

Vote Social Development - Budget 2025 on a page

Costs / savings are over the forecast period unless otherwise specified.

New spending

Ministerial Priorities (\$34.434m)

- Food Secure Communities – Funding to Respond to Demand for Food Support (\$15m in 25/26 only).
- Accommodation Supplement - Adjusting Area Boundaries (\$17.416m).
- Child and Youth Strategy – Delivering on the Government's Priorities (continuing Govt contribution to KickStart Breakfast and KidsCan distribution of jackets) (\$2.018m).

Disability Support Services (\$1.010b)

- Disability Support Services Cost Pressures – Supporting Disabled People (\$760m).
- High and Complex Framework Funding Pressures (\$10m).
- Pre-commitment – Adjustment to Residential Care Funding (\$240m).

Crown Response to Abuse in Care (\$394.087m)

- Addressing the Wrongs of the Past – Redress System Changes and Provision of Redress for Abuse in Care (\$384.632m)
- Making the Care System Safe - Recognising and Responding to Abuse of Disabled People in Care (\$8.800m)
 - *Provides funding to audit Disability Support Services providers, and deliver improvements for the critical incidents and complaints process.*
- Recordkeeping to Improve Quality, Quantity, Capacity, Access and Whānau Connections (\$0.500m in 25/26 only)
 - *Provides funding to develop and implement new and consistent recordkeeping practices and standards and support improved recordkeeping in small contracted disability support service providers*
- Making the Care System Safe - Building a Diverse, Capable and Safe Care Workforce (\$0.155m in 25/26 only)
 - *Provides funding for initial policy and development work to deliver core training and ongoing development, and workforce screening and safety.*

MSD is also contributing to three cross-agency initiatives.

Savings proposals

Invest to Save (\$178.813m)

- Employment Services – Investing in Frontline Staff and Employment Programmes (net savings \$147.255m).
- Income Charging – Phase 1 – Additional Integrity Checks of MSD Payments (\$31.558m).

Targeted Policy Savings (\$564.833m)

All savings are net

- Housing Subsidies – Increasing the Accommodation Supplement Entry Threshold for Some Homeowners (\$36.593m).
- Jobseeker Support – Tightening Eligibility for 18-19-year-olds (\$163.704m).
- Income Charging – Phase 2 – Using Inland Revenue Data to Improve the Accuracy of MSD Payments (\$364.536m).

Other savings (\$1.239b)

- Automated Decision-Making (ADM) - Updating ADM Use in MSD Processes (net savings \$157.879m).
- Pre-commitment – 26-Week Reapplications for Jobseeker Support (\$37.885m).
- Emergency Housing – Recognising Savings (\$1.027b).
- Growing Up in New Zealand (GUINZ) Study - Recognising Savings (\$6.820m in 24/25 only).
- Tagged Contingency Saving – Funding for CYPC and Strengthening the Oversight of the Oranga Tamariki System (\$10.171m)

Other relevant initiatives:

- Working for Families
- Tertiary Education – Increased Fees (\$174.907m increase in Student Loans)
- Social Investment Package, including the Child and Youth Strategy Parenting Support Programmes.

Technical initiatives

Ongoing funding (\$171k per annum) for the social worker investigative function. This function is proposed to be transferred from MSD (administered by Te Kāhui Kāhu) to SWRB.

Multi-year Budget strategy

Budget 2024

- Total net savings \$710m
- Further reduction in expenditure from Emergency Housing (see “other savings” from B25).

Future Budgets

- Invest to Save TBC
- Policy Savings

s9(2)(f)(iv)

s9(2)(f)(iv)

- Other Savings

MSD – services for the future programme

s9(2)(j)

s9(2)(j)