financial performance

Up to 31 March 2017 we continued to work with young offenders, their families, the victims of offending, and partner agencies to manage and change offending behaviour and reduce the likelihood of reoffending.

We provided timely social work services to young offenders who were referred for a youth justice family group conference (FGC) and/or admitted to a youth justice residence.

In addition to specialist screening and assessments, the Tuituia assessment framework enabled comprehensive strengths, needs and risk assessments, where appropriate, for young offenders going to FGC.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
55%	<b>Youth Justice Safety and Belonging</b> The proportion of victims engaging in family group conferences will be between	55-65%	55%
71%	<b>Youth Justice Changing Behaviour and Enhancing Wellbeing</b> The proportion of child offenders who have a subsequent youth justice referral will be no more than	65%	67.1%*
38%	The proportion of young offenders who are referred for a youth justice family group conference within one year of a previous youth justice family group conference will be no more than	40%	40%
67%	The proportion of young offenders who are in education, training or employment following our intervention will be between	60-70%	Results unavailable <sup>102</sup>

\* The number of child offender referrals is small and even a small change to the volume can significantly affect the percentage.

**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
130,876	<b>Revenue</b>			
-	Crown	132,310	95,528	95,528
-	Department	-	-	-
-	Other	-	-	-
<b>130,876</b>	<b>Total Revenue</b>	<b>132,310</b>	<b>95,528</b>	<b>95,528</b>
<b>131,321</b>	<b>Total Expense</b>	<b>132,310</b>	<b>95,528</b>	<b>95,528</b>
<b>(445)</b>	<b>Net Surplus/(Deficit)</b>	-	-	-

## Other Expense: Transformation Programme: Investing in New Zealand Children and Their Families

This summary covers the period 1 July 2016 to 31 March 2017. From 1 April 2017 the Ministry of Social Development's functions relating to the support of vulnerable children and young people were transferred to the Ministry for Vulnerable Children, Oranga Tamariki, and the Transformation Programme: Investing in New Zealand Children and Their Families appropriation was transferred to Vote Vulnerable Children, Oranga Tamariki.

Performance information for April to June 2017 will be reported in the Ministry for Vulnerable Children, Oranga Tamariki: Report on Appropriations for the period 1 April 2017 to 30 June 2017.

### Scope

This appropriation is limited to the co-design and implementation of system-wide reform of services provided to New Zealand's vulnerable children, young people and their families.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the delivery of a new operating model to support the system-wide reform of services provided to New Zealand's vulnerable children, young people and their families.

### Summary of performance

#### Non-financial performance

In the period up to 31 March 2017 we facilitated a range of activity to support:

- the establishment of the Ministry for Vulnerable Children, Oranga Tamariki on 1 April 2017
- the enactment of the Children, Young Persons, and Their Families (Oranga Tamariki) Legislation Bill.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Report back to Social Cabinet Committee, Minister for Social Development and the Ministerial Oversight Group</b>		
New measure for 2016/2017	Report back on detailed transformation programme for the first 12–18 months by July 2016	Achieved	Achieved
New measure for 2016/2017	Report back on process for determining funding reallocations from other agencies by July 2016	Achieved	Achieved
New measure for 2016/2017	Report back on progress towards build of the actuarial model and first valuation by October 2016	Achieved	Achieved
New measure for 2016/2017	Report back on performance management framework for the future agency by October 2016	Achieved	Achieved
New measure for 2016/2017	Report back on new operating model in place by March 2017	Achieved	Achieved

**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
3,000	<b>Revenue</b>			
-	Crown	14,500	21,128	21,128
-	Department		-	-
-	Other	-	-	-
<b>3,000</b>	<b>Total Revenue</b>	<b>14,500</b>	<b>21,128</b>	<b>21,128</b>
-	<b>Total Expense</b>	<b>14,500</b>	<b>21,128</b>	<b>21,128</b>
<b>3,000</b>	<b>Net Surplus/(Deficit)</b>	-	-	-

## Capital Expense: Ministry of Social Development – Capital Expenditure PLA

### Scope

This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Social Development, as authorised by section 24(1) of the Public Finance Act 1989.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the replacement or upgrade of assets in support of the delivery of the Ministry's services.

### How performance will be assessed for this appropriation

Expenditure is in accordance with the Ministry's ten-year capital plan.

### Summary of performance

#### *Non-financial performance*

All current and prior year capital expenditure has supported the delivery of our Long-term Investment Plan.

For further details of departmental capital expenditure incurred against appropriations, refer to Notes 10 and 11 in the Departmental Financial Statements (pages 123 and 124). For details of departmental capital injections, refer to the Departmental Statement of Financial Position (page 112).

#### *Financial performance*

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
112,314	Capital Expenditure (PLA)	97,143	103,798	84,406

## Multi-Category Expense Appropriation: Emergency Housing MCA

### Overarching Purpose Statement

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

### Scope

#### Non-Departmental Output Expenses

##### Emergency Housing Services

This category is limited to payments to emergency housing providers on a per household basis to cover tenancy and property management; and services to support tenants in emergency housing to move into sustainable housing.

##### Provision of Emergency Housing Places

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

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve better outcomes for vulnerable households through the provision of emergency housing and associated support services.

### How performance will be assessed for this appropriation

Performance will be assessed by delivering between 1,200 and 1,400 emergency housing places and associated support services.

### Summary of performance

#### Non-financial performance

At 30 June 2017 there were 436 new places available, in addition to the 687 we had secured prior to 2016/2017, and a further 846 opportunities had been identified.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Non-Departmental Output Expenses</b>		
	<i>Emergency Housing Services</i>		
New measure for 2016/2017	This category is intended to achieve an increase in support services for the families and individuals who access the additional emergency housing places secured. Each additional emergency housing place secured will receive associated support services, and the total number of additional associated support services will match the number of additional emergency housing places secured.	Achieved	Achieved
	<i>Provision of Emergency Housing Places</i>		
New measure for 2016/2017	The category is intended to achieve improved access to emergency places for eligible families and individuals across New Zealand. The number of additional emergency housing places in areas of demand will be between	1,200-1,400	436*

\* It has taken longer than anticipated both to secure additional supply and to ensure that providers have the necessary capability and capacity to manage the new supply. The additional 436 places were secured after enlisting a panel of 39 community providers under this MCA, and contribute to a total of 1,123 places being available at 30 June 2017.



**Financial performance**

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
	<i>Non-Departmental Output Expenses</i>			
-	Emergency Housing Services	-	14,624	6,768
-	Provision of Emergency Housing Places	-	9,028	1,363
-	<b>Total Expense</b>	-	<b>23,652</b>	<b>8,131</b>

This Multi-category Appropriation was newly established in 2016/2017 with new funding.

# Multi-Category Expense Appropriation: Improved Employment and Social Outcomes Support MCA

## Overarching Purpose Statement

The single overarching purpose of this appropriation is to operate the benefit system and associated interventions in such a way as to improve client outcomes (employment and social) by moving them closer to independence, with a focus on those at risk of long-term benefit receipt.

## Scope

### *Departmental Output Expenses*

#### **Administering Income Support**

This category is limited to assessing, paying, reviewing entitlements and collecting balances owed by clients for income support, supplementary assistance, grants and allowances.

#### **Improving Employment Outcomes**

This category is limited to providing specified assistance, including services provided in accordance with criteria set out in delegated legislation under the Social Security Act 1964, to support people who are receiving or are likely to receive working-age benefits or youth support payments and are work ready to move into sustainable employment.

#### **Improving Work Readiness Outcomes**

This category is limited to providing services, including services provided in accordance with criteria set out in delegated legislation under the Social Security Act 1964, to address barriers to employment (such as literacy, numeracy, health, skills, drug or alcohol use, confidence and motivation) for people who are receiving or are likely to receive working-age benefits or youth support payments so that they become work ready.

## What is intended to be achieved with this appropriation

The appropriation is intended to achieve a reduction in long-term welfare dependency.

## How performance will be assessed for this appropriation

Performance will be assessed by:

- a reduction in the total number of people receiving benefit by 25 percent, from 295,000 in June 2014 to 220,000 by June 2018
- a reduction in the long-term cost of benefit dependency by \$13 billion as measured by an accumulated actuarial release<sup>103</sup> by June 2018.

## Summary of performance

### ***Non-financial performance***

In 2016/2017 sole parents continued to be the key contributor to the overall reduction in benefit numbers.

At 30 June 2017 there were 276,041 clients on a working-age benefit. This is a reduction of 3,765 since June 2016, and is 78,017 less than the January 2011 peak of 354,058. Sole Parent Support numbers fell from 65,422 in June 2016 to 60,631 in June 2017.

The 2016 valuation of the benefit system puts the estimated future lifetime cost of the current beneficiary population at \$76.0 billion, an increase of \$7.6 billion from the previous year. This increase is mostly due to changes to economic assumptions, and masks an underlying \$1.7 billion performance improvement. The accumulated actuarial release to 31 March 2017 was \$4.6 billion.

The Government's 2013 welfare reforms, and policy and operational changes, have had a significant impact on benefit uptake over the past few years, with flow-on financial savings: the 2016 valuation shows a cumulative reduction of \$13.7 billion over the last five years in the future lifetime cost of the benefit system as a result of these factors. This has led to reductions of:

- 24 percent in Sole Parent Support benefit numbers since 2013

<sup>103</sup> An actuarial release is an estimate of the change in long-term liability of the benefit system resulting from changes in the number of beneficiaries and their likelihood of long-term benefit receipt.

- 17 percent in the number of children in benefit-dependent homes since 2013
- three years (from 14 to 11) in the average expected future time on benefit for Sole Parent Support benefit recipients since 2012
- three years (from 17 to 14) in the average expected future time on benefit for youth clients since 2012.

There has been a reduction in the liability figure of \$1.7 billion in the last year that is largely the result of an increase in the numbers of sole parents and jobseekers finding work. This improvement has been supported by an increased use of targeted support and more intensive case management for those who are most at risk of welfare dependence.

In 2016/2017, 78,608 working-age clients left the benefit system to go into work. Around 65 percent of all clients who left the benefit system stayed off benefit for at least six months.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Departmental Output Expenses</b> <i>Administering Income Support</i>		
90.1%	This category is intended to achieve accurate and efficient operation of the benefit system so that the correct amount is paid to the correct people on time. The proportion of benefit entitlement assessments completed accurately will be no less than	90%	89.2%*
91.5%	The proportion of benefit entitlement assessments completed within five working days will be no less than	90%	91.7%
	<i>Improving Employment Outcomes</i>		
64.3%	This category is intended to achieve an increase in the number of people (from those who are currently receiving or are likely to receive working-age benefits and are work-ready) moving into sustainable employment. The proportion of clients with full-time work obligations <sup>104</sup> who remain independent of benefit for at least 26 weeks will be no less than	60%	65.4%
89.1%	The proportion of clients with full-time work obligations who are engaged <sup>105</sup> will be no less than	80%	85.4%
57.3%	The proportion of clients who are not on a main benefit eight weeks following completion of an employment intervention programme will be no less than	50%	54.6%
	<i>Improving Work Readiness Outcomes</i>		
62.0%	This category is intended to achieve a substantial reduction in barriers to employment so that people who are receiving or are likely to receive working-age benefits can become work ready. The proportion of clients with part-time <sup>106</sup> , preparation <sup>107</sup> or deferred obligations <sup>108</sup> who remain independent of benefit for at least 26 weeks will be no less than	60%	61.9%
79.7%	The proportion of clients with part-time, preparation or deferred work obligations who are engaged will be no less than	70%	75.3%
38.7%	The proportion of clients who are not on a main benefit 16 weeks after completing a work readiness intervention will be no less than	35%	41.2%

\* There were some significant changes in 2016/2017 to how we offer our services to clients, including moving more client engagement to an online environment and centralising a number of processes. This has changed the profile of work undertaken by staff and has had a short-term impact on accuracy.

104 Clients with full-time work obligations must be available for, and take reasonable steps to find, suitable employment of at least 30 hours or more per week. What constitutes 'suitable employment' varies between clients depending on their individual circumstances.

105 We work effectively with our clients to help them gain work and become independent of benefit.

106 Clients with part-time work obligations must be available for, and take reasonable steps to find, suitable employment of at least 15-20 hours per week. What constitutes 'suitable employment' varies between clients depending on their individual circumstances.

107 Clients with work preparation obligations must take all reasonable steps to prepare for employment.

108 Clients may be eligible for a temporary deferral from their work obligations in specific circumstances. These clients will generally have work preparation obligations for the duration of the deferral.

**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
	<i>Departmental Output Expenses</i>			
	<b>Revenue from Crown</b>			
304,871	Administering Income Support	273,900	286,399	286,399
295,719	Improving Employment Outcomes	299,240	299,246	299,246
75,709	Improving Work Readiness Outcomes	89,039	84,969	84,969
	<b>Revenue from Others</b>			
4,542	Administering Income Support	2,600	3,039	3,076
-	Improving Employment Outcomes	-	-	-
-	Improving Work Readiness Outcomes	-	-	-
<b>680,841</b>	<b>Total Revenue</b>	<b>664,779</b>	<b>673,653</b>	<b>673,690</b>
<b>662,669</b>	<b>Total Expense</b>	<b>664,779</b>	<b>673,653</b>	<b>658,620</b>
<b>18,172</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>15,070</b>

# Multi-Category Expense Appropriation: Partnering for Youth Development MCA

## Overarching Purpose Statement

The single overarching purpose of this appropriation is to improve outcomes for young people through youth development opportunities.

## Scope

### *Departmental Output Expense*

#### **Administering Youth Development**

This category is limited to generating, funding and promoting youth development opportunities.

### *Non-Departmental Output Expense*

#### **Increasing Youth Development Opportunities**

This category is limited to purchasing youth development opportunities.

## What is intended to be achieved with this appropriation

This appropriation is intended to achieve an improvement in the capability and resilience of young people.

## How performance will be assessed for this appropriation

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	The percentage of participants who report they have improved their capability and resilience through completion of a youth development opportunity will be between	80-85%	97.8%

## Summary of performance

### *Non-financial performance*

In 2016/2017 we purchased over 70,000 opportunities for youth, with 43 percent of our total investment targeted at young people from disadvantaged backgrounds. Participant feedback indicates that clients reported an improvement in personal, social and decision-making skills through completion of youth development opportunities.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Departmental Output Expense</b> <i>Administering Youth Development</i>		
	This category is intended to achieve an increase in youth development opportunities for all young people, particularly those from disadvantaged backgrounds.		
New measure for 2016/2017	The number of purchased youth development opportunities will be no less than	60,000	71,096
New measure for 2016/2017	The percentage of total funding for youth development opportunities targeted at young people from disadvantaged backgrounds will be no less than	30%	43%
	<b>Non-Departmental Output Expense</b> <i>Increasing Youth Development Opportunities</i>		
	This category is intended to achieve an improvement in the personal, social and decision-making skills of young people through completion of youth development opportunities.		
New measure for 2016/2017	The percentage of participants who report an improvement in their personal, social and decision-making skills through completion of a youth development opportunity will be between	80-85%	97.2%
New measure for 2016/2017	The percentage of total youth development opportunities created in partnership with the business and philanthropic sector will be no less than	10%	12.2%

### Financial performance

2015/2016 Actual \$000	Financial performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<i>Departmental Output Expense</i>			
	<b>Revenue from Crown</b>			
-	Administering Youth Development	2,312	2,682	2,682
-	<b>Total Revenue</b>	<b>2,312</b>	<b>2,682</b>	<b>2,682</b>
-	<b>Total Expense</b>	<b>2,312</b>	<b>2,682</b>	<b>2,494</b>
-	<b>Net Surplus/(Deficit)</b>	-	-	<b>188</b>

2015/2016 Actual \$000	Financial Performance (Figures are GST exclusive)	2016/2017		
		Budgeted \$000	Revised \$000	Actual \$000
	<i>Non-Departmental Output Expense</i>			
-	Increasing Youth Development Opportunities	8,203	7,833	7,803
-	<b>Total Expense</b>	<b>8,203</b>	<b>7,833</b>	<b>7,803</b>

This Multi-category Appropriation was newly established in 2016/2017 with transfers from the former Departmental Output Expense *Youth Development* and the former Non-Departmental Output Expenses *Services for Young People* and *Youth Development Partnership Fund*.

# Multi-Category Expense Appropriation: Social Housing Outcomes Support MCA

## Overarching Purpose Statement

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

## Scope

### *Departmental Output Expense*

#### **Services to Support People to Access Accommodation**

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

### *Non-Departmental Output Expense*

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

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

### *Non-Departmental Other Expense*

#### **Housing Support Package**

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

## What is intended to be achieved with this appropriation

This appropriation is intended to achieve housing assessments and placement on the housing register for people with a housing need, and provision of support to those who are capable to be independent of social housing over the longer term.

## How performance will be assessed for this appropriation

Performance will be assessed by using a future social housing valuation to track the key drivers of the valuation, identify variances in trends projected from the valuation, and show how the management of the social housing system is influencing movements in the future valuation.

## Summary of performance

### Non-financial performance

In 2016/2017 we placed 6,950 households into social housing, and helped people into the private market with 2,294 Housing Support Products grants. We also completed 2,772 tenancy reviews, which resulted in 399 households leaving social housing (including 243 who moved into the private market, 50 who moved into home ownership, 13 who left social housing and have not returned, and 93 who left social housing before their tenancy ended).

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<p><b>Departmental Output Expense</b></p> <p><i>Services to Support People to Access Accommodation</i></p> <p>This category is intended to achieve accurate and efficient operation of the social housing register so that more people who are eligible for social housing have their housing needs met, and those who are capable of housing independence move closer towards that.</p>		
96.6%	The percentage of income-related rent assessments (for tenants with verified income) that are calculated accurately will be no less than	90%	97%
86.9%	The proportion of housing needs assessments completed within five working days will be no less than	90%	90.4%
	<p><b>Non-Departmental Output Expense</b></p> <p><i>Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing</i></p> <p>This category is intended to achieve an increase in the number of people who are able to secure and sustain tenancies, and transition to housing independence.</p>		
New measure for 2016/2017	The number of trials supported through the Tenant Outcomes Fund will be no less than	3	2*
	<p><b>Non-Departmental Other Expense</b></p> <p><i>Housing Support Package</i></p> <p>This category is intended to achieve more people transitioning into social housing independence to ensure that social housing is available for households with the greater housing need.</p>		
Exempted	An exemption was granted under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a non-departmental output expense is less than \$5 million.	Exempted	Exempted

\* Sustaining Tenancies and Housing First trials are both live. The third trial, Moving to Independence<sup>109</sup>, is still being developed. Changes during planning meant it was unable to go live in 2016/2017. Recently funded research into benefit and housing independence will be used to inform the trial; we expect the research results to be available later in 2017.

109 The Moving to Independence initiative will support capable social housing tenants to move from social housing to housing independence, such as private rental or home ownership, in order to free up social houses for clients on the register who have greater housing needs.



**Financial performance**

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
	<i>Departmental Output Expense</i>			
	<b>Revenue from Crown</b>			
28,266	Services to Support People to Access Accommodation	30,090	44,830	44,830
<b>28,266</b>	<b>Total Revenue</b>	<b>30,090</b>	<b>44,830</b>	<b>44,830</b>
<b>28,129</b>	<b>Total Expense</b>	<b>30,090</b>	<b>44,830</b>	<b>40,092</b>
<b>137</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>4,738</b>

2015/2016		2016/2017		
Actual \$000	Financial performance (Figures are GST exclusive)	Budgeted \$000	Revised \$000	Actual \$000
	<i>Non-Departmental Output Expense</i>			
-	Services Related to Supporting Outcomes for those in need of or at risk of needing Social Housing	-	5,000	3,443
	<i>Non-Departmental Other Expense</i>			
1,280	Housing Support Package	2,600	4,550	3,648
<b>1,280</b>	<b>Total Expense</b>	<b>2,600</b>	<b>9,550</b>	<b>7,091</b>

## Multi-Category Expense Appropriation: Social Housing Purchasing MCA

### Overarching Purpose Statement

The single overarching purpose of this appropriation is to secure and purchase social housing tenancies for those who are eligible.

### Scope

#### *Non-Departmental Output Expenses*

##### **Part Payment of Rent to Social Housing Providers**

This category is limited to the part-purchase of tenancies from social housing providers.

##### **Services Related to the Provision of Social Housing**

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

#### *Non-Departmental Other Expense*

##### **Support for the Provision of Social Housing Supply**

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

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve better access to social housing places through the provision of payments to secure access to properties for social housing providers and the part-purchase of social housing tenancies from social housing providers.

### How performance will be assessed for this appropriation

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	The number of social housing places delivered by social housing providers will be no less than	60,000	66,332

### Summary of performance

#### *Non-financial performance*

##### **Part Payment of Rent to Social Housing Providers**

Before the administration of the Income-Related Rent Subsidy (IRRS) was transferred from Housing New Zealand (HNZ) to MSD in 2014, the subsidy was limited to HNZ tenants. Tenants of community housing providers (CHPs) became eligible following the administration transfer.

Most tenants in Social Housing pay an income-related rent, which limits the amount of rent they pay to no more than 25 percent of their net income. We pay IRRS to registered housing providers to cover the balance between the tenant's rental payment and the market rent for the property.

At 30 June 2017 there were 62,926 tenancies receiving the IRRS. Of these, 58,277 were for properties owned by HNZ and 4,649 for properties owned by CHPs.

At 30 June 2017 the number of applications on the Social Housing Register was 5,353, an increase of 341 from 30 June 2016<sup>110</sup>. The Ministry is working intensively with HNZ and CHPs to match people to houses that suit their need, with 1,725 applications starting a tenancy in the June 2017 quarter, compared with 1,726 applications that accepted an offer of housing in the June 2016 quarter.

<sup>110</sup> These figures exclude the Social Housing Transfer Register.

### Support for the Provision of Social Housing Supply

The results reflect the number of new social housing places contracted, and the number of new social housing places delivered, in 2016/2017 through the flexible funding arrangements made available to deliver new supply through the Open Request for Proposals for New Social Housing Supply in Auckland and the trial Request for Proposals for New Social Housing Supply in selected areas of high demand outside of Auckland.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Non-Departmental Output Expenses</b> <i>Part Payment of Rent to Social Housing Providers</i>  This category is intended to achieve an increase in social housing support for eligible people through the payment of Income-Related Rent Subsidy.		
58,000	The number of recipients of Income-Related Rent Subsidy will be no less than	60,000	62,926
3,130	The number of income-related rent tenancies provided by community housing providers will be no less than	2,900	4,649 <sup>111</sup>
	<i>Services Related to the Provision of Social Housing</i>  This category is intended to achieve continuity of support for social housing tenants who previously had the cost of water rate charges paid for.		
Exempted	An exemption was granted under s.15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a Non-Departmental Output Expense is less than \$5 million.	Exempted	Exempted
	<b>Non-Departmental Other Expense</b> <i>Support for the Provision of Social Housing Supply</i>  This category is intended to achieve an increase in social housing places through the provision of payments to secure access to properties for social housing providers.		
New measure for 2016/2017	The number of social housing places contracted from community housing providers will be no less than	175	478
New measure for 2016/2017	The number of social housing places delivered by community housing providers will be no less than	100	164

### Financial performance

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
	<i>Non-Departmental Output Expenses</i>			
-	Part Payment of Rent to Social Housing Providers	826,520	847,994	815,277
-	Services Related to the Provision of Social Housing	400	400	400
	<i>Non-Departmental Other Expense</i>			
-	Support for the Provision of Social Housing Supply	13,550	51,530	6,902
-	<b>Total Expense</b>	<b>840,470</b>	<b>899,924</b>	<b>822,579</b>

<sup>111</sup> 2,500 houses from HNZ were transferred to a major CHP in April 2016. The original target of 2,900 was set before the final decision was made on how many properties would be transferred for 2016/2017.

## Multi-Category Expense Appropriation: Social Sector Trials MCA

This summary covers the period 1 July 2016 to 31 December 2016. The Social Sector Trials programme ceased from 1 January 2017, and was replaced by Place-based Initiatives. The Social Sector Trials MCA was disestablished from that date.

### Overarching Purpose Statement

The single overarching purpose of this appropriation is to trial new ways of delivering social and community assistance based on particular community needs.

### Scope

#### Departmental Output Expense

##### National Leadership and Administration of Social Sector Trials Programme, and Individual-led Social Sector Trials

This category is limited to the administration of the Social Sector Trials by a national programme office, and by government-employed Social Sector Trial Leads in specified locations, leading a cross-agency approach to improve outcomes for target groups.

#### Non-Departmental Output Expense

##### Non-Governmental Organisation-led Social Sector Trials and Contracted Programmes and Services

This category is limited to the administration of the Social Sector Trials by non-governmental organisations in specified locations, leading a cross-agency approach to improve outcomes for target groups, and the social services purchased by the Social Sector Trials to improve social service delivery and improve outcomes.

### What is intended to be achieved with this appropriation

This appropriation is intended to achieve the transition of the Social Sector Trials programme in specified locations.

### How performance will be assessed for this appropriation

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
New measure for 2016/2017	The percentage of sites identified for transition that have transition plans in place by 31 August 2016 will be no less than	100%	100%
New measure for 2016/2017	The percentage of sites identified for transition that have completed their transition plans by 31 December 2016 will be no less than	100%	100%
New measure for 2016/2017	Central support will have been concluded by 31 December 2016	Achieved	Achieved

### Summary of performance

#### Non-financial performance

A decision was made to exit from five Trials on 30 June 2016, for performance reasons. The other 11 Trials ended on 31 December 2016 under the Social Sector Trials (SSTs) programme.

The transition from a locally-influenced model to one that is locally developed and then locally led recognises that these communities are ready to take the lessons from the Trials model and develop their own operating models and supporting structures.

2015/2016 Actual Standard	Measure	2016/2017 Budgeted Standard	2016/2017 Actual Standard
	<b>Departmental Output Expense</b> <i>National Leadership and Administration of Social Sector Trials programme, and Individual-led Social Sector Trials</i> This category is intended to achieve the successful transition of the Social Sector Trial sites, nationally and locally (where led by employees).		
New measure for 2016/2017	The percentage of Social Sector Trial sites led by employees that have transition plans by 31 August 2016 will be no less than	100%	100%
New measure for 2016/2017	The percentage of Social Sector Trial sites led by employees that have completed their transition plans by 31 December 2016 will be no less than	100%	100%
	<b>Non-Departmental Other Expense</b> <i>Non-Governmental Organisation led Social Sector Teams and Contracted Programmes and Services</i> This category is intended to achieve the successful transition of the Social Sector Trial sites, nationally and locally (where led by NGOs) and support the purchasing of programmes and services in all sites.		
New measure for 2016/2017	The percentage of Social Sector Trial sites led by NGOs that have transition plans by 31 August 2016 will be no less than	100%	100%
New measure for 2016/2017	The percentage of Social Sector Trial sites led by NGOs that have completed their transition plans by 31 December 2016 will be no less than	100%	100%
100%	The percentage of services provided in accordance with relevant guidelines and standards will be no less than	100%	100%
100%	The percentage of payments made to providers in accordance with contract requirements will be no less than	100%	100%

### Financial performance

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
	<i>Departmental Output Expense</i>			
	<b>Revenue from Crown</b>			
2,985	National Leadership and Administration of Social Sector Trials programme, and Individual-led Social Sector Trials	401	700	700
<b>2,985</b>	<b>Total Revenue</b>	<b>401</b>	<b>700</b>	<b>700</b>
<b>2,265</b>	<b>Total Expense</b>	<b>401</b>	<b>700</b>	<b>765</b>
<b>720</b>	<b>Net Surplus/(Deficit)</b>	-	-	<b>(65)</b>

2015/2016	Financial performance (Figures are GST exclusive)	2016/2017		
Actual \$000		Budgeted \$000	Revised \$000	Actual \$000
	<i>Non-Departmental Other Expense</i>			
5,111	Non-Governmental Organisation led Social Sector Teams and Contracted Programmes and Services	1,139	1,411	1,248
<b>5,111</b>	<b>Total Expense</b>	<b>1,139</b>	<b>1,411</b>	<b>1,248</b>