

Vote Social Development

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Disability Issues (M23), Minister for Social Development and Employment (M63)

ADMINISTERING DEPARTMENT: Ministry of Social Development

MINISTER RESPONSIBLE FOR MINISTRY OF SOCIAL DEVELOPMENT: Minister for Social Development and Employment

Overview of the Vote

The Minister for Social Development and Employment is responsible for the appropriations in the Vote for the 2010/11 financial year covering the following:

- a total of over \$467 million on Child Youth and Family related services including responding to and preventing child abuse and neglect, managing adoptions and youth justice services
- a total of over \$570 million on services to assist people into employment, and to assess and pay the appropriate entitlement of social assistance to beneficiaries, and to protect the integrity of the benefit system, including collection of debt
- a total of nearly \$79 million on specialised services, including services for students, seniors and administration of community services and SuperGold cards
- a total of nearly \$48 million on social policy advice and crown entity monitoring
- a total of over \$43 million on leadership and coordination services to support and strengthen families, communities and whānau
- a total of over \$292 million on services from other organisations
- a total of nearly \$16 million purchasing services from the Children's Commissioner, the Retirement Commissioner, and the Families Commission
- a total of \$947 million on debt write-downs, and a series of assistance programmes
- a total of \$8,822 million on payments of New Zealand Superannuation
- a total of \$4,878 million on payments for the working age benefits - Domestic Purposes, Unemployment, Sickness, Invalid's and Widow's benefits
- a total of \$1,957 million on payments for assistance with expenses related to accommodation, disability, hardship and entering or remaining in the workforce
- a total of \$732 million on payments to assist people to obtain a qualification or independent youth to continue education/training or obtain work
- a total of \$511 million on other forms of financial assistance such as childcare, care of unsupported children, payments to Australia and special circumstances
- a total of \$1,616 million on payments for student loans, and
- a total of \$179 million on advances of benefits and other recoverable payments to assist with hardship.

The Minister for Disability Issues is responsible for the appropriation in the Vote for the 2010/11 financial year covering the following:

- a total of just over \$1 million on promoting positive outcomes for disabled people.

Details of these appropriations are set out in Parts 2-6 for Vote Social Development in the *Information Supporting the Estimates of Appropriations*.

Details of Appropriations

Details of Annual and Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses			
Adoption Services (M63) The management of services, incorporating education, assessment, reporting, counselling, and mediation, to all people who are party to adoption-related matters, past or present.	8,808	8,808	9,078
Care and Protection Services (M63) Social work services, both statutory and informal, that protect and assist children and young people who are in need of care and protection.	317,782	317,782	315,885
Collection of Balances Owed by Former Clients and Non-beneficiaries (M63) Services to manage the collection of overpayments and recoverable assistance loans from former clients and other balances owed comprising of Student Allowance overpayments, Liable Parent Contributions, and court ordered Maintenance.	16,682	16,682	16,632
Development and Funding of Community Services (M63) Management of Government funding of community-based social and welfare services.	8,370	8,370	8,394
Family and Community Services (M63) Provision of leadership and co-ordination services to support and strengthen families and whānau; including providing information and advice that assists families, young people and communities and managing preventative social services programmes.	31,318	31,318	34,752
Income Support and Assistance to Seniors (M63) This appropriation is limited to paying New Zealand Superannuation and social security entitlements (including administering related international social security agreements) and providing advice to help older people maintain independence and social participation; and administering international social security agreements relating to non-superannuitants.	34,439	34,439	34,667
Management of Service Cards MCOA (M63)	7,123	7,123	7,103
<i>Administration of Community Services Card</i> This output class is limited to assessing entitlement, issuing cards, and promoting and distributing information about the Community Services Card.	5,702	5,702	5,682
<i>Management of SuperGold Card</i> This output class is limited to management of the SuperGold Card and the Veteran SuperGold Card comprising assessing entitlement for, and issuing cards, distributing information about the Card, enlisting business partners to provide discounts to cardholders, and promoting use of the Card and related discounts.	1,421	1,421	1,421
Management of Student Support (M63) This appropriation is limited to managing financial support to students involving assessing and paying student allowances to eligible secondary and tertiary students, student loans to tertiary students, and Government scholarships and awards for tertiary students, and, as part of managing this support, providing related guidance to students making financial and study decisions.	32,400	32,400	36,977

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses - cont'd			
Policy Advice and Support to Ministers MCOA (M63)	44,561	44,561	47,847
<i>Crown Entity Monitoring</i> This output class is limited to the purchase, appointment and monitoring advice for social development and employment Crown entities, and appointment advice for social development and employment statutory tribunals.	337	337	337
<i>Social Policy Advice</i> This output class is limited to policy advice and servicing support comprising advice on cross-sectoral and long term social policy matters; advice on the design and operation of social development programmes and initiatives; the provision of information to, and discussion fora for, the public and other agencies on social policy issues; and ministerial servicing.	44,224	44,224	47,510
Prevention Services (M63) Education and advice services for the prevention of child abuse and neglect, and the promotion of the wellbeing of children, young people and their families	4,381	4,381	4,673
Promoting Positive Outcomes for Disabled People (M23) This appropriation is limited to promoting positive outcomes for disabled people and comprises of: enabling the involvement of disabled people in the monitoring and implementation of the United Nations Convention on the Rights of Disabled Persons; and changing negative attitudes towards disabled people.	-	-	1,250
Services to Protect the Integrity of the Benefit System (M63) Services to minimise errors, fraud and abuse of the benefit system.	35,453	35,453	36,672
Tailored Sets of Services to Help People into Work or Achieve Independence (M63) This appropriation is limited to delivering tailored sets of services to individuals to help them into sustainable employment, participate more fully in their community or achieve a greater level of social independence; and the management of related non-departmental output contracts. The composition of each set of services is determined by the individual's needs and selected from a mix of employment readiness training and support, employment placement, social support services, payment of income support and training support benefits, and referrals to other employment or social support providers.	440,004	440,004	431,130
Vocational Skills Training (M63) This appropriation is limited to vocationally based skills training for working-age people through the Training Opportunities Programme.	86,024	86,024	85,635
Youth Justice Services (M63) 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.	119,634	119,634	137,399
Total Departmental Output Expenses	1,186,979	1,186,979	1,208,094
Non-Departmental Output Expenses			
Assistance to Disadvantaged Persons (M63) This appropriation is limited to the provision of resources and assistance to disadvantaged and disabled people in the community and comprises: distribution of talking books and articles for the blind; advocacy assistance to people seeking entitlements from government agencies; and supporting and promoting the development of more houses accessible by disabled and older people.	950	950	1,450
Children's Commissioner (M63) Provision of services from the Children's Commissioner including the discharge of the Commissioner's duties under the Children, Young Persons and Their Families Act 1989, the Children's Commissioner Act, identification of aspects of law, policy and practice that might adversely affect children and the development and proposal of remedies.	2,157	2,157	2,157

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Connected Communities (M63) Funding of services that strengthen and support communities and community functioning, and which assist communities to support families in improving their family circumstances.	4,109	4,109	4,753
Counselling and Rehabilitation Services (M63) Purchase of services, including family counselling and other post-crisis interventions that restore the wellbeing of children, young people and families who have suffered harm and abuse or other forms of family breakdown or youth justice issues.	17,739	17,739	17,859
Education and Prevention Services (M63) Purchase of education and prevention programmes and initiatives that aim to provide skills to children, young people and families who are at risk of harm or abuse, which will help them reduce the risk of that abuse or harm.	9,184	9,184	8,762
Families Commission (M63) Provision of services from the Families Commission to promote the interests of the full range of New Zealand families and promote better understanding of family issues and needs amongst government agencies and in the wider community, and to undertake a research programme.	7,770	7,770	7,770
Family Wellbeing Services (M63) Purchase of services that aim to improve the life outcomes for children, young people and families through support and development programmes, and programmes that will prevent any future harm or abuse.	69,573	69,573	71,028
Life Skills and Employment-Related Training Activities (M63) This appropriation is limited to the provision of life-skills and employment-related training activities for at-risk youth within the Eastern Bay of Plenty.	543	543	543
Retirement Commissioner (M63) Provision of services from the Retirement Commissioner to develop and promote methods of improving the effectiveness of retirement income policies. This is achieved through the publishing of information and the delivery of a comprehensive public education programme on retirement savings issues.	5,682	5,682	5,782
Strengthening Providers and Communities (M63) Purchase of services that contribute to strengthening the capacity and capability of providers to deliver strong and effective social services.	5,885	5,885	3,162
Strong Families (M63) Purchase of services to improve outcomes for families and their members. These services aim to support vulnerable families with a focus on prevention and early intervention.	101,976	101,976	94,426
Student Placement Services (M63) Provision of placement services for students for holiday and term employment.	4,297	4,297	3,512
Vocational Services for People with Disabilities (M63) Provision of vocational services for people with disabilities including community participation and employment services.	88,240	88,240	86,608
Total Non-Departmental Output Expenses	318,105	318,105	307,812

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Benefits and Other Unrequited Expenses			
Accommodation Assistance (M63) This appropriation is limited to the Accommodation Supplement, Special Transfer Allowance, and Away From Home Allowance to persons to cover accommodation costs, paid in accordance with the criteria set out in the Social Security Act 1964 and delegated legislation issued under that Act.	1,164,493	1,157,683	1,220,758
Benefits Paid in Australia (M63) Reimbursement to the Australian Government for income support assistance provided to New Zealanders eligible under the 1994 Reciprocal Agreement, which was terminated for new entrants on 1 July 2002. From 1 July 2002 the Social Welfare (Reciprocity with Australia) Order 2002 came into force, with payments now reflecting pre-agreed amounts in Australian currency before adjusting for annual inflation.	45,041	45,041	39,272
Childcare Assistance (M63) Provision of assistance for the costs of childcare that meets specific quality guidelines, where parents meet activity and income criteria set out in the Social Security Act 1964 and delegated legislation issued under that Act.	184,877	178,271	190,062
Disability Assistance (M63) This appropriation is limited to the Disability Allowance to persons with disability costs and the Child Disability Allowance to the caregivers of children with a serious disability, paid in accordance with the criteria set out in the Social Security Act 1964 and delegated legislation issued under that Act.	412,639	411,711	421,052
Domestic Purposes Benefit (M63) Provision of income support for sole parents, caregivers of sick or infirm people or women alone, whose domestic circumstances exclude them from fully participating in the labour force. Paid in accordance with criteria set out in the Social Security Act 1964.	1,701,913	1,694,360	1,756,450
Employment Related Training Assistance (M63) Provision of assistance with costs of undertaking approved employment related training, which are paid in accordance with the criteria set out in delegated legislation under the Social Security Act 1964.	23,467	23,467	19,797
Family Start/NGO Awards (M63) Payment of course fees for Family Start family/whānau and NGO workers pursuing social work qualifications.	705	705	705
Hardship Assistance (M63) This appropriation is limited to the Funeral Grants, Live Organ Donors Assistance, Special Benefit, Special Needs Grants and Temporary Additional Support to provide means-tested temporary financial assistance to persons with emergency or essential costs, paid in accordance with the criteria set out in the Social Security Act 1964 and delegated legislation issued under that Act.	277,963	272,963	288,475
Independent Youth Benefit (M63) Provision of income support for people aged 16 or 17 years who are currently unemployed but actively seeking work, training for work, at school, or sick, injured or disabled, where it is inappropriate for them to obtain financial support from their parents. Paid in accordance with criteria set out in the Social Security Act 1964.	19,621	19,385	19,395
Invalid's Benefit (M63) Provision of means-tested income support for people who are totally blind, or permanently and severely restricted in their capacity for work due to sickness, injury or disability. Paid in accordance with the criteria set out in the Social Security Act 1964.	1,306,435	1,302,459	1,319,236
New Zealand Superannuation (M63) Provision of an income for people who have reached the qualifying age of 65 years and fulfil the residency requirements, as provided for in the New Zealand Superannuation and Retirement Income Act 2001.	8,306,504	8,287,230	8,822,221

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Orphan's/Unsupported Child's Benefit (M63) Provision of income support for people charged with the responsibility for the care of a child whose parents are dead or cannot be located, or suffer a serious long-term disablement which renders them unable to care for the child, or where there has been a breakdown in the child's family. Paid in accordance with criteria set out in the Social Security Act 1964.	101,549	100,988	107,403
Redundancy Assistance (M63) This appropriation is limited to paying assistance for a limited period to people made redundant, pursuant to the conditions and criteria set out in ReStart Transitional Relief Ministerial Welfare Programme 2008 and the Social Security Act 1964.	3,637	3,627	428
Sickness Benefit (M63) Provision of means-tested income support for people who are not in full-time employment and are limited in their capacity for work, or who are in employment but working at a reduced level, because of sickness, injury, disability or pregnancy. Paid in accordance with the criteria set out in the Social Security Act 1964.	716,788	713,516	760,431
Special Circumstance Assistance (M63) This appropriation is limited to financial assistance to people in special circumstances and comprises the Clothing Allowance, and providing assistance for community costs, domestic violence and witness protection relocation, home help, social rehabilitation assistance, telephone costs, and civil defence payments paid in accordance with criteria set out in the Social Security Act 1964, and delegated legislation under that Act; and Civilian Amputees Assistance, paid in accordance with criteria set out in the Disabled Persons Community Welfare Act 1975.	15,790	14,282	14,445
Special Compensation Payment for GST increase (M63) This appropriation is limited to providing payments for recipients of Unemployment Benefit and related benefits, Sickness Benefit, Invalids' Benefit, Domestic Purposes Benefits, Independent Youth Benefit, Orphans Benefit, Unsupported Child's Benefit and Widow's Benefit, Student Allowances, New Zealand Superannuation, and Veteran's Pensions, to provide compensation between 1 October 2010 and 31 March 2011 for the increase in the rate of GST.	-	-	159,941
Student Allowances (M63) This appropriation is limited to means-tested allowances for students on an approved study programme in accordance with the criteria established by the Student Allowance Regulations 1998; and payment of Student Allowance Transfer Grants to students with dependants in accordance with the criteria established by delegated legislation issued under the Social Security Act 1964.	596,284	589,311	656,272
Study Scholarships and Awards (M63) This appropriation is limited to scholarships and awards to tertiary students awarded in accordance with Cabinet decisions; and Teach NZ Scholarships awarded in accordance with the Education Act 1989.	44,645	44,645	36,241
Transition to Work (M63) Provision of payments to beneficiaries, low income earners, students and ex beneficiaries, who meet certain criteria, to assist in the transition from benefit to employment and the continuation of employment. These provisions are paid in accordance with the criteria set out in the Seasonal Work Assistance Programme and the Transition to Work Grant Programme pursuant to the Social Security Act 1964.	23,166	22,754	26,157
Unemployment Benefit and Emergency Benefit (M63) Provision of means-tested assistance for people who are not in full-time employment and are available for and seeking full time employment, or engaged in approved activities. Also the provision of assistance to people who are in hardship and unable to earn enough income for themselves (and any dependent family) and cannot receive another benefit. Both forms of assistance are paid in accordance with criteria set out in the Social Security Act 1964 and delegated legislation issued under that Act.	947,867	938,662	969,194

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Benefits and Other Unrequited Expenses - cont'd			
Widow's Benefit (M63) Provision of means-tested income support for women whose partners have died and who do not yet qualify for New Zealand Superannuation, but meet residency and other requirements. Paid in accordance with criteria set out in the Social Security Act 1964.	72,993	72,655	72,419
Special Annuities (M63) Provision to pay annuities authorised by Cabinet to recognise a special contribution by the recipient to New Zealand society.	26	26	-
Total Benefits and Other Unrequited Expenses	15,966,403	15,893,741	16,900,354
Non-Departmental Other Expenses			
Debt Write-downs (M63) Provision for write-downs of Crown debt administered by the Ministry of Social Development due to debt write offs or debt provisions resulting from the need to value debt in accordance with generally accepted accounting practice.	849,115	821,835	828,285
Employment Assistance (M63) Provision of assistance to help address barriers faced by job seekers so they can become work ready, move into employment and stay in employment for longer periods of time. This employment assistance is governed by the Cabinet and Ministerial Guidelines for Employment and Training Assistance.	113,461	113,461	95,552
Job Support Scheme (M63) This appropriation is limited to providing financial assistance for a limited period for employees who have entered into an agreement with their employers to reduce their working hours on a temporary basis and to receive this assistance.	2,920	2,920	1,292
Mainstream Supported Employment Programme (M63) This appropriation is limited to salary subsidies, training for participants, supervisors and placement specialists, and funding for other employment support provided by the Mainstream Supported Employment Programme.	4,159	4,159	3,472
Out of School Care Programmes (M63) Provision of assistance to CYF approved OSCAR programmes to assist with the establishment and/or operating costs of OSCAR programmes.	18,748	18,748	18,255
Contingency and Innovations Fund (M63) Contributing to the funding of social or welfare providers experiencing unforeseen financial difficulty or the purchase of innovative proposals to meet outcomes sought by the Minister.	365	365	-
Total Non-Departmental Other Expenses	988,768	961,488	946,856
Departmental Capital Expenditure			
Ministry of Social Development - Capital Expenditure PLA (M63) 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.	117,573	117,573	75,356
Total Departmental Capital Expenditure	117,573	117,573	75,356

Titles and Scopes of Appropriations by Appropriation Type	2009/10		2010/11
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Capital Expenditure			
Recoverable Assistance (M63) Facility for low-income earners and beneficiaries to access means-tested assistance to enable them to meet essential and immediate needs, or costs in specific circumstances. Criteria are set out in the Welfare Programme for Recoverable Assistance for Non-Beneficiaries, Ministerial Direction for Advance Payment of Benefits and recoverable Special Needs Grants in relevant parts of Welfare Programme for Special Needs Grants pursuant to the Social Security Act 1964.	179,205	177,424	179,031
Student Loans (M63) This appropriation is limited to loans to tertiary students undertaking studies at approved tertiary institutions in accordance with Cabinet decisions.	1,579,251	1,543,251	1,616,144
Total Non-Departmental Capital Expenditure	1,758,456	1,720,675	1,795,175
Total Annual and Permanent Appropriations	20,336,284	20,198,561	21,233,647

Details of Projected Movements in Departmental Net Assets

Ministry of Social Development

Details of Net Asset Schedule	2009/10 Estimated Actual \$000	2010/11 Projected \$000	Explanation of Projected Movements in 2010/11
Opening Balance	329,295	309,024	
Capital Injections	37,981	-	2009/10 Youth Justice Central facility funding.
Capital Withdrawals	(58,252)	-	2009/10 Capital repayments of \$52 million to the Crown and \$6.035 million funding for Student Job Search campaign and 2000 Job Ops places.
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	309,024	309,024	