

# The Treasury

## Budget 2012 Information Release

### Release Document

June 2012

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- [2] 6(c) - to prevent prejudice to the maintenance of the law, including the prevention, investigation, and detection of offences, and the right to a fair trial
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In preparing this Information Release, the Treasury has considered the public interest considerations in section 9(1) of the Official Information Act.



## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Budget 2012: Vote Social Development

On 23 April 2012, Cabinet:

- 1 **approved** the Budget initiatives for the above Vote for inclusion in the 2012 Budget package, as listed in the summary below and detailed in the attached initiative documents;

#### Summary of initiatives included in the attached initiative documents:

##### Operating Initiatives (Impact on Operating Balance)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
7537	Creating Safe and Supportive Environments	-	3.000	3.000	3.000	3.000
7454	Expanding Frontline Social Work Capacity	-	16.492	21.448	21.448	21.448
7456	Families Commission Reprioritisation	-	(0.250)	(0.250)	(0.250)	(0.250)
7457	Growing Up in New Zealand Longitudinal Study	-	1.838	-	-	-
7458	Non-Government Organisation Funding and Christchurch Support	-	17.224	8.612	4.307	4.305
[6]						
7460	Quality Services Innovation Fund Reprioritisation	(10.000)	(15.541)	(22.591)	(27.615)	(27.615)
[6]						
7536	Transfer of Parenting and Relationship Education Programmes	-	-	-	-	-
7462	Vulnerable Children (Data Matching, Information Sharing and Privacy)	-	1.500	1.500	1.500	1.500
7463	Work and Income Staff Costs - Welfare Reform	-	4.425	12.910	12.579	12.751

7464	Special Needs Grant for Long Acting Reversible Contraception - Welfare Reform	-	0.125	0.167	0.167	0.167
7465	Work and Income Board - Welfare Reform	0.066	0.264	0.264	0.264	0.264
7466	Underspend - Welfare Reform	(6.500)	-	-	-	-
7467	Work and Income Programme Savings - Welfare Reform	-	-	-	(49.600)	(46.800)
7469	Youth Mental Health-Social Support for Youth One Stop Shops	-	0.600	-	-	-
7470	Youth Mental Health - Information for Parents, Family and Friends	-	0.250	0.250	0.250	0.250
7471	Youth Mental Health - Social Media Innovation Fund	-	0.500	0.500	0.500	0.500
7472	Youth Mental Health: Youth Workers in Secondary Schools	-	1.486	2.529	2.319	2.319
7473	Youth Package - Budgeting and Parenting Programmes	-	5.399	3.526	3.429	3.377
7474	Youth Package - Childcare and Long Acting Contraception	-	6.601	10.221	9.954	9.741
7475	Youth Package - Provider Payments	-	7.343	12.281	10.939	10.707
7476	Youth Package - Young Parent Payment, Youth Payment and \$10 Incentive Payments	-	1.775	4.051	3.997	3.910
7477	Youth Pipeline - Ongoing Cost of IT	-	0.440	0.440	0.440	0.440
7478	Youth Pipeline - Payments to Providers	-	4.720	4.720	4.720	4.720
<b>Total Operating</b>		<b>(16.434)</b>	<b>41.876</b>	<b>42.401</b>	<b>(18.727)</b>	<b>(16.250)</b>

### Capital Initiatives (Impact on Debt)

Initiative ID	Initiative Name	\$m - increase/(decrease)				
		2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
7468	Return of Balance Sheet Cash - Capital Repayment - Welfare Reform	-	(8.000)	-	-	-
<b>Total Capital</b>		<b>-</b>	<b>(8.000)</b>	<b>-</b>	<b>-</b>	<b>-</b>

- 2 **approved** the changes to appropriations to implement the initiatives, as set out in the attached initiative documents;
- 3 **approved** the additional recommendations to give effect to the initiatives, as set out in the attached initiative documents;

- 4 **agreed** that the changes to appropriations for 2011/12 above be included in the 2011/12 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 5 **authorised** the Minister of Finance and the Vote Minister to approve jointly any technical adjustments to baselines necessary to remove any errors or inconsistencies identified while finalising the 2011/12 Supplementary Estimates, the 2012/13 Estimates and the fiscal forecasts;
- 6 **authorised** the chief executives of departments that monitor Crown entities directly affected by decisions in this minute to inform the chair and/or chief executive of a Crown entity, on a budget-in-confidence-until-budget-day basis, of decisions that directly affect that Crown entity for the purpose of planning and preparation of their Statement of Intent;
- 7 **noted** that all communications relating to the 2012 Budget are co-ordinated by a Budget communications committee, and that any requests for early announcement will need to have both the written approval of the Minister of Finance and sign-off from the Prime Minister's office;

8 [6]

[6]

9 [6]

### **Additional Recommendations**

- 10 **noted** that the initiatives in the above tables, along with initiatives detailed below, form the Vote Social Development package in Budget 2012:
- 10.1 Vote Education – Youth Package – Early Childhood Education  
[CAB Min (12) 13/3(8) initiative 7489];
- 10.2 Vote Housing – Community Group Housing[CAB Min (12) 13/3(16) initiative 7490];
- 10.3 Vote Youth Development – Youth Development Underspend  
[CAB Min (12) 13/3(37) initiative 7479].

- 11 **noted** that the Vote Social Development package in Budget 2012, as described above, results in the following impact on the Budget 2012 operating allowance and net debt, and that operating funding will be used for welfare reform initiatives:

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Operating Balance Impact	(17.034)	50.610	54.714	(6.738)	(4.552)
Debt Impact	-	(8.000)	-	-	-
No Impact	-	8.000	5.000	-	-
<b>Total Vote Social Development Package</b>	<b>(17.034)</b>	<b>50.610</b>	<b>59.714</b>	<b>(6.738)</b>	<b>(4.552)</b>

- 12 **noted** that the no impact line in the above table is due to initiative 7458 Non-Government Funding and Christchurch Support, which is funded from the Canterbury Earthquake Recovery Fund created in Budget 2011;
- 13 **noted** that as a result of implementing the changes to Domestic Purposes Benefit (DPB) Sole Parents, Widows' Benefit recipients and DPB Women Alone and partners, the following policy savings to a range of Benefits and Other Unrequited Expense in Vote Social Development appropriations are forecast in the Budget Economic and Fiscal Update:

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Benefit and Other Unrequited Expenses	-	(12.914)	(29.757)	(37.058)	(41.771)
<b>Operating Balance Impact</b>	<b>-</b>	<b>(12.914)</b>	<b>(29.757)</b>	<b>(37.058)</b>	<b>(41.771)</b>

- 14 **noted** that the forecasts will be revised in the Half-Year Economic and Fiscal Update, when more information about the impact of the first phase of welfare reform is known;

15 [6]

16 [6]

Secretary of the Cabinet

References: CAB (12) 154; CAB (12) 155

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**Vote:** Social Development

**Title:** Creating Safe and Supportive Environments

**Description:** Contestable funding to provide support for whanau to address issues associated with the rise of bullying and abusive behaviours at preschool and compulsory school level.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	3.000	3.000	3.000	3.000
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Non-Departmental Output Expenses:</b>					
Strong Families	-	3.000	3.000	3.000	3.000
<b>Total Operating</b>	-	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>	<b>3.000</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Expanding Frontline Social Work Capacity

**Description:** The extension of Social Workers in Schools (SWiS) to all primary schools in deciles 1 to 3 and additional front line social workers [CAB Min (11) 27/36]. This provides an additional 149 full-time equivalent SWiS social workers and an additional 80 frontline social workers.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	16.492	21.448	21.448	21.448
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>16.492</b>	<b>21.448</b>	<b>21.448</b>	<b>21.448</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Care and Protection Services (funded by revenue Crown)	-	10.924	10.312	10.312	10.312
<b>Non-Departmental Output Expense:</b>					
Family Wellbeing Services	-	5.568	11.136	11.136	11.136
<b>Total Operating</b>	<b>-</b>	<b>16.492</b>	<b>21.448</b>	<b>21.448</b>	<b>21.448</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Vote:** Social Development

**Title:** Efficiency Saving

**Description:** Reducing the Ministry of Social Development's funding by the efficiency saving target set by the government.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	(15.874)	(20.468)	(24.822)	(24.822)
<b>Total</b>	-	<b>(15.874)</b>	<b>(20.468)</b>	<b>(24.822)</b>	<b>(24.822)</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expenses:</b>					
Management of Service Cards (MCOA)					
Administration of Community Services Card (funded by revenue Crown)	-	(0.345)	(0.368)	(0.390)	(0.390)
Administration of Community Services Card (funded by revenue Dept)	-	(0.036)	(0.036)	(0.036)	(0.036)
Management of SuperGold Card (funded by revenue Crown)	-	(0.014)	(0.018)	(0.021)	(0.021)
Social Policy Advice (MCOA)					
Policy Advice (funded by revenue Crown)	-	(0.818)	(1.000)	(1.172)	(1.172)
Policy Advice (funded by revenue Dept)	-	(1.610)	(1.610)	(1.610)	(1.610)
Adoption Services (funded by revenue Dept)	-	(0.046)	(0.046)	(0.046)	(0.046)
Adoption Services (funded by revenue Crown)	-	(1.849)	(1.877)	(1.903)	(1.903)

				<b>Initiative No: 7455</b>	
Care and Protection Services (funded by revenue Dept)	-	(1.225)	(1.225)	(1.225)	(1.225)
Care and Protection Services (funded by revenue Crown)	-	2.419	1.260	0.162	0.162
Collection of Balances Owed by Former Clients and Non-beneficiaries (funded by revenue Crown)	-	(1.936)	(2.009)	(2.077)	(2.077)
Collection of Balances Owed by Former Clients and Non-beneficiaries (funded by revenue Dept)	-	(0.215)	(0.215)	(0.215)	(0.215)
Development and Funding of Community Services (funded by revenue Crown)	-	0.082	0.031	(0.018)	(0.018)
Development and Funding of Community Services (funded by revenue Dept)	-	(0.059)	(0.059)	(0.059)	(0.059)
Family and Community Services (funded by revenue Crown)	-	(0.235)	(0.341)	(0.440)	(0.440)
Family and Community Services (funded by revenue Dept)	-	(0.129)	(0.129)	(0.129)	(0.129)
Income Support and Assistance to Seniors (funded by revenue Crown)	-	(1.562)	(2.055)	(2.237)	(2.237)
Income Support and Assistance to Seniors (funded by revenue Dept)	-	(0.602)	(0.602)	(0.602)	(0.602)
Management of Student Loans (funded by revenue Crown)	-	(0.167)	(0.215)	(0.261)	(0.261)
Management of Student Support, excluding Student Loans (funded by revenue Crown)	-	(4.578)	(4.620)	(4.659)	(4.659)
Management of Student Support, excluding Student Loans (funded by revenue Dept)	-	(0.164)	(0.164)	(0.164)	(0.164)
Prevention Services (funded by revenue Crown)	-	(0.016)	(0.021)	(0.026)	(0.026)

				<b>Initiative No: 7455</b>	
Prevention Services (funded by revenue Dept)	-	(0.601)	(0.601)	(0.601)	(0.601)
Services to Protect the Integrity of the Benefit System (funded by revenue Crown)	-	(0.584)	(0.761)	(0.930)	(0.930)
Services to Protect the Integrity of the Benefit System (funded by revenue Dept)	-	(0.431)	(0.431)	(0.431)	(0.431)
Tailored Sets of Services to Help People into Work or Achieve Independence (funded by revenue Crown)	-	9.401	8.869	7.030	7.030
Tailored Sets of Services to Help People into Work or Achieve Independence (funded by revenue Dept)	-	(5.299)	(6.405)	(6.405)	(6.405)
Youth Development (funded by revenue Crown)	-	(0.337)	(0.358)	(0.379)	(0.379)
Youth Development (funded by revenue Dept)	-	(0.037)	(0.037)	(0.037)	(0.037)
Youth Justice Services (funded by revenue Dept)	-	(0.627)	(0.627)	(0.627)	(0.627)
Youth Justice Services (funded by revenue Crown)	-	(4.254)	(4.798)	(5.314)	(5.314)
<b>Total Operating</b>	-	<b>(15.874)</b>	<b>(20.468)</b>	<b>(24.822)</b>	<b>(24.822)</b>
<b>Total Capital</b>	-	-	-	-	-

### **Additional Recommendation**

16 **noted** that these changes to appropriations will have no impact on the operating balance, as the impact was counted in Budget 2011;

**Vote:** Social Development

**Title:** Families Commission Reprioritisation

**Description:** Reprioritisation of Families Commission funding to fund the Youth Mental Health - Information for Parents, Family and Friends initiative, for four years only.

**Appropriation Changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Operating Balance Impact	-	(0.250)	(0.250)	(0.250)	(0.250)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>(0.250)</b>	<b>(0.250)</b>	<b>(0.250)</b>	<b>(0.250)</b>

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>Non-Departmental Output Expense:</b>					
Families Commission	-	(0.250)	(0.250)	(0.250)	(0.250)
<b>Total Operating</b>	<b>-</b>	<b>(0.250)</b>	<b>(0.250)</b>	<b>(0.250)</b>	<b>(0.250)</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Vote:** Social Development

**Title:** Growing Up in New Zealand Longitudinal Study

**Description:** Funding for part of the costs of the Growing Up in New Zealand longitudinal study for 2012/13.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	1.838	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.838</b>	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Social Policy Advice (MCOA)					
Longitudinal Studies (funded by revenue Crown)	-	1.838	-	-	-
<b>Total Operating</b>	-	<b>1.838</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Non-Government Organisation Funding and Christchurch Support

**Description:** Funding for a range of Non-Government Organisation initiatives and for support to Christchurch following earthquake damage.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	17.224	8.612	4.307	4.305
Debt Impact	-	-	-	-	-
No Impact	-	8.000	5.000	-	-
<b>Total</b>	-	<b>25.224</b>	<b>13.612</b>	<b>4.307</b>	<b>4.305</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Family and Community Services (funded by revenue Crown)	-	0.200	0.100	-	-
<b>Non-Departmental Output Expenses:</b>					
Connected Communities	-	7.800	4.900	-	-
Strong Families	-	17.224	8.612	4.307	4.305
<b>Total Operating</b>	-	<b>25.224</b>	<b>13.612</b>	<b>4.307</b>	<b>4.305</b>
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

17 **agreed** that the changes to the Family and Community Services and Connected Communities appropriations be a charge against the Canterbury Earthquake Recovery Fund established as part of Budget 2011, and that, therefore, it does not impact on the operating balance;

**Vote:** Social Development

**Title:** [6]

**Description:** [6]

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
[6]					
[6]					
[6]					
[6]					

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
[6]					
[6]					
[6]					
[6]					

[6]

18 [6]

**Vote:** Social Development

**Title:** Quality Services Innovation Fund Reprioritisation

**Description:** Reprioritisation of the Quality Services Innovation Fund to fund cost pressures including Non-Government Organisation initiatives and support to Christchurch.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	(10.000)	(15.541)	(22.591)	(27.615)	(27.615)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>(10.000)</b>	<b>(15.541)</b>	<b>(22.591)</b>	<b>(27.615)</b>	<b>(27.615)</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Family and Community Services (funded by revenue Crown)	(1.860)	-	-	-	-
<b>Non-Departmental Output Expense:</b>					
Strong Families	(8.140)	(15.541)	(22.591)	(27.615)	(27.615)
<b>Total Operating</b>	<b>(10.000)</b>	<b>(15.541)</b>	<b>(22.591)</b>	<b>(27.615)</b>	<b>(27.615)</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Vote:** Social Development

**Title:** [6]

**Description:** [6]

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
[6]					
[6]					
[6]					
[6]					

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
[6]					
[6]					
[6]					
[6]					

**Vote:** Social Development

**Title:** Transfer of Parenting and Relationship Education Programmes

**Description:** Transferring funding for additional places in parenting and relationship education programmes for young people in schools from the Families Commission to the Ministry of Social Development, for four years only.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16
<b>Departmental Output Expense:</b>					
Family and Community Services (funded by revenue Crown)	-	0.075	0.075	0.075	0.075
<b>Non-Departmental Output Expense:</b>					
Strong Families	-	0.675	0.675	0.675	0.675
Families Commission		(0.750)	(0.750)	(0.750)	(0.750)
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendations

19 [6]

20 [6]

**Vote:** Social Development

**Title:** Vulnerable Children (Data Matching, Information Sharing and Privacy)

**Description:** Support for vulnerable children including initiatives for improving data use and data integration.

**Appropriation Changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Operating Balance Impact	-	1.500	1.500	1.500	1.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
<b>Departmental Output Expense:</b>					
Care and Protection Services (funded by revenue Crown)	-	1.500	1.500	1.500	1.500
<b>Total Operating</b>	<b>-</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>	<b>1.500</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Vote:** Social Development

**Title:** Work and Income Staff Costs - Welfare Reform

**Description:** Front line staff (including call centre staff), contracts management and some contracted services for the first phase of welfare reform.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	4.425	12.910	12.579	12.751
Debt Impact	-	-	-	-	-
No Impact	-	12.480	-	-	-
<b>Total</b>	-	<b>16.905</b>	<b>12.910</b>	<b>12.579</b>	<b>12.751</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Tailored Sets of Services to Help People into Work or Achieve Independence (funded by revenue Crown)	-	16.905	12.910	12.579	12.751
<b>Total Operating</b>	-	<b>16.905</b>	<b>12.910</b>	<b>12.579</b>	<b>12.751</b>
<b>Total Capital</b>	-	-	-	-	-

### Additional Recommendation

21 **noted** that the following Budget 2011 contingency item will be drawn down to partly fund the above initiative:

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Supporting Welfare Reform	-	12.480	-	-	-
<b>Operating Balance Impact</b>	-	<b>12.480</b>	-	-	-

**Vote:** Social Development

**Title:** Special Needs Grant for Long Acting Reversible Contraception - Welfare Reform

**Description:** A non-recoverable Special Needs Grant for women receiving a benefit who wish to use long-acting reversible contraception.

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	0.125	0.167	0.167	0.167
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.125</b>	<b>0.167</b>	<b>0.167</b>	<b>0.167</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Benefits and Other Unrequited Expense:</b>					
Hardship Assistance	-	0.125	0.167	0.167	0.167
<b>Total Operating</b>	-	<b>0.125</b>	<b>0.167</b>	<b>0.167</b>	<b>0.167</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Work and Income Board - Welfare Reform

**Description:** The new Work and Income Board will advise Ministers and the Chief Executive of the Ministry of Social Development on a long-term investment approach to welfare. Costs covered include chair and members' fees, travel and administration costs.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	0.066	0.264	0.264	0.264	0.264
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>0.066</b>	<b>0.264</b>	<b>0.264</b>	<b>0.264</b>	<b>0.264</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expenses:</b>					
Policy Advice and Support to Ministers (MCOA)					
Social Policy Advice (funded by revenue Crown)	0.066	-	-	-	-
Planning, Correspondence and Monitoring (funded by revenue Crown)	-	0.264	0.264	0.264	0.264
<b>Total Operating</b>	<b>0.066</b>	<b>0.264</b>	<b>0.264</b>	<b>0.264</b>	<b>0.264</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Vote:** Social Development

**Title:** Underspend - Welfare Reform

**Description:** Returns an underspend in 2011/12 to partially fund Welfare Reform.

**Appropriation Changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Operating Balance Impact	(6.500)	-	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>(6.500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
<b>Non-Departmental Other Expense:</b>					
Employment Assistance	(6.500)	-	-	-	-
<b>Total Operating</b>	<b>(6.500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Vote:** Social Development

**Title:** Work and Income Programme Savings - Welfare Reform

**Description:** Reducing Work and Income's programme spend to partially fund Welfare Reform.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	-	-	(49.600)	(46.800)
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	-	-	<b>(49.600)</b>	<b>(46.800)</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expenses:</b>					
Tailored Sets of Services to Help People into Work or Achieve Independence (funded by revenue Crown)	-	-	-	(2.850)	-
Vocational Skills Training (funded by revenue Crown)	-	-	-	(20.000)	(20.000)
<b>Non-Departmental Other Expense:</b>					
Employment Assistance	-	-	-	(26.750)	(26.800)
<b>Total Operating</b>	-	-	-	<b>(49.600)</b>	<b>(46.800)</b>
<b>Total Capital</b>	-	-	-	-	-



**Vote:** Social Development

**Title:** Return of Balance Sheet Cash - Capital Repayment - Welfare Reform

**Description:** The return of balance sheet cash following a review of the Ministry of Social Development's capital programme for 2012/13 and outyears. The balance sheet cash will be used to partially fund Welfare Reform.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	-	-	-	-
Debt Impact	-	(8.000)	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>(8.000)</b>	-	-	-

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Net Asset Schedule of the Ministry of Social Development:</b>					
Capital Investment	-	(8.000)	-	-	-
<b>Total Operating</b>	-	-	-	-	-
<b>Total Capital</b>	-	<b>(8.000)</b>	-	-	-

**Vote:** Social Development

**Title:** Youth Mental Health - Social Support for Youth One Stop Shops

**Description:** The provision of social support services in Youth One Stop Shops.

**Appropriation Changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Operating Balance Impact	-	0.600	-	-	-
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.600</b>	-	-	-

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
<b>Non-Departmental Output Expense:</b>					
Services for Young People	-	0.600	-	-	-
<b>Total Operating</b>	-	<b>0.600</b>	-	-	-
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Mental Health - Information for Parents, Family and Friends

**Description:** Help and information will be provided to parents, family, whanau and friends who have concerns about a young person's mental health, for four years only.

**Appropriation Changes**

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Operating Balance Impact	-	0.250	0.250	0.250	0.250
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.250</b>	<b>0.250</b>	<b>0.250</b>	<b>0.250</b>

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
<b>Departmental Output Expense:</b>					
Family and Community Services (funded by revenue Crown)	-	0.250	0.250	0.250	0.250
<b>Total Operating</b>	-	<b>0.250</b>	<b>0.250</b>	<b>0.250</b>	<b>0.250</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Mental Health - Social Media Innovation Fund

**Description:** The Social Media Innovation Fund is a public-private seed fund to support the use of new technology, especially social media, to provide youth-friendly access to mental health resources, support and therapy.

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	0.500	0.500	0.500	0.500
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Family and Community Services (funded by revenue Crown)	-	0.500	0.500	0.500	0.500
<b>Total Operating</b>	-	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>	<b>0.500</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Mental Health: Youth Workers in Secondary Schools

**Description:** Multi-Agency Support Services in Secondary Schools will be expanded to focus on young people with mental health issues. Non-Government Organisation providers will be contracted to provide an additional 19 full time equivalent youth workers in ten schools.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	1.486	2.529	2.319	2.319
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1.486</b>	<b>2.529</b>	<b>2.319</b>	<b>2.319</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Care and Protection Services (funded by revenue Crown)	-	0.502	0.542	0.333	0.333
<b>Non-Departmental Output Expense:</b>					
Family Wellbeing Services	-	0.984	1.987	1.986	1.986
<b>Total Operating</b>	<b>-</b>	<b>1.486</b>	<b>2.529</b>	<b>2.319</b>	<b>2.319</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Vote:** Social Development

**Title:** Youth Package - Budgeting and Parenting Programmes

**Description:** Budgeting programmes for Youth Payment and Young Parent Payment recipients and parenting programmes for Young Parent Payment recipients will be provided under the Youth Package.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	5.399	3.526	3.429	3.377
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>5.399</b>	<b>3.526</b>	<b>3.429</b>	<b>3.377</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Non-Departmental Output Expense:</b>					
Youth Support Services (MCOA)					
Support for Youth Payment and Young Parent Payment recipients	-	5.399	3.526	3.429	3.377
<b>Total Operating</b>	-	<b>5.399</b>	<b>3.526</b>	<b>3.429</b>	<b>3.377</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Package - Childcare and Long Acting Contraception

**Description:** Under the Youth Package recipients are entitled to a Guaranteed Childcare Assistance Payment and, for those who wish to use it, long acting contraception.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	6.601	10.221	9.954	9.741
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>6.601</b>	<b>10.221</b>	<b>9.954</b>	<b>9.741</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Benefits and Other Unrequited Expense:</b>					
Childcare Assistance	-	6.501	10.121	9.854	9.641
Hardship Assistance	-	0.100	0.100	0.100	0.100
<b>Total Operating</b>	-	<b>6.601</b>	<b>10.221</b>	<b>9.954</b>	<b>9.741</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Package - Provider Payments

**Description:** Administration fees, milestone payments and success payments will be made to providers contracted by the Ministry of Social Development to deliver the Youth Package.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	7.343	12.281	10.939	10.707
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>7.343</b>	<b>12.281</b>	<b>10.939</b>	<b>10.707</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Non-Departmental Output Expense:</b>					
Youth Support Services (MCOA)					
Support for Youth Payment and Young Parent Payment recipients	-	7.343	12.281	10.939	10.707
<b>Total Operating</b>	<b>-</b>	<b>7.343</b>	<b>12.281</b>	<b>10.939</b>	<b>10.707</b>
<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Vote:** Social Development

**Title:** Youth Package - Young Parent Payment, Youth Payment and \$10 Incentive Payments

**Description:** Financial assistance will be paid to 16-18 year olds and 16-19 year old parents who receive the Youth Package, including \$10 incentive payments for youth package participants who meet certain obligations (being in education and training, or completing a budgeting course or parenting programme).

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	1.775	4.051	3.997	3.910
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>1.775</b>	<b>4.051</b>	<b>3.997</b>	<b>3.910</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Benefits and Other Unrequited Expenses:</b>					
Domestic Purposes Benefit	-	(22.915)	(25.461)	(25.802)	(26.514)
Independent Youth Benefit	-	(11.067)	(12.668)	(12.823)	(13.138)
Sickness Benefit	-	(1.220)	(1.366)	(1.406)	(1.448)
Unemployment Benefit and Emergency Benefit	-	(1.295)	(1.266)	(1.131)	(1.047)
Youth Payment and Young Parent Payment	-	38.272	44.812	45.159	46.057
<b>Total Operating</b>	-	<b>1.775</b>	<b>4.051</b>	<b>3.997</b>	<b>3.910</b>
<b>Total Capital</b>	-	-	-	-	-

## Additional Recommendations

**Initiative No: 7476**

- 22 **noted** that additional costs to the Youth Package – Young Parent Payment, Youth Payment and \$10 Incentive Payments, and the Independent Youth Benefit have arisen since the above costs were recorded:

	<b>\$m - increase/(decrease)</b>				
	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 &amp; Outyears</b>
Youth Package – Young Parent Payment, Youth Payment and \$10 Incentive Payments	-	-	0.100	0.050	0.098
Independent Youth Benefit	-	0.500			
<b>Operating Balance Impact</b>	-	<b>0.500</b>	<b>0.100</b>	<b>0.050</b>	<b>0.098</b>

- 23 **authorised** the Minister of Finance and the Minister of Social Development to make fiscally neutral adjustments from within existing Vote Social Development baselines by 13 June 2012, for the purpose of funding these additional costs.

**Vote:** Social Development

**Title:** Youth Pipeline - Ongoing Cost of IT

**Description:** Support and maintenance of IT systems is needed to support the implementation of the Youth Pipeline.

**Appropriation Changes**

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	0.440	0.440	0.440	0.440
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>0.440</b>	<b>0.440</b>	<b>0.440</b>	<b>0.440</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Departmental Output Expense:</b>					
Tailored Sets of Services to Help People into Work or Achieve Independence (funded by revenue Crown)	-	0.440	0.440	0.440	0.440
<b>Total Operating</b>	-	<b>0.440</b>	<b>0.440</b>	<b>0.440</b>	<b>0.440</b>
<b>Total Capital</b>	-	-	-	-	-

**Vote:** Social Development

**Title:** Youth Pipeline - Payments to Providers

**Description:** Providers contracted to deliver the Youth Pipeline will be paid administration fees, milestone payments and success payments. Youth Transitions and some Youth Development funding will be used to partly meet these costs.

### Appropriation Changes

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
Operating Balance Impact	-	4.720	4.720	4.720	4.720
Debt Impact	-	-	-	-	-
No Impact	-	-	-	-	-
<b>Total</b>	-	<b>4.720</b>	<b>4.720</b>	<b>4.720</b>	<b>4.720</b>

	\$m - increase/(decrease)				
	2011/12	2012/13	2013/14	2014/15	2015/16 & Outyears
<b>Non-Departmental Output Expenses:</b>					
Youth Support Services (MCOA)					
Support to prevent disengaged young people from coming on to benefit at the age of 18	-	19.420	19.420	19.420	19.420
Services for Young People	-	(2.043)	(2.043)	(2.043)	(2.043)
Youth Transition Services	-	(12.657)	(12.657)	(12.657)	(12.657)
<b>Total Operating</b>	-	<b>4.720</b>	<b>4.720</b>	<b>4.720</b>	<b>4.720</b>
<b>Total Capital</b>	-	-	-	-	-