

Vote Social Development

MINISTER(S) RESPONSIBLE FOR APPROPRIATIONS: Minister for Disability Issues (M23), Minister of Revenue (M57), Minister for Social Development and Employment (M63), Minister of State Services (M66)

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 2011/12 financial year covering the following:

- a total of over \$479 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 nearly \$509 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 over \$64 million on specialised services, including services for students, seniors and administration of community services and SuperGold cards
- a total of over \$81 million on social policy advice and crown entity monitoring and leadership and coordination services to support and strengthen families, communities and whānau
- a total of over \$352 million purchasing services from other organisations, the Children's Commissioner and the Families Commission
- a total of nearly \$770 million on debt write-downs, and a series of assistance programmes
- a total of \$9,575 million on payments of New Zealand Superannuation
- a total of \$5,129 million on payments for the working age benefits - Domestic Purposes, Unemployment, Sickness, Invalid's and Widow's benefits
- a total of \$1,988 million on payments for assistance with expenses related to accommodation, disability, hardship and entering or remaining in the workforce
- a total of \$690 million on payments to assist people to obtain a qualification or independent youth to continue education/training or obtain work
- a total of \$351 million on other forms of financial assistance such as childcare, care of unsupported children, payments to Australia and special circumstances, and
- a total of \$169 million on advances of benefits and other recoverable payments to assist with hardship.

The Minister of Revenue is responsible for appropriations in the Vote for the 2011/12 financial year covering the following:

- a total of over \$15 million for management of student loans, and
- a total of \$1,590 million on payments for student loans.

The Minister for Disability Issues is responsible for an appropriation in the Vote for the 2011/12 financial year covering the following:

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

The Minister of State Services is responsible for an appropriation in the Vote for the 2011/12 financial year covering the following:

- a total of \$100,000 on a property management centre of expertise.

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	2010/11		2011/12
	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.	7,778	7,778	9,037
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.	325,744	325,744	328,348
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.	14,932	14,932	16,200
Development and Funding of Community Services (M63) Management of Government funding of community-based social and welfare services.	8,311	8,311	8,127
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.	32,036	32,036	35,335
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; and assessing financial entitlement to residential Care Subsidies.	38,473	38,473	36,934
Management of Service Cards MCOA (M63)	7,103	7,103	7,076
<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.	5,682	5,682	5,655
<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 Loans (M57) This appropriation is limited to assessing and paying student loans to eligible tertiary students, and as part of managing this support, providing related guidance to students making financial and study decisions.	-	-	15,467
Management of Student Support, excluding Student Loans (M63) 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.	-	-	20,144

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Departmental Output Expenses - cont'd			
Policy Advice and Support to Ministers MCOA (M63)	42,811	42,811	37,564
<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	303
<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.	42,474	42,474	37,261
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.	4,023	4,023	4,662
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	1,250	1,250
Property Management Centre of Expertise (M66) This appropriation is limited to the operation of a Property Management Centre of Expertise, to provide guidance, support, and monitoring in respect of property management within the Public Sector.	200	200	100
Services to Protect the Integrity of the Benefit System (M63) Services to minimise errors, fraud and abuse of the benefit system.	36,761	36,761	36,246
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.	445,225	445,225	402,704
Vocational Skills Training (M63) This appropriation is limited to vocationally based skills training for working-age people through the Training Opportunities Programme.	69,040	69,040	53,445
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.	134,149	134,149	137,091
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.	32,922	32,922	-
Total Departmental Output Expenses	1,200,758	1,200,758	1,149,730

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	Budgeted \$000	Estimated Actual \$000	Budget \$000
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.	1,450	1,450	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's Commissioner Act 2003, monitoring and reporting on services delivered under the Children, Young Persons, and Their Families Act, 1989, and the 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
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.	4,753	4,753	16,829
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.	17,859	17,859	17,813
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.	8,762	8,762	8,678
Families Commission (M63) Provision of services from the Families Commission to promote the wellbeing of a full range of New Zealand families and whānau through undertaking research and evidence gathering to build a transfer of knowledge to policymakers and purchasers and providers of services.	7,947	7,947	8,124
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.	71,017	71,017	71,909
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.	3,162	3,162	2,382
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.	134,455	134,455	120,317
Student Placement Services (M63) Provision of placement services for students for holiday and term employment.	3,612	3,612	3,512
Vocational Services for People with Disabilities (M63) Provision of vocational services for people with disabilities including community participation and employment services.	86,608	86,608	86,608
Youth Transition Services (M63) This appropriation is limited to the provision of transition support, further training, education and employment activities for all school leavers aged 15 to 20 years.	-	-	12,657

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Non-Departmental Output Expenses - cont'd			
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	-
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.	5,782	5,782	-
Total Non-Departmental Output Expenses	348,107	348,107	352,436
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.	1,212,838	1,202,441	1,264,227
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.	39,550	39,547	37,156
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.	195,696	189,696	187,897
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.	411,779	410,370	410,506
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.	1,774,469	1,764,909	1,894,637
Employment Related Training Assistance (M63) Provision of assistance with costs of undertaking approved employment related training, which is paid in accordance with the criteria set out in delegated legislation under the Social Security Act 1964.	19,797	19,797	16,470
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 Civil Defence payments, 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.	283,757	277,637	288,631

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	Budgeted \$000	Estimated Actual \$000	Budget \$000
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.	16,495	16,232	15,299
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.	1,313,053	1,306,966	1,346,836
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.	8,848,186	8,833,186	9,575,366
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 that 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.	108,441	107,528	111,948
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.	747,567	742,413	782,380
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 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.	34,673	33,773	14,088
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.	634,751	625,751	626,950
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.	39,241	39,241	30,762
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. Criteria are set out in relevant Welfare Programmes and Ministerial Directions pursuant to the Social Security Act 1964.	23,367	22,575	24,670
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.	971,173	958,776	1,028,954

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	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.	74,614	74,094	76,383
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.	817	807	-
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.	137,013	137,013	-
Special Payment Mechanism for 1 October 2010 Tax Package (M63) This appropriation is limited to providing financial assistance so that people in receipt of financial assistance from the Ministry of Social Development who may be otherwise unintentionally financially disadvantaged by changes introduced as part of the Budget 2010 tax package will not experience a reduction in their total after tax income. This assistance will cease on 31 March 2011.	50	50	-
Total Benefits and Other Unrequited Expenses	16,888,032	16,803,507	17,733,865
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.	781,488	764,074	626,652
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.	121,396	121,396	121,754
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.	3,472	3,472	3,546
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.	18,255	18,255	17,753
Canterbury Earthquake Support (M63) This appropriation is limited to financial support for employers, and those employed on 22 February 2011, affected by the Canterbury Earthquake.	260,600	260,600	-
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.	42	42	-
Total Non-Departmental Other Expenses	1,185,253	1,167,839	769,705

Titles and Scopes of Appropriations by Appropriation Type	2010/11		2011/12
	Budgeted \$000	Estimated Actual \$000	Budget \$000
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.	61,439	61,439	64,439
Total Departmental Capital Expenditure	61,439	61,439	64,439
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 relevant Welfare Programmes and Ministerial Directions pursuant to the Social Security Act 1964.	167,496	164,757	168,612
Student Loans (M57) This appropriation is limited to loans to tertiary students undertaking studies at approved tertiary institutions in accordance with Cabinet decisions.	1,618,480	1,579,480	1,589,682
Total Non-Departmental Capital Expenditure	1,785,976	1,744,237	1,758,294
Total Annual and Permanent Appropriations	21,469,565	21,325,887	21,828,469

Details of Projected Movements in Departmental Net Assets

Ministry of Social Development

Details of Net Asset Schedule	2010/11 Estimated Actual \$000	2011/12 Projected \$000	Explanation of Projected Movements in 2011/12
Opening Balance	314,328	296,323	
Capital Injections	1,820	-	- Transfer of Te Hurihanga Building from Vote Justice to Vote Social Development in F2010/2011.
Capital Withdrawals	(19,825)	-	- Capital reduction to fund Growing Up in New Zealand Study (\$3.650 million), Return of Balance Sheet Cash - Capital Repayment (\$16.175 million).
Surplus to be Retained (Deficit Incurred)	-	-	
Other Movements	-	-	
Closing Balance	296,323	296,323	