

# *Vote Housing and Urban Development*

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APPROPRIATION MINISTER(S): Minister of Housing (M37)

DEPARTMENT ADMINISTERING THE VOTE: Ministry of Housing and Urban Development (A22)

RESPONSIBLE MINISTER FOR MINISTRY OF HOUSING AND URBAN DEVELOPMENT: Minister of Housing

# Details of Appropriations and Capital Injections

## Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Departmental Capital Expenditure</b>			
<b>Ministry of Housing and Urban Development - Capital Expenditure PLA (M37) (A22)</b> This appropriation is limited to the purchase or development of assets by and for the use of the Ministry of Housing and Urban Development, as authorised by section 24(1) of the Public Finance Act 1989	5,100	-	5,100
<b>Total Departmental Capital Expenditure</b>	5,100	-	5,100
<b>Non-Departmental Output Expenses</b>			
<b>Financial capability services to support Pacific households into home ownership (M37) (A22)</b> This appropriation is limited to the provision of financial capability services for Pacific Island households	630	(630)	-
<b>He Kuku Ki Te Kainga - Increasing Māori Housing Supply (M37) (A22)</b> This appropriation is limited to increasing the Housing Supply provided by Māori service providers.	13,000	15,319	28,319
<b>He Taupae - Building Māori housing capability across the Māori housing continuum (M37) (A22)</b> This appropriation is limited to increasing Māori housing capability across the Māori housing continuum.	-	1,000	1,000
<b>He Taupua - Increasing Māori Housing Provider Capability (M37) (A22)</b> This appropriation is limited to increasing the capacity of Māori Housing Providers to contribute to homelessness prevention.	3,000	132	3,132
<b>Kāinga Ora - Homes and Communities (M37) (A22)</b> This appropriation is limited to the delivery of services by Kāinga Ora - Homes and Communities that contribute to housing and urban development activity.	10,698	22,764	33,462
<b>KiwiBuild Operations (M37) (A22)</b> This appropriation is limited to the operating expenses incurred in relation to the facilitation, acquisition and development of KiwiBuild dwellings.	-	6,575	6,575
<b>Local Innovations and Partnerships (M37) (A22)</b> This appropriation is limited to the delivery and evaluation of locally-driven initiatives to respond to and prevent homelessness.	5,500	(1,840)	3,660
<b>Management of Crown Properties held under the Housing Act 1955 (M37) (A22)</b> This appropriation is limited to the administration and management of Crown owned properties held under the Housing Act 1955.	8	-	8
<b>Support Services to increase home ownership (M37) (A22)</b> This appropriation is limited to the delivery of support services for applicants to progressive home ownership schemes.	500	2,500	3,000
<b>Total Non-Departmental Output Expenses</b>	33,336	45,820	79,156

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Benefits or Related Expenses</b>			
<b>First Home Grants (M37) (A22)</b>	109,720	-	109,720
This appropriation is limited to First Home Grants for people who meet the required eligibility criteria.			
<b>Total Benefits or Related Expenses</b>	109,720	-	109,720
<b>Non-Departmental Other Expenses</b>			
<b>Housing Assistance (M37) (A22)</b>	789	-	789
This appropriation is limited to payments made to Kāinga Ora and other mortgage providers to compensate for the difference between the cost of funds and the rate at which funds are lent and provide write-offs for loans.			
<b>Land for Housing - Deferred Settlements (M37) (A22)</b>	17,460	(17,460)	-
This appropriation is limited to expenses incurred as a result of deferred settlement agreements associated with land sales.			
<b>Social Housing Provider Development (M37) (A22)</b>	-	1,234	1,234
This appropriation is limited to providing support to third party providers of social and/or affordable housing services.			
<b>Total Non-Departmental Other Expenses</b>	18,249	(16,226)	2,023
<b>Non-Departmental Capital Expenditure</b>			
<b>Land for Housing - Deferred Settlements (M37) (A22)</b>	-	17,460	17,460
This appropriation is limited to deferred settlement agreements associated with land sales.			
<b>Te Puke Tāpapatanga a Hape (Ihumātao) (M37) (A22)</b>	-	29,900	29,900
This appropriation is limited to the purchase of land at Te Puke Tāpapatanga a Hape (Ihumātao) through the Land for Housing Programme for housing and related purposes.			
<b>Total Non-Departmental Capital Expenditure</b>	-	47,360	47,360
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Community Group Housing MCA (M37) (A22)</b>	23,795	-	23,795
The single overarching purpose of this appropriation is to purchase housing services from Kāinga Ora and Community Group Housing providers to maintain the supply of tenanted Community Group Housing properties.			
<b>Non-Departmental Output Expenses</b>			
<b>Community Group Housing Market Rent Top-Up</b>	13,891	-	13,891
This category is limited to the provision of funding to Kāinga Ora to pay the difference between the contracted rent with each Community Group Housing provider and market rent for the leased properties.			
<b>Non-Departmental Other Expenses</b>			
<b>Community Housing Rent Relief</b>	4,104	-	4,104
This category is limited to the provision of a rent relief fund to Community Group Housing providers for the sole purpose of helping them meet their contracted rent payments.			
<b>Non-Departmental Capital Expenditure</b>			
<b>Acquisition and Improvement of Community Group Housing Properties</b>	5,800	-	5,800
This category is limited to providing debt or equity to Kāinga Ora to acquire, modernise or reconfigure properties leased by Community Housing Providers.			

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Titles and Scopes of Appropriations by Appropriation Type</b>			
<b>Managing the Housing and Urban Development Portfolio MCA (M37) (A22)</b>	64,122	5,653	69,775
The single overarching purpose of this appropriation is to improve the functioning of the housing sector by providing good quality advice to Ministers and effective departmental operations.			
<b>Departmental Output Expenses</b>			
<i>Facilitating the Purchase and redevelopment of land for housing purposes</i>	2,503	2,501	5,004
This category is limited to the activities associated with the facilitation of the purchase and redevelopment of land for housing purposes.			
<i>Management of Housing Provision and Services</i>	21,934	2,159	24,093
This category is limited to managing and regulating housing and housing support providers (including Kāinga Ora) through negotiating, managing and paying contracts.			
<i>Policy Advice and Ministerial Servicing</i>	39,685	993	40,678
This category is limited to advice to support decision making by Ministers on government policy matters relating to housing and urban development, and Ministerial servicing and performance monitoring.			
<b>Public Housing MCA (M37) (A22)</b>	1,259,407	39,795	1,299,202
The single overarching purpose of this appropriation is to secure and purchase the provision of public housing and associated support services.			
<b>Non-Departmental Output Expenses</b>			
<i>Purchase of Public Housing Provision</i>	1,206,076	9,618	1,215,694
This category is limited to purchasing the provision of public housing and related services from public housing providers in accordance with reimbursement agreements or tailored agreements under the Housing Restructuring and Tenancy Matters Act 1992.			
<i>Services for People in Need of or at risk of Needing Public Housing</i>	49,976	9,930	59,906
This category is limited to the provision of support services to those in need of public housing or those at risk of entering or exiting public housing.			
<i>Services Related to the Provision of Public Housing</i>	300	247	547
This category is limited to the provision of services related to the provision of public housing by a public housing provider.			
<b>Non-Departmental Other Expenses</b>			
<i>Support for the Provision of Public Housing Supply</i>	3,055	20,000	23,055
This category is limited to providing support to secure access to properties for public housing providers to use for public housing.			
<b>Transitional Housing MCA (M37) (A22)</b>	150,105	194,193	344,298
The single overarching purpose of this appropriation is to fund the delivery of transitional housing places and services in New Zealand.			
<b>Non-Departmental Output Expenses</b>			
<i>Provision of Transitional Housing Places</i>	83,028	78,600	161,628
This category is limited to supporting transitional housing providers to provide transitional housing places.			
<i>Transitional Housing Services</i>	67,077	52,000	119,077
This category is limited to payments to transitional housing providers on a per household basis to cover tenancy and property management, and services to support tenants in transitional housing to move into sustainable housing.			

Titles and Scopes of Appropriations by Appropriation Type	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
<b>Non-Departmental Capital Expenditure</b>			
<i>Acquisition, Development and Construction of Transitional Housing</i>	-	63,593	63,593
This appropriation is limited to funding the acquisition, construction and development or redevelopment of land or properties for the purpose of providing transitional housing.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	1,497,429	239,641	1,737,070
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	1,663,834	316,595	1,980,429

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Output Expenses</b>		
<b>COVID-19 Housing Providers Operational Cost (M37) (A22)</b>	Original Appropriation	10,000
This appropriation is limited to payments to Housing Providers for additional operational costs incurred associated with responding to COVID-19.	Adjustments to 2019/20	-
Commences: 30 April 2020	Adjustments for 2020/21	-
Expires: 30 June 2021	Adjusted Appropriation	10,000
	Actual to 2019/20 Year End	1,189
	Estimated Actual for 2020/21	8,811
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-
<b>Infrastructure Investment to Progress Urban Development (M37) (A22)</b>	Original Appropriation	271,670
This appropriation is limited to investment into housing and infrastructure projects to enable urban development, regeneration and housing outcomes.	Adjustments to 2019/20	-
Commences: 01 August 2020	Adjustments for 2020/21	-
Expires: 30 June 2024	Adjusted Appropriation	271,670
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	183,070
	Estimate for 2021/22	64,450
	Estimated Appropriation Remaining	24,150
<b>KiwiBuild Housing (M37) (A22)</b>	Original Appropriation	2,039,923
This appropriation is limited to the acquisition, construction and provision of KiwiBuild dwellings.	Adjustments to 2019/20	(344,590)
Commences: 01 October 2018	Adjustments for 2020/21	(305,124)
Expires: 30 June 2022	Adjusted Appropriation	1,390,209
	Actual to 2019/20 Year End	317,727
	Estimated Actual for 2020/21	203,770
	Estimate for 2021/22	868,712
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Residential Development Supply (M37) (A22)</b>	Original Appropriation	344,000
This appropriation is limited to the acquisition, construction and provision of residential development.	Adjustments to 2019/20	-
Commences: 01 September 2020	Adjustments for 2020/21	-
Expires: 30 June 2025	Adjusted Appropriation	344,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	99,000
	Estimate for 2021/22	129,000
	Estimated Appropriation Remaining	116,000
<b>Non-Departmental Other Expenses</b>		
<b>Housing Infrastructure Fund - Fair Value Write Down (M37) (A22)</b>	Original Appropriation	190,791
This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans from the Housing Infrastructure Fund to Territorial Local Authorities.	Adjustments to 2019/20	(160,791)
Commences: 01 October 2018	Adjustments for 2020/21	-
Expires: 30 June 2023	Adjusted Appropriation	30,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	30,000
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-
<b>Write down and write off of Progressive Home Ownership Loans (M37) (A22)</b>	Original Appropriation	286,755
This appropriation is limited to the expense incurred in the fair-value write down of interest-free loans to suppliers of Progressive Home Ownership schemes and write-off of any potential bad debts associated with such loans.	Adjustments to 2019/20	-
Commences: 01 April 2020	Adjustments for 2020/21	-
Expires: 30 June 2024	Adjusted Appropriation	286,755
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	56,751
	Estimate for 2021/22	50,782
	Estimated Appropriation Remaining	179,222
<b>Non-Departmental Capital Expenditure</b>		
<b>Housing Infrastructure Fund Loans (M37) (A22)</b>	Original Appropriation	642,824
This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development.	Adjustments to 2019/20	(518,464)
Commences: 01 October 2018	Adjustments for 2020/21	112,000
Expires: 30 June 2023	Adjusted Appropriation	236,360
	Actual to 2019/20 Year End	10,597
	Estimated Actual for 2020/21	225,763
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Kāinga Ora - Homes and Communities Standby Credit Facility (M37) (A22)</b> This appropriation is limited to financing of a credit facility to assist Kāinga Ora - Homes and Communities with short-term liquidity requirements in exceptional and temporary circumstances.  Commences: 01 May 2020  Expires: 30 June 2024	Original Appropriation	1,000,000
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	1,000,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	-
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	1,000,000
<b>Progressive Home Ownership - Prepayment of Grants (M37) (A22)</b> This appropriation is limited to prepayment of grants associated with PHO loans.  Commences: 01 July 2020  Expires: 30 June 2025	Original Appropriation	2,500
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	2,500
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	2,500
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-
<b>Progressive Home Ownership Fund (M37) (A22)</b> This appropriation is limited to addressing housing affordability issues by assisting access to home ownership through progressive home ownership schemes.  Commences: 01 February 2020  Expires: 30 June 2024	Original Appropriation	400,000
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	400,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	80,000
	Estimate for 2021/22	70,000
	Estimated Appropriation Remaining	250,000

## Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	1,663,834	316,595	1,980,429
Total Forecast MYA Non-Departmental Output Expenses	194,800	299,851	494,651
Total Forecast MYA Non-Departmental Other Expenses	49,782	36,969	86,751
Total Forecast MYA Non-Departmental Capital Expenditure	173,647	134,616	308,263
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>2,082,063</b>	<b>788,031</b>	<b>2,870,094</b>

# Capital Injection Authorisations

	2020/21		
	Estimates Budget \$000	Supplementary Estimates Budget \$000	Total Budget \$000
Ministry of Housing and Urban Development - Capital Injection (M37) (A22)	-	-	-



# Supporting Information

## Part 1 - Vote as a Whole

### 1.2 - Trends in the Vote

#### Summary of Financial Activity

	2020/21				
	Estimates \$000	Supplementary Estimates			Total \$000
		Departmental Transactions \$000	Non- Departmental Transactions \$000	Total Transactions \$000	
<b>Appropriations</b>					
Output Expenses	228,136	-	345,671	345,671	573,807
Benefits or Related Expenses	109,720	N/A	-	-	109,720
Borrowing Expenses	-	-	-	-	-
Other Expenses	68,031	-	20,743	20,743	88,774
Capital Expenditure	178,747	-	181,976	181,976	360,723
Intelligence and Security Department Expenses and Capital Expenditure	-	-	N/A	-	-
Multi-Category Expenses and Capital Expenditure (MCA)					
<i>Output Expenses</i>	1,484,470	5,653	150,395	156,048	1,640,518
<i>Other Expenses</i>	7,159	-	20,000	20,000	27,159
<i>Capital Expenditure</i>	5,800	N/A	63,593	63,593	69,393
<b>Total Appropriations</b>	<b>2,082,063</b>	<b>5,653</b>	<b>782,378</b>	<b>788,031</b>	<b>2,870,094</b>
<b>Crown Revenue and Capital Receipts</b>					
Tax Revenue	-	N/A	-	-	-
Non-Tax Revenue	123,000	N/A	(31,673)	(31,673)	91,327
Capital Receipts	17,460	N/A	(7,460)	(7,460)	10,000
<b>Total Crown Revenue and Capital Receipts</b>	<b>140,460</b>	<b>N/A</b>	<b>(39,133)</b>	<b>(39,133)</b>	<b>101,327</b>

## Part 3 - Details of Non-Departmental Appropriations

### 3.1 - Non-Departmental Output Expenses

#### Financial capability services to support Pacific households into home ownership (M37) (A22)

##### *Scope of Appropriation*

This appropriation is limited to the provision of financial capability services for Pacific Island households.

##### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	630	(630)	-

##### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve greater knowledge for Pacific Island households to sustain home ownership over time.

##### *Reasons for Change in Appropriation*

The appropriation decreased by \$630,000 to nil for 2020/21 due to the funding being transferred to Vote Pacific Peoples.

#### He Kuku Ki Te Kainga - Increasing Māori Housing Supply (M37) (A22)

##### *Scope of Appropriation*

This appropriation is limited to increasing the Housing Supply provided by Māori service providers.

##### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	13,000	15,319	28,319

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to increase the Housing Supply provided by Māori service providers.

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

*Reasons for Change in Appropriation*

This appropriation increased by \$15.319 million to \$28.319 million for 2020/21 due to new funding of \$9 million to assist Māori Housing in New Zealand's post COVID recovery phase, and a one-off expense transfer of \$6.319 million from 2019/20 to 2020/21.

**He Taupae - Building Māori housing capability across the Māori housing continuum (M37) (A22)***Scope of Appropriation*

This appropriation is limited to increasing Māori housing capability across the Māori housing continuum.

*Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,000	1,000

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to increase the capability of Māori housing providers to deliver targeted Māori housing solutions across the housing continuum.

*End of Year Performance Reporting*

An exemption was granted under s15D(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.

*Reasons for Change in Appropriation*

This appropriation increased by \$1 million for 2020/21 due to new funding to assist Māori Housing providers in New Zealand's post COVID recovery phase.

## He Taupua - Increasing Māori Housing Provider Capability (M37) (A22)

### Scope of Appropriation

This appropriation is limited to increasing the capacity of Māori Housing Providers to contribute to homelessness prevention.

### Expenses

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	3,000	132	3,132

### What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve an increase in the capability of Māori Housing Providers to contribute to homelessness prevention.

### End of Year Performance Reporting

An exemption was granted under s15D(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.

### Reasons for Change in Appropriation

This appropriation increased by \$132,000 to \$3.132 million for 2020/21 due to an expense transfer of \$510,000 from 2019/20 to 2020/21, which is offset by an expense transfer of \$378,000 from 2020/21 to 2021/22 to align timing of payments with the expected date of deliverables.

## Infrastructure Investment to Progress Urban Development (M37) (A22)

### Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Infrastructure Investment to Progress Urban Development (M37) (A22)</b> This appropriation is limited to investment into housing and infrastructure projects to enable urban development, regeneration and housing outcomes.  Commences: 01 August 2020  Expires: 30 June 2024	Original Appropriation	271,670
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	271,670
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	183,070
	Estimate for 2021/22	64,450
Estimated Appropriation Remaining	24,150	

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to increase investment into housing and infrastructure projects to enable urban development, regeneration and housing outcomes.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The full life project costs (less any 3rd party funding) are forecasted to be within budget	New Measure for 2020/21	>75%	>75%
The forecasted completion date of the housing infrastructure projects are at or before 30 June 2024	New Measure for 2020/21	100%	100%
The number of average FTEs for any/all completed projects is within 5% of budgeted target	New Measure for 2020/21	Within 5%	Within 5%

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$271.670 million for 2020/21 to align new funding with the Shovel-Ready Projects deliverables.

## **Kāinga Ora - Homes and Communities (M37) (A22)**

### *Scope of Appropriation*

This appropriation is limited to the delivery of services by Kāinga Ora - Homes and Communities that contribute to housing and urban development activity.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	10,698	22,764	33,462

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to facilitate the delivery of services by Kāinga Ora - Homes and Communities that contribute to housing and urban development activity.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by Kāinga Ora in its annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$22.764 million to \$33.462 million for 2020/21 due to:

- a fiscally neutral transfer of \$9.224 million from the KiwiBuild Housing MYA to enable Kāinga Ora to establish their Urban Development functions and incur related overhead costs
- a fiscally neutral transfer of \$4.890 million was provided from the KiwiBuild Unit appropriation to recognise the transfer of remaining KiwiBuild operational costs that have been transferred to Kāinga Ora
- an expense transfer of \$3.450 million from 2019/20 to 2020/21 for costs related to investigating and due diligence of potential new urban development projects
- a fiscally neutral transfer of \$2.400 million from the Managing the Housing and Urban Development Portfolio MCA to cover establishment and administration costs to deliver PHO products
- additional funding of \$2 million for administration of the Residential Development Response Fund
- an expense transfer of \$550,000 from 2019/20 to 2020/21 for establishing closer working relationships with Māori, and
- an expense transfer of \$250,000 from 2019/20 to 2020/21 to cover administrative costs relating to the governance of Western Porirua.

### **KiwiBuild Housing (M37) (A22)**

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>KiwiBuild Housing (M37) (A22)</b> This appropriation is limited to the acquisition, construction and provision of KiwiBuild dwellings. Commences: 01 October 2018	Original Appropriation	2,039,923
	Adjustments to 2019/20	(344,590)
	Adjustments for 2020/21	(305,124)
	Adjusted Appropriation	1,390,209
Expires: 30 June 2022	Actual to 2019/20 Year End	317,727
	Estimated Actual for 2020/21	203,770
	Estimate for 2021/22	868,712
	Estimated Appropriation Remaining	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to facilitate the development of KiwiBuild affordable homes.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
Number of signed KiwiBuild Developers Agreements	5	(5)	-

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations Report.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$305.124 million to \$1.390 billion for 2020/21 due to:

- a fiscally neutral transfer of \$250 million was provided to the Residential Development Supply appropriation for Implementation of the Residential Development Response Fund
- a fiscally neutral transfer of \$29.900 million was provided to the Te Puke Tāpapatanga a Hape (Ihumātao) appropriation to facilitate the purchase of land at Te Puke Tāpapatanga a Hape (Ihumātao)
- a fiscally neutral transfer of \$16 million was provided to the Facilitating the Purchase and redevelopment of land for housing purposes for professional services costs for Land for Housing, and
- a fiscally neutral transfer of \$9.224 million was provided to the Kāinga Ora - Homes and Communities appropriation to enable Kāinga Ora to establish their Urban Development functions and incur related overhead costs.

## **KiwiBuild Operations (M37) (A22)**

### *Scope of Appropriation*

This appropriation is limited to the operating expenses incurred in relation to the facilitation, acquisition and development of KiwiBuild dwellings.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	6,575	6,575

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to facilitate the development of KiwiBuild affordable homes.

### *End of Year Performance Reporting*

An exemption was granted under s15D(2)(b)(ii) of the Public Finance Act 1989, as additional performance information is unlikely to be informative because this appropriation is solely for payments of holding costs associated with KiwiBuild inventory.

### *Reasons for Change in Appropriation*

This appropriation increased by \$6.575 million for 2020/21 due to a one-off expense transfer from 2019/20 to 2020/21 to cover the anticipated holding costs for KiwiBuild inventory.

## Local Innovations and Partnerships (M37) (A22)

### *Scope of Appropriation*

This appropriation is limited to the delivery and evaluation of locally-driven initiatives to respond to and prevent homelessness.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	5,500	(1,840)	3,660

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the delivery and evaluation of locally-driven initiatives to respond to and prevent homelessness.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Number of innovative initiative grants given to partnerships to enable local initiatives throughout the country (Number, type and geographic reference relating to areas of demand)	500	(500)	-
Number of people employed or in training by the initiatives	1,000	(1,000)	-
Number of individuals/whānau directly and indirectly, overall and by priority groups, supported by the initiatives	2,000	(2,000)	-
Percentage of funded applications that meet all funding criteria and reach a minimum assessment score	New Measure for 2020/21	100%	100%
Innovation and Partnership grants are released to organisations in accordance with signed funding agreements	New Measure for 2020/21	Achieved	Achieved

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations Report.

### *Reasons for Change in Appropriation*

This appropriation decreased by \$1.840 million to \$3.660 million for 2020/21 due to an expense transfer of \$500,000 from 2019/20 to 2020/21, which is offset by an additional expense transfer of \$2.340 million from 2020/21 to future years.



## Residential Development Supply (M37) (A22)

### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Residential Development Supply (M37) (A22)</b> This appropriation is limited to the acquisition, construction and provision of residential development.  Commences: 01 September 2020  Expires: 30 June 2025	Original Appropriation	344,000
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	344,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	99,000
	Estimate for 2021/22	129,000
	Estimated Appropriation Remaining	116,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to support construction sector activity, capacity and capability and increase housing supply.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The percentage of completed underwritten affordable homes acquired by the Crown as part of the Residential Development Response Fund.	New Measure for 2020/21	<50%	<50%

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$344 million for 2020/21 is due to new funding to establish the Residential Development Response Fund.

## Support Services to increase home ownership (M37) (A22)

### *Scope of Appropriation*

This appropriation is limited to the delivery of support services for applicants to progressive home ownership schemes.

### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	500	2,500	3,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve the delivery of support services for applications to progressive home ownership schemes.

### *End of Year Performance Reporting*

An exemption was granted under s15D(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.

### *Reasons for Change in Appropriation*

This appropriation increased by \$2.500 million to \$3 million for 2020/21 due to a \$1.500 million expense transfer from 2019/20 to 2020/21 and front loading of spending of \$1 million from 2023/24 to 2020/21 to align funding with eventual payments for Progressive Home Ownership wrap-around services.

## 3.4 - Non-Departmental Other Expenses

### Land for Housing - Deferred Settlements (M37) (A22)

#### *Scope of Appropriation*

This appropriation is limited to expenses incurred as a result of deferred settlement agreements associated with land sales.

#### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	17,460	(17,460)	-

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for expenses incurred as a result of deferred settlement agreements associated with land sales.

#### *End of Year Performance Reporting*

An exemption was granted under s15D(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because the appropriation is a technical treatment of the deferred settlements associated with land sales through the Land for Housing Programme.

#### *Reasons for Change in Appropriation*

This appropriation decreased by \$17.460 million to nil for 2020/21 due to the establishment and transfer of funding to the new capital appropriation for Land for Housing - Deferred Settlements.

### Social Housing Provider Development (M37) (A22)

#### *Scope of Appropriation*

This appropriation is limited to providing support to third party providers of social and/or affordable housing services.

#### *Expenses*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	1,234	1,234

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve safe, healthy and affordable homes by supporting third party providers of social and/or affordable housing services.

### *End of Year Performance Reporting*

An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a Non-Departmental Other Expense is less than \$5 million.

### *Reasons for Change in Appropriation*

This appropriation increased by \$1.234 million for 2020/21 due to an expense transfer of \$1.734 million from 2019/20 to 2020/21, which is offset by an expense transfer of \$500,000 from 2020/21 to 2021/22.

## 3.5 - Non-Departmental Capital Expenditure

### Housing Infrastructure Fund Loans (M37) (A22)

#### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Housing Infrastructure Fund Loans (M37) (A22)</b> This appropriation is limited to interest-free loans from the Housing Infrastructure Fund of a duration of ten years or under to Territorial Local Authorities to finance the infrastructure needed to unlock residential development.  Commences: 01 October 2018  Expires: 30 June 2023	Original Appropriation	642,824
	Adjustments to 2019/20	(518,464)
	Adjustments for 2020/21	112,000
	Adjusted Appropriation	236,360
	Actual to 2019/20 Year End	10,597
	Estimated Actual for 2020/21	225,763
	Estimate for 2021/22	-
Estimated Appropriation Remaining	-	

#### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to enable council infrastructure (storm water, potable water, wastewater and transport) to be developed, and to enable new houses to be built sooner.

#### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Loan payments are made to recipients processed within 20 business days from receipt of a compliant drawdown notice	100%	(100%)	-
Loan payments are processed by HUD within 20 business days from receipt of a compliant drawdown notice	New Measure for 2020/21	100%	100%
Number of Housing Infrastructure Fund loans with a contract signed by 30 June 2020	-	-	-
Number of outstanding Housing Infrastructure Fund loans with a contract signed by 30 June 2021	New Measure for 2020/21	1	1

#### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations report.

#### *Reasons for Change in Appropriation*

This appropriation increased by \$112 million to \$236.360 million for 2020/21 due to a reforecast of cash drawdowns for Housing Infrastructure Projects.

## Land for Housing - Deferred Settlements (M37) (A22)

### *Scope of Appropriation*

This appropriation is limited to deferred settlement agreements associated with land sales.

### *Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	17,460	17,460

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to provide for expenses incurred as a result of deferred settlement agreements associated with land sales.

### *End of Year Performance Reporting*

An exemption was granted under s15D(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative because the appropriation is a technical treatment of the deferred settlements associated with land sales through the Land for Housing Programme.

### *Reasons for Change in Appropriation*

This appropriation increased by \$17.460 million for 2020/21 due to the establishment and transfer of funding from the operating appropriation for Land for Housing - Deferred Settlements.

## Progressive Home Ownership - Prepayment of Grants (M37) (A22)

### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Progressive Home Ownership - Prepayment of Grants (M37) (A22)</b> This appropriation is limited to prepayment of grants associated with PHO loans.  Commences: 01 July 2020  Expires: 30 June 2025	Original Appropriation	2,500
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	2,500
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	2,500
	Estimate for 2021/22	-
	Estimated Appropriation Remaining	-

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to facilitate prepayment of grants associated with PHO loans.

### *End of Year Performance Reporting*

An exemption was granted under s15D(b)(ii) of the Public Finance Act 1989 as it is unlikely to be informative due to the technical nature of the appropriation.

### *Reasons for Change in Appropriation*

This appropriation increased by \$2.500 million for 2020/21 to establish this technical appropriation as required by sections 2, 65L and 65P of the *Public Finance Act 1989*.

## **Progressive Home Ownership Fund (M37) (A22)**

### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Progressive Home Ownership Fund (M37) (A22)</b> This appropriation is limited to addressing housing affordability issues by assisting access to home ownership through progressive home ownership schemes.  Commences: 01 February 2020  Expires: 30 June 2024	Original Appropriation	400,000
	Adjustments to 2019/20	-
	Adjustments for 2020/21	-
	Adjusted Appropriation	400,000
	Actual to 2019/20 Year End	-
	Estimated Actual for 2020/21	80,000
	Estimate for 2021/22	70,000
	Estimated Appropriation Remaining	250,000

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to assist access to home ownership through progressive home ownership schemes.

### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Percentages of households in each priority group (Māori, Pasifika, families with children) and others	Baseline Year	-	-
Number of households supported by PHO initiatives	Baseline Year	-	-
Number of contracted PHO places will be at least:	New Measure for 2020/21	150	150
Number of households settled into home ownership will be at least:	New Measure for 2020/21	40	40

*End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Minister of Housing in the Vote Housing and Urban Development Non-Departmental Appropriations Report.

**Te Puke Tāpapatanga a Hape (Ihumātao) (M37) (A22)***Scope of Appropriation*

This appropriation is limited to the purchase of land at Te Puke Tāpapatanga a Hape (Ihumātao) through the Land for Housing Programme for housing and related purposes.

*Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Total Appropriation	-	29,900	29,900

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to facilitate the purchase of land at Te Puke Tāpapatanga a Hape (Ihumātao) for housing and related purposes.

*End of Year Performance Reporting*

An exemption was granted under s15D(b)(ii) of the Public Finance Act 1989 as it is unlikely to be informative due to the nature of the appropriation.

*Reasons for Change in Appropriation*

This appropriation increased by \$29.900 million for 2020/21 due to a fiscally neutral adjustment from the KiwiBuild Housing MYA to facilitate the purchase of land at Te Puke Tāpapatanga a Hape (Ihumātao).



# Part 4 - Details of Multi-Category Expenses and Capital Expenditure

## 4 - Multi-Category Expenses and Capital Expenditure

### Managing the Housing and Urban Development Portfolio (M37) (A22)

#### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to improve the functioning of the housing sector by providing good quality advice to Ministers and effective departmental operations.

#### *Scope of Appropriation*

##### **Departmental Output Expenses**

##### *Facilitating the Purchase and redevelopment of land for housing purposes*

This category is limited to the activities associated with the facilitation of the purchase and redevelopment of land for housing purposes.

##### *Management of Housing Provision and Services*

This category is limited to managing and regulating housing and housing support providers (including Kāinga Ora) through negotiating, managing and paying contracts.

##### *Policy Advice and Ministerial Servicing*

This category is limited to advice to support decision making by Ministers on government policy matters relating to housing and urban development, and Ministerial servicing and performance monitoring.

#### *Expenses, Revenue and Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>64,122</b>	<b>5,653</b>	<b>69,775</b>
<b>Departmental Output Expenses</b>			
Facilitating the Purchase and redevelopment of land for housing purposes	2,503	2,501	5,004
Management of Housing Provision and Services	21,934	2,159	24,093
Policy Advice and Ministerial Servicing	39,685	993	40,678
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>64,122</b>	<b>4,927</b>	<b>69,049</b>
Facilitating the Purchase and redevelopment of land for housing purposes	2,503	2,497	5,000
Management of Housing Provision and Services	21,934	1,891	23,825
Policy Advice and Ministerial Servicing	39,685	539	40,224
<b>Revenue from Others</b>	<b>-</b>	<b>726</b>	<b>726</b>

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
Facilitating the Purchase and redevelopment of land for housing purposes	-	4	4
Management of Housing Provision and Services	-	268	268
Policy Advice and Ministerial Servicing	-	454	454

*What is Intended to be Achieved with this Appropriation*

This appropriation is intended to improve the functioning of the housing sector through effective departmental operations.

*What is Intended to be Achieved with each Category and How Performance will be Assessed*

	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
Assessment of Performance			
<b>Departmental Output Expenses</b>			
<b>Facilitating the Purchase and redevelopment of land for housing purposes</b>			
This category is intended to achieve activities associated with the facilitation of the purchase and redevelopment of land for housing purposes			
Number of greenfield and urban regeneration projects investigated, or due diligence completed	5	(5)	-
Number of potential project investigations (and due diligence) completed	New Measure for 2020/21	5	5
Compliance with relevant legislation, Government policy and Treaty settlement provisions in relation to acquisition, development and disposal of land	100%	(100%)	-
Number of settled land acquisitions	New Measure for 2020/21	3	3
Number of signed Development Agreements	New Measure for 2020/21	2	2
<b>Management of Housing Provision and Services</b>			
This category is intended to achieve effective management and regulation of housing and housing support providers (including Kāinga Ora) through negotiating, managing and paying contracts			
Applications for registering of Community Housing providers are processed within 60 working days	90%	(90%)	-
An annual monitoring report will be provided within 90 working days of receiving a Community Housing provider annual return	New Measure for 2020/21	90%	90%
Public housing, transitional housing and responses to housing and homelessness will be delivered in accordance with the work programme agreed with the Minister	100%	(100%)	-

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Policy Advice and Ministerial Servicing</b>			
This category is intended to provide advice to support decision making by Ministers on government policy matters relating to housing and urban development, and Ministerial servicing and performance monitoring			
Technical quality of policy advice papers assessed by a survey with a methodological robustness of 80%	At least an average of 73%	(At least an average of 73%)	-
Technical quality of policy advice papers will be assessed against the policy quality framework	New Measure for 2020/21	Achieve an average score of at least 3/5	Achieve an average score of at least 3/5

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$5.653 million to \$69.775 million for 2020/21 due to:

- a fiscally neutral transfer of \$2.500 million from the KiwiBuild Unit appropriation to recognise the transfer of remaining KiwiBuild operational costs that have been transferred to Kāinga Ora
- additional funding of \$2.085 million from the WAI2750 tagged operating contingency to cover anticipated costs of the kaupapa inquiry
- an expense transfer of \$1.112 million from 2019/20 to 2020/21 to design and implement a new Property and Provider Maintenance system
- a fiscally neutral transfer of \$975,000 was provided from Vote Finance to continue the work on the regeneration of public housing in Porirua in conjunction with an agreement with Ngāti Toa
- a fiscally neutral transfer of \$650,000 was provided from the Public Housing MCA to fund standardisation and best practice of Housing First providers
- a fiscally neutral transfer of \$606,000 funded by departmental revenue to cover the additional cost as a result of secondments of Ministry staff to other Government agencies
- an expense transfer of \$500,000 from 2019/20 for establishment costs for the Progressive Home Ownership Pilot
- fiscally neutral transfer of \$120,000 funded by other revenue from a landlord contribution towards the construction and fit-out of its new organisation-wide premises at 7 Waterloo Quay, Wellington and
- additional funding of \$100,000 for the delivery of the re-designed Sustaining Tenancies programme at an accelerated rate.

These increases were off-set by:

- a decrease of \$2.400 million due to a fiscally neutral adjustment to the Kāinga Ora - Homes and Communities appropriation to cover establishment and administration costs to deliver PHO products
- a decrease of \$500,000 due to a fiscally neutral adjustment to Vote Finance for the monitoring of Government support packages, and
- a decrease of \$95,000 to reflect a decrease in rate of capital charge from 6% of net assets to 5% of net assets.

## Public Housing (M37) (A22)

### *Overarching Purpose Statement*

The single overarching purpose of this appropriation is to secure and purchase the provision of public housing and associated support services.

### *Scope of Appropriation*

#### **Non-Departmental Output Expenses**

##### *Purchase of Public Housing Provision*

This category is limited to purchasing the provision of public housing and related services from public housing providers in accordance with reimbursement agreements or tailored agreements under the Housing Restructuring and Tenancy Matters Act 1992.

##### *Services for People in Need of or at risk of Needing Public Housing*

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

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

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

#### **Non-Departmental Other Expenses**

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

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

### *Expenses, Revenue and Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>1,259,407</b>	<b>39,795</b>	<b>1,299,202</b>
<b>Non-Departmental Output Expenses</b>			
Purchase of Public Housing Provision	1,206,076	9,618	1,215,694
Services for People in Need of or at risk of Needing Public Housing	49,976	9,930	59,906
Services Related to the Provision of Public Housing	300	247	547
<b>Non-Departmental Other Expenses</b>			
Support for the Provision of Public Housing Supply	3,055	20,000	23,055

### *What is Intended to be Achieved with this Appropriation*

This appropriation is intended to achieve better access to public housing places by providing payments to secure access to properties for public housing providers and the purchase of public housing provision.

### *How Performance will be Assessed for this Appropriation*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
The net increase in additional public housing places will be at least:	New Measure for 2020/21	2,300	2,300

The total number of public housing places (see Note 1) provided by all public housing providers will be at least 73,500.

Note 1 - A public housing place is defined for this purpose as a property that is available for a tenant who may be eligible for the Income Related Rent Subsidy (IRRS), and includes:

- any house provided by Kāinga Ora - Homes and Communities (Kāinga Ora) (excluding community group housing, but including IRRS tenancies, market rent tenancies, and vacant properties) and
- or an IRRS tenancy or market rent tenancy provided by a registered Community Housing Provider (CHP).

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Non-Departmental Output Expenses</b>			
<b>Purchase of Public Housing Provision</b>			
This category is intended to achieve an increase in public housing support for eligible people through the payment of income-related rent subsidy.			
The number of tenancies subsidised by an income-related rent subsidy will be at least:	69,000	1,500	70,500
<b>Services for People in Need of or at risk of Needing Public Housing</b>			
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.			
The number of contracted places (see Note 1) available for chronic homeless households (see Note 2) to be placed and supported into secure and stable (see Note 3) accommodation under the Housing First initiative, will be at least:	2,000 - 2,200	-	2,000

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Services Related to the Provision of Public Housing</b>			
This category is intended to achieve continuity of support for public housing tenants who previously had the cost of water rate charges paid for and to fund the sector body.			
An exemption was granted under s15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of the annual appropriation for a non-departmental other expense is less than \$5 million.	Exempted	Exempted	Exempted
<b>Non-Departmental Other Expenses</b>			
<b>Support for the Provision of Public Housing Supply</b>			
This category is intended to achieve continuity of support to secure access to properties for public housing providers to use for public housing.			
The total number of Community Housing Provider places contracted as a result of upfront funding will be at least:	Exempted	385	385

Note 1 - Under executed service agreement between the Provider and the Ministry of Housing and Urban Development.

Note 2 - Individuals, couples and/or families/whānau who:

- are homeless for longer than 12 months, or
- have experienced four episodes of homelessness or more within the last three years where the combined duration of these episodes equals 12 months or more, and where these episodes were separated by periods of seven or more days of non-homelessness.

Note 3 - Secure and stable accommodation is defined as long-term stable accommodation that is likely to last at least six months (public or private housing).

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.

### *Reasons for Change in Appropriation*

This appropriation increased by \$39.795 million to \$1.299 billion for 2020/21 due to:

- an expense transfer from 2019/20 to 2020/21 of \$20 million to provide upfront funding to 'investment ready' Community Housing Providers
- a one-off increase of \$11 million to meet increased demand for income related rent subsidies
- additional funding of \$9.140 million for the delivery of the re-designed Sustaining Tenancies programme at an accelerated rate
- an expense transfer from 2019/20 of \$4.200 million to 2020/21 to realign scheduled deliverables and associated payments for the Housing First initiative, and
- a fiscally neutral transfer of \$247,000 from Vote Finance to continue the work on the regeneration of public housing in Porirua in conjunction with an agreement with Ngāti Toa.

These increases were off-set by:

- an expense transfer of \$2.760 million across future outyears for 200 additional Sustaining Tenancies places to be delivered by kaupapa Māori and Iwi providers
- a transfer of \$1.096 million to be repurposed by Transitional Housing Services through the Immediate Housing Response for COVID-19
- a decrease of \$650,000 due to a fiscally neutral adjustment to the Managing the Housing and Urban Development Portfolio MCA to fund standardisation and best practice of Housing First providers, and
- a decrease of \$286,000 for Income related rent subsidies due to an increase in abatement thresholds for recipients of main benefits.

## Transitional Housing (M37) (A22)

### *Overarching Purpose Statement*

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

### *Scope of Appropriation*

#### **Non-Departmental Output Expenses**

##### *Provision of Transitional Housing Places*

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

##### *Transitional Housing Services*

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

#### **Non-Departmental Capital Expenditure**

##### *Acquisition, Development and Construction of Transitional Housing*

This appropriation is limited to funding the acquisition, construction and development or redevelopment of land or properties for the purpose of providing transitional housing.

### *Expenses, Revenue and Capital Expenditure*

	2020/21		
	Estimates \$000	Supplementary Estimates \$000	Total \$000
<b>Total Appropriation</b>	<b>150,105</b>	<b>194,193</b>	<b>344,298</b>
<b>Non-Departmental Output Expenses</b>			
Provision of Transitional Housing Places	83,028	78,600	161,628
Transitional Housing Services	67,077	52,000	119,077
<b>Non-Departmental Capital Expenditure</b>			
Acquisition, Development and Construction of Transitional Housing	-	63,593	63,593

### *What is Intended to be Achieved with this Appropriation*

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

### *How Performance will be Assessed for this Appropriation*

Performance will be assessed by providing and maintaining at least 4,300 transitional housing places and associated support services (where applicable).

### *What is Intended to be Achieved with each Category and How Performance will be Assessed*

Assessment of Performance	2020/21		
	Estimates Standard	Supplementary Estimates Standard	Total Standard
<b>Non-Departmental Output Expenses</b>			
<b>Provision of Transitional Housing Places</b>			
This category is intended to achieve improved access to transitional places for eligible families and individuals across New Zealand.			
The number of transitional housing places (see Note 1) in areas of demand will be between:	3,800 - 4,000	(3,800 - 4,000)	-
The net increase in additional transitional housing places (see Note 1) in areas of demand will be at least:	New Measure for 2020/21	1,200	1,200
<b>Transitional Housing Services</b>			
This category is intended to achieve an increase in support services for the families and individuals who access the additional transitional housing places secured.			
The total number of transitional housing places that receive associated support services (see Note 2) will be at least:	3,500	550	4,050
<b>Non-Departmental Capital Expenditure</b>			
<b>Acquisition, Development and Construction of Transitional Housing</b>			
This category is intended to achieve an increase in the supply of transitional housing places.			
The number of transitional housing places that will be acquired, developed or constructed will be between:	-	10 - 30	10 - 30

Note 1 - Places can house either individuals or family units. The term 'place' is used to describe the unit of housing that meets the need of a household (be it an individual or a family).

Note 2 - The intention of transitional housing is to provide housing and support to vulnerable households, and support to transition to long-term housing. The specific nature of the support and intensity of this support, for each household, will vary according to the characteristics and needs of the household.

### *End of Year Performance Reporting*

Performance information for this appropriation will be reported by the Ministry of Housing and Urban Development in its annual report.



*Reasons for Change in Appropriation*

This appropriation increased by \$194.193 million to \$344.298 million for 2020/21 due to:

- additional funding of \$122.600 million for the Immediate Housing Response Programme
- additional funding of \$58 million for the Government Housing Build Programme, and
- an expense transfer from 2019/20 of \$13.593 million to undertake work on the design of the development at Te Puea Memorial Marae to deliver additional transitional housing and refurbish its marae.