Te Tūāpapa Kura Kāinga – the Ministry of Housing and Urban Development

B.35

Annual Report

2025/26



Te Tūāpapa Kura Kāinga
Ministry of Housing and Urban Development

The annual report is a statutory accountability document, required by the Public Finance Act 1989 and presented by the responsible Minister to Parliament. Each year, the annual report provides an assessment of Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development's performance against objectives set at the beginning of the financial year.

The annual report contains:
an assessment of the Ministry's operations
an assessment of the Ministry's progress in relation to its strategic intentions
information about the Ministry's management of its organisational health and capability
required financial statements.

Presented to the House of Representatives pursuant to section 44 of the Public Finance Act 1989

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October 2026

Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development

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Chief Executive's foreword

Ngā kupu whakataki a te Toihau

Tēnā koutou.

This 2025/26 year was yet another productive year for Te Tūāpapa Kura Kāinga – the Ministry of Housing and Urban Development.

I'm proud of the work that has taken place towards supporting New Zealanders to have a safe, secure and affordable home. This is more than a shelter. It is the foundation on which better health, education, social and economic outcomes are built.

Well-planned towns, cities and regions help create thriving communities and support New Zealand's long-term prosperity. The work that has taken place over the last year has had a direct impact on people's everyday lives.

Throughout the year, policy advice has been critical to advancing key government priorities. This included progressing Going for Housing Growth, implementing regulatory changes to support housing and urban development outcomes, delivering the first Housing Investment Plan, progressing the Review of Social Housing, and strengthening place-based partnerships and Māori-led housing initiatives

New Zealand's housing and urban development challenges remain significant and enduring. Improving affordability, enabling growth where it is needed, meeting housing demand, and ensuring communities have the infrastructure to support development continue to be important priorities.

During the year, the Ministry continued to deliver on its priorities as a standalone department, while preparing for its transition to the Ministry for Cities, Environment, Regions and Transport (MCERT), which took effect on 1 July 2026.

Throughout this period of change, our focus has remained on providing trusted advice, effective stewardship and responsible management of public resources. The professionalism and commitment of our people were central to this work. This reflects our values Wānangatia, Arohatia and Kōkiritia. These values guided how we worked with partners, communities and each other and form an important part of the legacy that will carry forward.

None of this work happens in isolation. Housing challenges vary across the country, and effective responses must reflect local circumstances as well as national settings. Throughout the year, we worked in partnership with central and local government, Māori and iwi, community housing providers, developers, infrastructure providers and others across the sector. These partnerships helped ensure policies and investments reflected local needs and supported durable, place-based solutions.

The achievements of the past year are not an endpoint. They provide a platform for the next phase of work. Housing and urban development challenges will continue to require coordinated action within MCERT and across government, the sector and communities. By bringing policy, investment, and delivery functions closer together, MCERT creates opportunities to strengthen collective capability, better align decisions that support housing and urban development, and improve urban performance in responding to complex and interconnected challenges. I would like to acknowledge and thank our people, partners, stakeholders and sector colleagues. Their contribution has strengthened New Zealand's housing and urban development system and helped build the foundations for the next phase of this work.

I am confident in the foundations described in this report. There is more work to do, but MCERT is well placed to build on what has been achieved. By remaining grounded in evidence, working together and keeping the needs of New Zealanders at the centre of decision-making, we can continue to improve housing and urban development outcomes and support thriving communities across New Zealand.



Jeremy Lightfoot
Chief Executive for the Ministry for Cities, Environment, Regions and Transport

Statement of responsibility

Te tauākī noho haepapa

I am responsible, as Chief Executive for the Ministry for Cities, Environment, Regions and Transport (MCERT), for:[1]

- the preparation of the Ministry of Housing and Urban Development (the 'Ministry') financial statements, and statements of expenses and capital expenditure, and for the judgements expressed in them;
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting;
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report; and
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in this annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and the organisational health and capability of the Ministry; and
- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2026 and its operations for the year ended on that date.



Jeremy Lightfoot
Chief Executive for the Ministry for Cities, Environment, Regions and Transport
30 September 2026

[1] The Ministry of Housing and Urban Development was disestablished with effect from 1 July 2026 as part of the establishment of the Ministry for Cities, Environment, Regions and Transport (MCERT). The Ministry of Housing and Urban Development ceased to exist as a standalone department on that date, and responsibility for reporting on the Ministry's activities and performance for the year ended 30 June 2026 transferred to the Chief Executive for MCERT. Pursuant to section 45J of the Public Finance Act 1989, responsibility for providing the Ministry of Housing and Urban Development's final annual report has been transferred to the Chief Executive for MCERT. Accordingly, this Statement of Responsibility is signed by the Chief Executive for MCERT on behalf of the former Ministry of Housing and Urban Development.



Part A:
Progress on strategic intentions

Part A: Progress on Strategic Intentions

About the Ministry of Housing and Urban Development

E pā ana ki Te Tūāpapa Kura Kāinga

The Ministry of Housing and Urban Development led housing and urban development. It was responsible for strategy, policy, funding, monitoring and regulation for New Zealand's housing and urban development system.

The Ministry's purpose, He kāinga ora, he hapori ora, focuses on thriving communities where everyone has a place to call home.

On 1 July 2026, the Ministry was disestablished and all its functions were transferred to the Ministry for Cities, Environment, Regions and Transport (MCERT). The functions included:

- leading the design, implementation and review of the Government's strategy for housing and urban development
- designing and developing policy, and maintaining and reviewing legislation, regulations and settings across the housing and urban development system
- funding and coordinating the delivery of housing and urban development solutions and programmes
- regulating community housing providers and monitoring Kāinga Ora – Homes and Communities and the Tāmaki Regeneration Company.

MCERT is now responsible for the following Acts of Parliament previously administered by the Ministry:

- Housing Act 1955.
- Housing Assets Transfer Act 1993.
- Infrastructure Funding and Financing Act 2020.
- Kāinga Ora–Homes and Communities Act 2019.
- Point England Development Enabling Act 2017.
- Public and Community Housing Management Act 1992 (Parts 4 and 10 only).
- Residential Tenancies Act 1986.
- Retirement Villages Act 2003 (except for section 87(1)).
- Riccarton Racecourse Development Enabling Act 2016.
- Unit Titles Act 2010 (except subpart 1 of Part 2 and subpart 1 of Part 4).
- Urban Development Act 2020.

This annual report for the financial year 2025/26 is the Ministry's final annual report.

Strategic direction

Te Pae Tawhiti

This section outlines the strategic direction shaping the Ministry's work in housing and urban development in 2025/26. It presents the long-term vision for the system, as set out in the Government Policy Statement on Housing and Urban Development, the Ministry's strategic intentions for 2025–2029, and the strategic framework connecting them. Together, these documents establish the direction against which the Ministry's progress and performance are reported in the sections that follow.

Long-term vision and direction

The Government Policy Statement on Housing and Urban Development (GPS-HUD), published in November 2025, set out the vision for housing and urban development in New Zealand, including:

> ***Everyone in New Zealand lives in a home and within a community that meets their needs and aspirations.***

Four **outcomes** described, at a high level, what the housing and urban development systems look like in 30 years. While the focus and emphasis of future governments may vary as New Zealand changes and develops, the long-term vision and four outcomes are intended to remain relevant.

Outcome 1: An adaptive and responsive system	Outcome 2: Māori-led housing
• Housing and urban development systems that are integrated, self-adjusting and responsive to social, environmental and economic change. • Land use and infrastructure are well-planned and coordinated. They support development and construction that can respond to demand. • Place-based investment, with central and local government working with partners and communities to identify and deliver the best mix of public and private initiatives and services. • Decision-making supported by robust and accessible data and	• Māori and the Crown work together in genuine partnership through the MAIHI approach so all whānau have stable, affordable, healthy homes. • Māori lead local delivery of housing solutions and can use their own assets and whenua. • Māori participate actively in the system through partnership with the Crown to invest in, lead and support housing solutions.

evidence, including stakeholder and community insights.	
Outcome 3: Stable, affordable, healthy homes	**Outcome 4: Thriving and resilient communities**
• Housing, whether it's rented or owned, is affordable and provides stability of tenure. • People have choices about where they live and what type of home they live in. • People have enough money left over after housing costs for other things they need. • The quality, accessibility, size and features of homes support people and families to have healthy, safe, productive and fulfilling lives. • People in greatest housing need get the support they need, and homelessness is rare, brief and non-recurring.	• Development is aimed at creating towns and cities that have abundant housing and well-functioning physical and community infrastructure. • People can get to employment and services quickly and efficiently. • Communities drive economic growth and support businesses to grow. • Existing housing stock and infrastructure are well managed and maintained. • Towns and cities are resilient to natural hazards, help reduce emissions, and adapt to the impacts of a changing climate. • The natural environment of towns and cities is protected, maintained, and supports human health.

Strategic intentions 2025-2029

The Ministry's statement of strategic intentions focuses on why housing and urban development matters to Aotearoa New Zealand. It explains the Ministry's strategic priorities and short- to medium-term intentions, and how it worked to achieve them.

The Ministry's statement of strategic intentions 2025-2029 sets out three strategic priorities guiding the Ministry's focus, work, and investment as follows:

- Removing system barriers to unlock housing supply.
- Ensuring our investment delivers value for money.
- A place-focused approach.

The Ministry's statement of strategic intentions is available as the Statement of strategic intentions for 2025 to 2029 - Ministry for Cities, Environment, Regions and

Transport (Formerly Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development)

The Ministry's statement of strategic intentions for 2025–2029 will soon be superseded by the MCERT strategic intentions for 2026–2031.

Progress on strategic intentions

Te Pae Tata

This section assesses the Ministry's progress towards its strategic outcomes, as detailed in its statement of strategic intentions for 2025-2029, for the financial year ending 30 June 2026.

Part B has detailed information about the key work programmes that support these strategic priorities and the progress made during 2025/26.

Measuring progress against strategic priorities

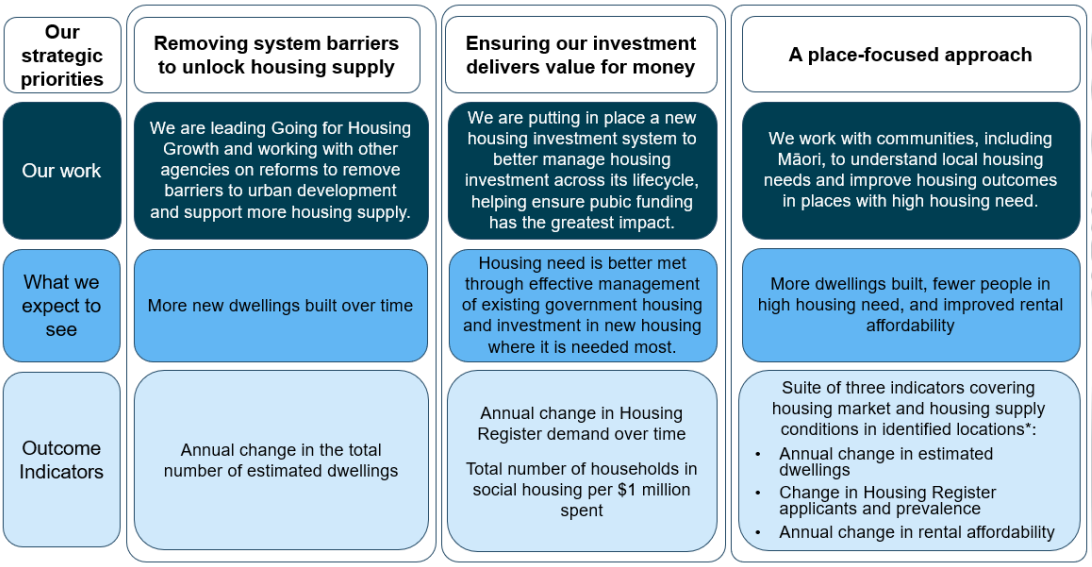
The Ministry's framework for measuring progress towards outcomes has three levels.

Level/what we measure	What is measured
Level one: System outcomes from GPS-HUD	**GPS-HUD system indicators** measure the overall health of the housing and urban development system and whether progress is being made towards the long-term system outcomes. You can find the indicators on the Ministry's website. [About the indicators - Ministry for Cities, Environment, Regions and Transport (Formerly Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development)]
Level two: Ministry outcomes from Statement of Strategic Intentions	The effectiveness of the Ministry's contribution to the system is measured through **outcome indicators** that are designed to reflect the impact that the Ministry is having on the system. These indicators are new – they were introduced to support the strategic priorities set out in the Ministry's 2025-2029 statement of strategic intentions.
Level three: Ministry outputs from Estimates of Appropriations	**Output measures** measure the services that are set out in the Estimates of Appropriations and Supplementary Estimates each year.

	Year-end reporting on appropriations (see Part B) reports on how the Ministry has delivered its products and services against its Estimates performance measures.

Progress against strategic priorities

Organisational outcome indicators have been developed to show progress against strategic priorities. They help show what our actions achieve.



*IN THIS ANNUAL REPORT, INDICATOR DATA IS PRESENTED BY REGION TO ILLUSTRATE VARIATION BY PLACE.

Strategic Priority One: Removing system barriers to unlock housing supply

This priority includes:

- Removing system barriers to make it easier to undertake urban development, unlock housing supply, and ultimately support effective urban performance.
- Enabling better urban development through improved regulation, coordination, and funding and financing.
- Partnering with communities, iwi and Māori and local government to support growth, intensification and development in the right places
- Ensuring balanced and effective regulation.

Work supporting Priority One

Going for Housing Growth

Going for Housing Growth is a system reform programme that is changing regulatory and funding settings to address the underlying causes of the housing shortage and support urban performance. It is structured around three pillars.

- **Pillar 1:** Freeing up land for development, including removing unnecessary planning barriers
- **Pillar 2:** Improving infrastructure funding and financing to support urban growth
- **Pillar 3:** Providing incentives for communities and councils to support growth.

Together, these three pillars have the objective of improving housing affordability by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas.

Going for Housing Growth has strong links with other key government work, including:

- Planning System Transformation
- Transport system reforms
- Infrastructure work programme
- Building and construction reforms
- Simplifying local government
- City and Regional Deals.

Bringing together the key agencies involved in reforms that impact on Going for Housing Growth will ensure these reforms support the objectives of increasing housing supply and improving urban performance.

Ensuring effective housing and rental markets

Unlocking housing supply and supporting effective urban performance relies on well-functioning housing and rental markets. The Ministry provided advice on amendments to the Residential Tenancies Act 1986 to ensure balanced and effective regulation of the rental market. Work is continuing on a range of other changes, including improved regulations for residential property managers and managing methamphetamine contamination in rental housing.

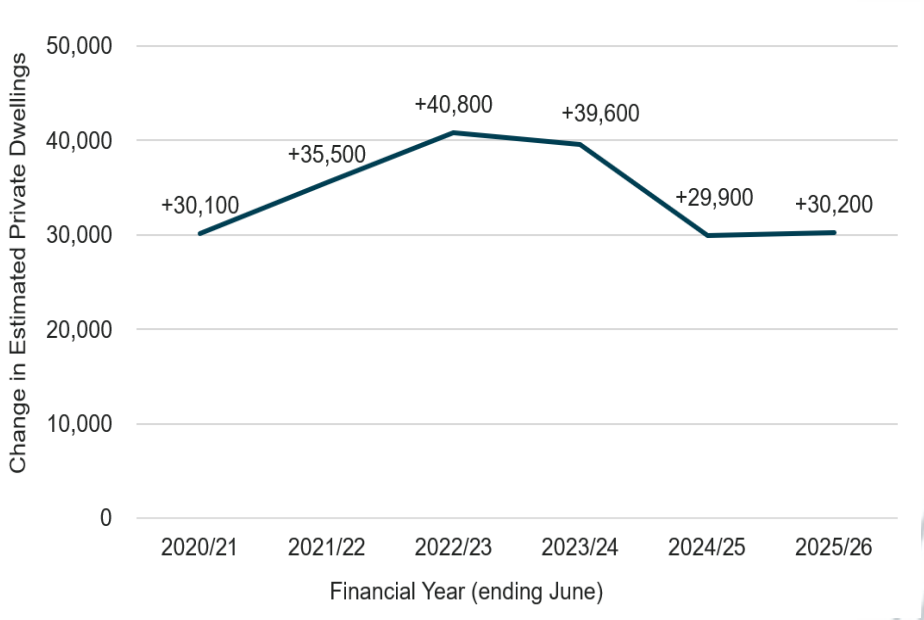
The Ministry is leading a significant review of the Retirement Villages Act 2003 and provided substantive advice with Cabinet decisions made at the end of 2025.

Outcome indicator: Annual change in the total number of estimated private dwellings

If activities in Going for Housing Growth are successful, we expect the annual change in estimated private dwellings to increase over time.

Figure 1 below shows that the annual change in estimated dwellings has varied between about 30,000 and 40,000 dwellings over the last five years, and in the last two years has been around 30,000. It is too early to see any impact of activities in the Going for Housing Growth programme.

FIGURE 1. ANNUAL CHANGE IN TOTAL NUMBER OF ESTIMATED PRIVATE DWELLINGS, 2021/22-2025/26[2]



Strategic Priority Two: Ensuring our investment delivers value for money

This priority focuses on targeting housing investment to the people and places where it will have the greatest impact. The priority includes:

- Enabling people with high housing need access to adequate and suitable housing
- Investing in housing solutions that best meet housing need and improve housing outcomes
- Using data and community insights to understand housing need and target investment
- Working to realise Māori housing aspirations, meet Treaty obligations and deliver more equitable outcomes for Māori
- Investing in the service providers best placed to deliver.

There will always be people who need government assistance to access suitable housing. Government funding is limited and requires us to measure and understand the value of investment for New Zealand, to get best value for every dollar invested and meet people's housing needs.

Work supporting Priority Two

The Ministry has been progressing system-level reforms to social housing, housing support and housing investment to improve how the system responds to people's housing needs. Through the Review of Social Housing, the Ministry has also been exploring opportunities to improve the performance, sustainability and responsiveness of the social housing system.

[2] Source: Stats NZ. Dwelling and household estimates: June 2026 quarter

Investment system

Over the last two years, the Ministry has supported the establishment of a dedicated flexible fund and housing investment system to better target government investment to specific needs in particular places, and more effectively match housing and support to need. The Housing Investment Strategy, which is contained within the GPS-HUD, provides strategic direction for the investment system. It sets out the Government's housing investment objective and key actions, including a deliberate, evidence-based approach to targeting funding effectively and improving investment discipline.

A significant milestone in 2025/26 was publication of the first housing investment plan, which gave effect to this strategy by setting out how funding from the first round of the flexible fund would be allocated. This included setting purchasing intentions for the identified investment locations and commencing procurement for social homes and affordable rentals funded.

Review of social housing

The Review of Social Housing is a multi-year programme to make the social housing system fairer, more effective and better targeted to people with the greatest barriers to accessing private housing. For more information see page 28.

Supporting the Kāinga Ora turnaround

Kāinga Ora is the country's largest residential landlord and provider of social housing. With responsibility for around 73,000 homes nationally, Kāinga Ora houses over 200,000 New Zealanders.

The Ministry monitors Kāinga Ora against its objective, functions and operating principles outlined in The Kāinga Ora – Homes and Communities Act 2019.

During 2025/26 the Ministry continued to support the turnaround of Kāinga Ora as a social landlord, including monitoring delivery of the turnaround plan for financial and operational sustainability.

Outcome indicators

These outcome indicators provide insight into whether social housing investment is helping to meet housing need and deliver value for money over time. However, they provide only part of the picture. They are not comprehensive measures of housing need or investment effectiveness, and changes in these indicators are influenced by a range of factors, many of which are outside the Ministry's control.

Housing need being met

Annual change in Housing Register demand over time (Table 1) provides one indication of whether housing need is being met. However, Housing Register demand is influenced by broader economic conditions, housing market trends, population change, and settings across the wider housing system. As a result, changes in this measure should not be interpreted as being directly attributable to Ministry activity.

Value for money

Total number of social housing tenancies supported per $1 million social housing spend (Table 2) provides one indication of the value achieved from social housing investment. However, this measure does not capture all aspects of value for money and can be affected by factors such as inflation, housing costs, and the mix of housing stock being funded. The impact of recent investment decisions may also take time to be reflected in this measure.

TABLE 1: HOUSING REGISTER[3] APPLICANTS, ANNUAL CHANGE (%) JUNE 2025 – 2026, AND PREVALENCE[4] PER 10,000 POPULATION JUNE 2026, PROPORTION OF MĀORI APPLICANTS JUNE 2026, BY REGION AND NATIONALLY

Region (HUD)	Change in the number of applicants on the Housing Register, 30 June 2025 - 30 June 2026 (%)	Housing Register per 10k population (Jun-26)	Housing Register applicants, Māori (%)
Auckland	+1.7%	37.64	31%
Bay of Plenty	+4.6%	53.65	70%
Canterbury	-12.1%	23.03	32%
Central	+12.9%	43.2	45%
East Coast	+4.2%	62.42	71%
Northland	-6.1%	47.1	74%
Southern	-6.5%	18.65	26%
Taranaki	-0.9%	33.0	52%
Waikato	-3.3%	31.22	63%
Wellington	-7.8%	29	36%
West Coast Tasman	+5.5%	39.56	29%
New Zealand	**-0.6%**	**35.70**	**43.7%**

Table 1 shows that around half of the regions showed a decrease in applicants between June 2025 and June 2026. Demand remained higher than the national average in several regions, indicating continued housing need in these areas. Māori made up a large proportion of Housing Register applicants in many regions and nationally.

[3] The Housing Register records people who have been assessed as eligible for public housing and are waiting to be housed

[4] Prevalence' is housing demand (i.e., number of housing register applicants) relative to population. The social housing spend includes IRRS (income related rent subsidy) and OS (operating supplement).

TABLE 2: NUMBER OF SOCIAL HOUSING TENANCIES SUPPORTED PER $1 MILLION INVESTED IN SOCIAL HOUSING, TOTAL NUMBER OF TENANCIES SUPPORTED, AND SOCIAL HOUSING SPEND, 2022 – 2026

As at June	Tenancies supported per $1M spend	Number of social housing tenancies	HUD social housing spend (inflation-adjusted to 2025/26 dollars)
2022	47.7	73,939	$1,549M
2023	49.0	75,312	$1,537M
2024	47.4	79,700	$1,681M
2025	43.9	84,272	$1,919M
2026	42.0	86,845	$2,066M

Table 2 shows a mostly downward trend in the number of social housing tenancies supported per $1 million spent over the last five years as inflation-adjusted costs increased faster than the number of social housing tenancies. This measure focuses on specific financial aspects of value for money. Costs will be driven by higher construction costs and the typology of new investment as well as a higher cost for new homes than existing. The impact of recent investment is unlikely to be seen in this measure until subsequent years.

Strategic Priority Three: A place-focused approach

Work supporting Priority Three

Housing needs vary across locations, as does government's role. In some places, markets work well and government can focus on removing barriers to market-led development; in others, direct investment may be more important.

This priority includes:

- Responding to local housing conditions and the needs of people in places
- Targeting investment to the highest-need locations.

Government applies the place-based approach to both:

- Ensuring urban and regional performance, through working in partnership with local government, the private sector, and communities to identify and progress opportunities for effective urban and regional development
- Meeting housing need, through partnering with local communities, iwi, hapū and Māori organisations to understand local need and better shape the level and nature of government investment.

Outcome indicator: Housing market and housing supply conditions

If activities supporting a place-focused approach are successful, we expect housing market and supply conditions to improve over time. We measure this by assessing:

- Annual change in the total number of estimated dwellings (Figure 1 above)
- Annual change in Housing Register demand over time (Table 1 above)
- Annual change in rental affordability (Table 3 below).

TABLE 3: RENTAL AFFORDABILITY, HOUSING REGISTER DEMAND AND ESTIMATED DWELLINGS, BY REGION AND NATIONALLY

Region (HUD)	Councils within region	Percent change in rental affordability (Mar 2022-2026)	Change in the number of applicants on the Housing Register, 30 June 2025 - 30 June 2026 (%)	Annual change in the total number of estimated dwellings (2025/26)
Auckland		+11.6%	+1.7%	Estimated dwellings data is available at national level only.
Bay of Plenty		+5.9%	+4.6%	
Canterbury		+1.8%	-12.1%	
Central	Manawatū-Whanganui	+9.0%	+12.9%	
	Other councils	-		
East Coast	Gisborne	+5.7%	+4.2%	
	Hawke's Bay	+6.6%		
	Other councils	-		
Northland		+9.8%	-6.1%	
Southern	Otago	-1.5%	-6.5%	
	Southland	-1.6%		
	Other councils	-		
Taranaki		0.0%	-0.9%	
Waikato		+6.1%	-3.3%	
Wellington		+28.2%	-7.8%	
West Coast Tasman	Nelson	+8.9%	+5.5%	
	Marlborough	+7.8%		
	Tasman	+9.0%		
	West Coast	-3.0%		
	Other councils	-		
New Zealand		+10.2%	-0.6%	30,200

The table above brings these three indicators together by region, allowing housing market and supply conditions to be viewed side by side and compared with national figures. Collectively, these three indicators present a mixed picture, with housing conditions varying considerably between regions.

Nationally, the annual change in the total number of estimated private dwellings showed a small rise in 2025/26, although it remained below its 2022/23 peak. Housing Register demand decreased slightly nationally but increased in some regions and decreased in others. Rental affordability was also mixed, improving in some regions while declining in others.

Taken together, this variation reinforces the importance of continuing a place-focused approach, responding to local housing conditions, targeting investment to the locations of highest housing need, and directing effort to where it can have the greatest impact.

Implementing the Government's priorities

Te whakatinana i ngā whakaarotau a te Kāwanatanga

Government Priorities

The Government has set five priorities to address the housing crisis:

- Going for Housing Growth
- reforming the resource management system
- focusing investment to help those most in need
- improving efficiency and competition in building and construction
- improving rental markets.

The Ministry's strategic priority (see Part A) to remove system barriers and unlock housing supply, including through balanced and effective regulation, supports the government priorities of Going for Housing Growth, reforming the resource management system, improving efficiency and competition in building and construction, and improving rental markets.

The Ministry's strategic priority to ensure our investment delivers value for money supports the government priority of targeting investment to help those most in need.

Government targets

The Ministry has been jointly responsible with the Ministry of Social Development – Te Manatū Whakahiato Ora for Government target 8: fewer people in emergency housing.

The Government set a target to reduce the number of households in emergency housing **by 75 percent by 2030**, which was met in the 2024/25 financial year. On 30 June 2026, there was an 85.4 percent reduction in the number of households in emergency housing, bringing the total to 459, from a baseline of 3,141 households in December 2023.

The Ministry's strategic priority of a place-focused approach is applied across all this work.

Major spending decisions

The following table provides information on significant initiatives that have been funded through the past two budgets, and where to find further information on the delivery of these initiatives. The table below does not include budget initiatives that were for cost pressures, technical accounting movements, drawdowns of funding, or movements of funding across years.

Funding received in 2025/26 for Budget 2025 initiatives totalled $131.1 million, including $60.1 million operating and $71 million capital funding.

TABLE 4. SIGNIFICANT BUDGET INITIATIVES BUDGET 2025 AND 2026

Year	Budget initiative	Funding commitment over the forecast period	About the initiative	Location of performance information
2026	Going for Housing Growth – Pillar 3: Improving Council Incentives for Urban Development	$400 million (none in 2025/26)	This initiative supports the implementation of Going for Housing Growth by improving council and community incentives to support housing growth.	Progress made in delivering this initiative will be reported in our annual report for 2026/27.
	Housing Flexible Fund – Further Investment for Social Housing and Other Housing Solutions	$69.238 million (none in 2025/26)	This initiative provides funding to support the delivery of up to 2,250 social homes and other housing solutions which will be delivered over a two-to-three-year period starting from 2028/29.	Progress made in delivering this initiative will be reported in our annual report for 2026/27.
2025	Early-Stage Operating Supplement – Additional Funding	$42 million ($10.5m in 25/26)	This initiative provides funding for the Early-Stage Operating Supplement for Community Housing Providers to meet existing commitments for social housing delivery	Progress made in delivering this initiative is reported in the 'Year-end reporting on appropriations' section, under the subheading of 'Community Housing Providers – Early-Stage Operating Supplement' (page 55).
	Housing Support Services, Transitional	$182 million	This initiative provides funding to maintain key housing services,	Progress made in delivering this initiative is reported in the

	Housing, and Social Housing	($11.629m in 25/26)	including housing support services, transitional housing, and social housing provided by Community Housing Providers.	'Assessment of operations' section, under the subheadings of 'Social housing delivery' (page 30) and 'Housing support programmes' (page 34).
	New Social Housing and Affordable Rental Investments	$218 million (operating) $441 million (capital) ($48.5m operating and $60.5m capital in 25/26)	This initiative provides funding to support the delivery of additional social homes and affordable rental properties, including for whānau Māori, and establishment of a Flexible Fund for different typologies and tenure types (social homes and affordable rentals). Investment through the Flexible Fund represents a system shift, consolidating funding for different tenures to enable greater clarity over what the government is purchasing, and improving ability to direct funding to the highest priority areas.	Progress made in delivering this initiative is reported in the 'Assessment of operations' section, under the subheading of 'Housing investment system' (page 29).

Baseline savings

The departmental baseline was reduced by $2.710 million in 2025/26. These savings were achieved through ongoing workforce management initiatives, tighter management of discretionary expenditure, and ongoing operational efficiencies introduced through organisational change. Consultant and contractor spending (including fees for professional services) in 2025/26 was $4.815 million, compared to $4.152 million in 2024/25, an increase of $0.663 million. Contractors and consultants are engaged where specialised skills were required or where additional capacity was needed to deliver government priorities. The Ministry notes that whilst 2025/26 resulted in a marginal increase of contractor and consultancy spend, it still compares favourably to the spend in 2023/24 of $7.378 million.

The following non-departmental baseline savings across the forecast period were announced in Budget 2025.

Of these baseline savings, $76.742 million operating and $85.536 million capital was for the 2025/26 financial year.

INITIATIVE	SAVINGS OVER THE FORECAST PERIOD	ABOUT THE INITIATIVE
Housing Infrastructure Fund	$9.1 million (operating)	This initiative returned funding for reprioritisation to new housing investment and to offset housing cost pressures.
Social and Transitional Housing Services	$45 million (operating)	This initiative reflects housing support programmes that focus funding on areas of highest impact and value for money, with funding reprioritised to other housing priorities.
First Home Loan programme	$71.6 million (operating)	This initiative returned funding by moving the First Home Loan programme to a full cost recovery model by ending the Government contribution to the mortgage insurance levy.
Contracted Emergency Housing	$86.8 million (operating)	This initiative returned funding by ending Contracted Emergency Housing by December 2025.
Uncommitted funding from the	$188.0 million (operating), plus	This initiative ended investment in the suite of existing programmes and returned all uncommitted funding, while

Māori Housing Programme	$382.8 million (capital)	still honouring existing commitments, for the purposes of reprioritisation for Vote Housing and Urban Development and Vote Finance.
Kāinga Ora Large-Scale Projects	$125 million (capital)	This initiative reduced total funding for the projects from $1.1 billion to $925.6 million. Of these savings, $100.0 million was reprioritised to other initiatives within Vote Housing and Urban Development, with the residual $25.0 million being reprioritised towards scaling up the Infrastructure and Finance Act Greenfields Model within Vote Finance.



Part B:
Assessment of operations

Part B: Assessment of operations

Te Arotake o ngā mahi

Part A assesses the Ministry's progress towards its strategic priorities. This section (Part B) provides more detailed information about the key work programmes that supported these strategic priorities and the progress made during 2025/26. The Ministry's work is organised around two main portfolios: urban and regional performance, and meeting housing need. Together these cover the Ministry's work to enable more housing to be built in the right places, and to support those who cannot access suitable housing through the market.

The following sections set out the Ministry's operations and progress across both portfolios during 2025/26.

Urban and regional performance

A more efficient land use and responsive infrastructure system is critical to support the building of homes and communities and help our cities and regions to thrive. Urban development is primarily delivered through the market. The government has three roles to play: ensuring the system settings are sufficiently enabling; working in the system with local government, iwi and Māori, and others to coordinate land use and infrastructure planning; and addressing residual barriers to housing supply and urban development where necessary to secure priority outcomes that the market and local government are unwilling or unable to deliver on their own.

The Ministry's role in supporting housing and urban development has included:

- overhauling the planning system to improve coordination and reduce unnecessary costs and delays, and reforming infrastructure funding and financing settings to ensure that the costs of growth are paid for by those that benefit
- clarifying how and when government should invest in urban development where there are residual barriers to urban development
- ensuring our other regulatory and investment systems also support urban performance objectives.

Going for Housing Growth

The Ministry led the Going for Housing Growth programme, which is the Government's programme to remove barriers to housing growth and improve the performance of New Zealand's urban areas. It aims to improve housing affordability by significantly increasing the supply of developable land for housing, both inside and at the edge of our urban areas.

Going for Housing Growth is structured around three pillars that make system changes to address the underlying causes of the housing supply shortage.

These are:

- Pillar 1: freeing up land for urban development, including removing unnecessary planning barriers
- Pillar 2: improving infrastructure funding and financing to support urban growth
- Pillar 3: providing incentives for communities and councils to support growth.

Further information about the Going for Housing Growth programme is available on the HUD website[5].

Pillar 1 progress

Between July 2025 and June 2026, the Ministry progressed Pillar 1 of Going for Housing Growth, which is being implemented through reforms to the planning system. HUD worked closely with the Ministry for the Environment to ensure that the Planning Bill, which was introduced to Parliament in December 2025 and is intended to replace the Resource Management Act (RMA), establishes a planning system that better enables housing and urban development. HUD also led public consultation on the detailed design of how Pillar 1 policies such as Housing Growth Targets and intensification requirements should be implemented through national instruments and regulations under the Planning Bill.

HUD and MfE progressed legislation requiring Auckland Council to amend the Auckland Unitary Plan to provide for housing capacity and intensification. This occurred through the Resource Management (Consenting and Other System Changes) Amendment Act, enacted in August 2025, and the Resource Management (Auckland Housing) Amendment Act, which took effect in April 2026.

Pillar 2 progress

Between July 2025 and June 2026, HUD progressed the Government's infrastructure funding and financing reforms under Pillar 2 of Going for Housing Growth. HUD progressed policy changes to replace development contributions with a new development levy system, improve the Infrastructure Funding and Financing Act 2020, and improve the flexibility of targeted rates for growth infrastructure. Working closely with the Department of Internal Affairs, HUD supported consultation on draft legislation to implement the development levy system, used feedback to refine policy and advice to Ministers, and supported Cabinet decisions confirming the Commerce Commission as the independent regulator of the new system.

The Ministry progressed the Infrastructure Funding and Financing Amendment Bill through the parliamentary process and stakeholder and iwi engagement, with the Bill being reported back to the House with unanimous select committee support and passing its Second Reading on 30 June 2026.

[5] https://www.hud.govt.nz/our-work/going-for-housing-growth-programme

Pillar 3 progress

Budget 2026 established the Incentives for Growth Fund, providing $400 million over 2026/27 to 2029/30 and $100 million annually from 2030/31. As part of Pillar 3 of Going for Housing Growth, the Fund will incentivise councils to enable housing growth by providing increasing levels of funding as the number of new dwelling consents issued within their area increases relative to existing housing.

Legislation and regulations

Resource Management Act 1991

We are supporting a phased programme of changes to the Resource Management Act, including national direction. The success of Going for Housing Growth is intrinsically linked to the effectiveness of the new resource management system that will replace the Act.

Infrastructure Funding and Financing Act 2020

The Infrastructure Funding and Financing Act provides an alternative mechanism to fund major infrastructure projects that support housing growth. In 2025/26, a new levy was authorised through the Infrastructure Funding and Financing (Te Awa Lakes Project Levy) Order 2026, enabling up to $50 million for water and transport infrastructure supporting a greenfield development north of Hamilton. Reform of the Act was progressed through the Going for Housing Growth programme with the aim of improving its effectiveness as a funding and financing tool.

City and Regional Deals

On 2 July 2025 the Government announced the City and Regional Deals (CRDs) work programme, which will create 10-year partnerships between central and local government to progress joint priorities. These priorities include economic growth, urban development and housing, better management and utilisation of local assets, and a broader range of economic, environmental and place-based initiatives.

Deals have been signed with Auckland and Western Bay of Plenty. CRDs will be an opportunity for the Ministry to work with regions on a range of housing programmes and further understand localised housing challenges and aspirations and how best the Ministry can support these regions.

Enabling supply through development tools

In 2025/26, this work programme supported private developers, including iwi, to bring forward new affordable housing developments and expand housing supply. The development tools include a land acquisition and development programme (Land for Housing) and an underwrite initiative (the Residential Development Underwrite) to support delivery in typologies, locations, and at price points that might not otherwise be delivered.

These leverage private sector experience, capital and knowledge of local housing markets and minimise the cost to the Crown. Most of the new housing has been delivered in Auckland, Wellington and Queenstown, but there is also delivery

contracted in smaller urban centres including Kerikeri, Rotorua, Cambridge and Blenheim.

Land for housing and underwrite portfolio

Since 2015, a total of 316.43 hectares of land has been administered through the land for housing programme. The housing development on these sites is expected to provide around 10,162 new homes, including 30 percent in alternative typologies (affordable, social, build-to-rent and/or progressive home ownership) when the programme is complete.

As at June 2026, about 2,400 homes have been built, and 15 developments have been completed, with 16 developments currently in delivery.

The Ministry has been securing delivery contracts: six development agreements were signed in 2025/26 for the delivery of 956 homes: 180 homes in Cambridge, 58 homes in Kerikeri, and 718 homes in Mt Albert, Auckland.

As at June 2026, the Residential Development Underwrite unlocked the construction of 1,326 market homes, through underwriting 509 homes across 17 developments.

Meeting housing need

Housing need will vary in different places and at different life stages. Some people have access needs. The Ministry helps ensure that people in need of access to homes can get the housing and housing support they need, at the time they need it. Work includes:

- system-level reform of social housing, housing supports and investment to address housing need and ensure more equitable outcomes
- implementing a housing investment system that supports investment decisions based on housing need
- improving the experience of renting and other types of living arrangements
- funding, coordinating and investing in a range of social and affordable housing and housing support. This includes working closely with Kāinga Ora to help shape and direct their investment activities.
- regulating community housing providers and monitoring Kāinga Ora, the largest social housing provider
- funding and working with partners to deliver a range of programmes that support people with immediate housing need.

Better social housing and housing supports

Review of Social Housing

Throughout 2025/26, the Ministry provided policy advice to support the Review of Social Housing and the reforms announced in May 2026. The Review is a multi-year programme to make the social housing system fairer, more effective and better targeted to people with the greatest barriers to accessing private housing. The reform package announced changes to social housing and housing support settings,

including income-related rent, the Accommodation Supplement and Temporary Additional Support. Together, these changes are intended to better target support, improve value for money, and support people to move towards housing independence where that is possible.

In May 2026, Cabinet agreed to policy development on the three following key shifts to inform the direction of the review of the social housing system:

- refocusing social housing on those who face severe and persistent barriers to accessing private housing
- improving sustainable flows through and out of social housing to housing independence
- improving equity and reducing financial disincentives to move toward independence.

Budget 2026 increased the minimum Income Related Rent subsidy (for social housing, emergency housing, and transitional housing tenants), the Accommodation Supplement maxima and changed Temporary Additional Support.

Housing investment system

Investment plan

In November 2025 the Ministry released the first Housing Investment Plan. The plan created a single investment objective: "enable people in high housing need to have access to stable and secure housing". It is used to guide the allocation of the Budget 2025 Flexible Fund. The Investment Plan sets out purchasing intentions for identified investment locations, providing clarity on where investment is intended to occur, the types of housing solutions being sought, funding parameters, and delivery expectations.

This investment complements the Government's wider housing reforms – including Going for Housing Growth and the Review of Social Housing. While the Review is focused on improving how the social housing system supports people in need, the Investment Plan provides the framework for directing housing investment to the people and places where housing need is greatest.

Further Investment Plans will be published to allocate new funding received through subsequent Budgets. Publication of the next Housing Investment Plan is anticipated in early 2027.

Flexible Fund

The Flexible Fund simplifies social housing investment by replacing multiple programmes with a single fund guided by the Housing Investment Strategy.

In Budget 2025, the Flexible Fund received $41 million operating funding (over four years) and $250 million capital funding (over ten years) to enable 675 to 770 social homes or affordable rentals.

The first Investment Plan set out how this funding would be allocated, identifying nine investment locations that balanced areas with the highest levels of housing need and those with the highest numbers of households needing support to access housing. It

also identified populations of interest that are experiencing high housing need who the investment is intended to support, including whānau Māori, sole parent households with dependent children, older people (kuia and kaumātua), disabled households, and Pacific peoples.

The nine investment locations are:

- Far North
- South Auckland
- Hamilton
- Tauranga
- Eastern Bay of Plenty
- Gisborne-Tairāwhiti
- Hastings
- Wellington
- Christchurch

Stage one of the procurement round concluded in mid-2026, with more than 30 preferred delivery partners selected to deliver across these locations. The resulting investment is expected to support delivery of more than 820 homes from July 2027, with approximately half delivered as social housing and half as affordable rentals. This exceeds the original estimate of 675 to 770 homes due to strong provider responses and the ability to deliver more homes within the available funding envelope.

Budget 2026 continues the investment in the Flexible Fund, providing a further $69 million over the forecast period (totalling $593 million over 10 years). This funding is expected to enable delivery of a further 1,800 to 2,250 social and other homes, ready for tenanting from 1 July 2028. Through the next Investment Plan, the Government will determine the people and places to be prioritised for investment, and the housing solutions to be purchased.

Social housing delivery

Investing in and delivering new social housing

As at 30 June 2026, there were over 88,500 social housing places in New Zealand. Community Housing Providers (CHPs) are responsible for nearly 15,500 of those tenancies. Kāinga Ora owns or manages the majority, with responsibility for over 73,000 of these homes nationally. There has also been a programme of sustained investment in Māori-led housing, including affordable rentals, papakāinga and owner-occupied housing.

In 2025/26 there was a strong focus on implementing investment into new social housing supply and ensuring delivery against these programmes. This includes a significant work programme to enable CHPs to deliver social housing through key changes of financial and regulatory settings.

Budget 2024 – at least 1,500 new social homes

In Budget 2024, the Government allocated $140 million in new funding for 1,500 new social homes to be provided by CHPs over two years from 1 July 2025 to 30 June 2027.

The investment of these homes, which preceded the Investment Plan released in November 2025, is intended to address several housing need indicators, including the social Housing Register, emergency housing and motel use, and housing affordability. To find areas with high housing need, focus was directed to high rates of emergency housing, locations where investments would return good value for money, and where social housing will make the biggest difference.

As at 30 June 2026, there are:

- 1,542 homes that have been approved for delivery by 34 CHPs.
- 270 of these homes have been delivered
- Around 90 percent of approved homes are one and two-bedroom.

Budget 2025 – at least 550 additional social homes in Auckland

In Budget 2025, the Government allocated $128 million in operating funding over four years to support the delivery of at least 550 new social homes in Auckland by 30 November 2026.

As at 30 June 2026, there were:

- 637 homes that have been approved for delivery by 12 CHPs. The additional delivery (over 550 places) reflects cost efficiencies that have enabled more homes to be approved within available funding.
- 263 of these homes have been delivered.
- Around 74 percent of homes will be one or two-bedroom.

Kāinga Ora – performance and turnaround plan

A key focus for 2025/26 has been monitoring the implementation of Kāinga Ora's turnaround plan. Since the plan was implemented in 2024, Kāinga Ora has reduced projected debt by more than $9.5 billion, including delivering operating savings of $191 million in the 2025/26 year when compared with 2023/24 baselines. Some of the key changes include delivering improved performance, more efficient maintenance (shifting from life-cycle-based maintenance to a condition-led approach), and refocusing on maintaining their portfolio through a renewal programme. Kāinga Ora has also delivered real results for tenants and communities through improved housing outcomes and tenancy management.

Māori-led housing responses

During 2025/26, the Ministry has continued to support Māori-led housing initiatives which increase the supply of quality homes and strengthen housing outcomes for whānau. Through working directly with iwi, hapū, and Māori organisations, we accelerated investments in affordable rentals and papakāinga. We supported infrastructure in priority regions which was required to turn local housing aspirations into completed developments and lasting outcomes.

Since December 2023 $426 million has been approved to support Māori-led housing

delivery. As at 30 June 2026, this investment has enabled approval of more than 1,000 homes, with 997 homes contracted and 212 homes delivered. These homes include affordable rentals, papakāinga housing, and associated infrastructure projects across priority regions including Te Tai Tokerau, Te Tairāwhiti, Hawkes Bay, Taranaki, and Rotorua.

Examples of projects supported through this investment include:

- Toitū Tairāwhiti Housing Limited, Tūranga Tangata Rite development in Gisborne, where construction is underway on 150 homes and progress is continuing at pace.
- The Ngāti Maniapoto affordable housing development in Te Kuiti will deliver 40 affordable rental homes and supporting infrastructure, giving effect to the Crown's settlement commitments under Te Ōhaki Tapu.
- Ngāti Whakaue Tribal Lands Manawa Gardens development in Rotorua, which continues to progress toward delivering 80 new affordable rental homes as part of a larger multi-stage development.

To support long-term, sustainable Māori-led housing delivery, we continue to partner with four iwi prototype arrangements across priority regions. These partnerships were first approved in 2022 and provide a foundation for larger scale housing delivery models and support Māori organisations to build capability and deliver homes for whānau over the long-term.

Through these partnerships:

- **Toitū Tairāwhiti** is delivering up to 375 affordable rental and rent-to-own homes across the Tairāwhiti region. 150 of these homes were funded in 2025 (the Tūranga Tangata Rite development). The remaining homes were funded in 2022 and 2023 respectively.
- **Ka Uruora,** a collective of iwi and Māori partners, is progressing delivery of up to 272 affordable rental homes across Taranaki and other regions. The Government approved additional funding in 2025 to support a further 100 homes across Napier and Hastings.
- **Ngāti Kahungunu Iwi Incorporated** continues delivery of affordable housing projects across the Heretaunga / Hastings-Napier area which will see a total of 86 affordable rentals delivered by October 2026. These homes were approved in 2022.
- **Te Pouahi o Te Taitokerau continues** to advance affordable rental housing projects across Te Tai Tokerau, with programme delivery now tracking toward completion of its approved housing programme that will see 87 affordable rentals delivered by December 2026. Funding for these homes was approved in 2022.

Our partnership approach remains focused on empowering Māori to lead housing solutions that reflect local aspirations and create enduring housing outcomes for whānau and communities.

Community Housing Regulatory Authority (CHRA)

The Community Housing Regulatory Authority (CHRA) regulates Community Housing Providers (CHPs) delivering social and affordable housing across New Zealand.

CHPs play a significant role in delivering and managing social housing supply. During 2025/26, the Ministry has worked to better enable CHPs and address the key barriers they experience, particularly in relation to accessing finance to deliver social housing.

At 30 June 2026 the Community Housing Provider sector consisted of:

99	Registered CHPs	**20,100**	Homes owned or managed	**13,300**	IRRS-funded homes

Enabling stronger housing outcomes

Since 2014, the registered sector has grown from 24 to 99 providers, including 39 Māori CHPs, while CHP-owned or managed homes have increased from around 2,500 to 20,100. In 2025/26, nine new CHPs were registered. These providers bring a broad range of capabilities, including kaupapa Māori housing, Pacific housing services, disability-focused accessible housing, tenancy management, affordable rental housing and progressive home ownership models.

Embedding proportionate, data-informed monitoring

During 2025/26, CHRA refined its monitoring framework in response to provider feedback, introducing more flexible reporting periods, reduced information requirements, and more targeted Key Performance Measure reporting. These changes reduce reporting burden while supporting effective risk assessment and regulatory oversight.

Improving transparency and system stewardship

From July 2026, CHRA improved public transparency through enhancements to the CHP Register, including provider-specific pages and a traffic-light view of regulatory performance. A new financial benchmarking approach has also been developed to support consistent assessment of provider performance and emerging financial risk.

Enabling the CHP sector

The Government has established financing interventions to improve access to finance for CHPs. This includes:

- a Crown liquidity facility of up to $150 million for the Community Housing Funding Agency Group (CHFA)
- a loan guarantee scheme which enables participating banks to provide loans to CHPs so they can access debt financing at a lower cost and on more flexible terms.

These financing interventions have been led by the Treasury.

Upfront funding

Budget 2025 provided $82 million of capital funding to enable operating supplement (OS) to be paid upfront to CHPs to deliver social housing places through Budgets 2024

and 2025. Access to upfront OS has enabled CHPs to proceed with projects in high-need locations where local development economics are challenging, or where they have been unable to obtain necessary finance.

All upfront funding payments for the 2025/26 financial year have been met from within existing funding allocations. $41.6 million of the $82 million is committed and will be paid in the 2026/27 financial year, with the remainder to be invested through future rounds of the Flexible Fund.

Improvements to contracts

We made several changes to contracts to remove both real and perceived risk to financiers that may have been a barrier to lending for social housing projects. Changes include increasing compensation for termination for convenience on build-to-lease projects and limiting the 'step-in' period to six months.

Housing support programmes

One of the Ministry's priorities is to enable a system that delivers housing solutions in a timely and effective way – supporting those who need it the most, in locations with the highest need. We work alongside other organisations and providers to create a housing system that aims to prevent circumstances which can cause homelessness, and, if it does occur, helping people into stable housing as quickly as possible.

To deliver on these objectives, the Ministry works with other agencies and providers to fund and oversee a number of housing assistance programmes that provide both immediate support and pathways to sustainable housing.

Housing First

Housing First helps people who have been experiencing homelessness (including in places not designed for habitation such as cars or unconverted garages) for at least 12 months, into permanent housing. Once a person is housed, the programme provides ongoing and tailored support to help them remain housed and address the underlying issues that led to their homelessness.

Rapid Rehousing

Rapid Rehousing supports people who have recently become homeless (within the last 12 months) or are at risk of becoming homeless.

As at 30 June 2026, Housing First had housed 2,665 chronically homeless households, and Rapid Rehousing had housed 696 homeless households. During 2025/26, 317 households graduated from Housing First and 217 households graduated from Rapid Rehousing.

Transitional Housing

Transitional Housing provides interim housing and support to help meet immediate housing needs. As at 30 June 2026, there were 5,824 transitional housing places. This is a reduction from 6,207 places in June last year, reflecting the planned withdrawal of most transitional housing motels (which are typically higher cost) and routine portfolio management.

Over the past twelve months (to June 2026) 8,193 people exited transitional housing. 41 percent of these entered social housing, a further 20 percent entered housing

through the private rental market and 7 percent transitioned to family/whānau support.

Sustaining Tenancies

Sustaining Tenancies provides support to people at risk of losing their tenancies in either social or private rental housing by supporting them to prevent losing the tenancy or, if needed, help them achieve a new tenancy. As at June 2026, 2,285 people were receiving support.

Rangatahi supported accommodation

The Rangatahi supported accommodation service seeks to meet the needs of 16- to 25-year-old rangatahi with high support needs who are experiencing, or are at risk of, homelessness. Rangatahi can stay in accommodation until they reach 25 years old and includes services for six months following exit from supported accommodation. At 30 June 2026, there are four providers operating in Auckland, and one in Hamilton.

Outreach services

In 2023, we funded nine providers to deliver **Outreach services** to address barriers for people disconnected from the housing support system who are currently experiencing, or are at risk of, homelessness. Outreach involves building relationships with people experiencing homelessness and connecting them with services that can provide a pathway out of it. Additional providers have been contracted for outreach as part of the Government's short-term actions to address homelessness (refer below).

Emergency housing

Ending large-scale and long-term use of emergency housing

The target was reducing the number of households in emergency housing **by 75 percent by 2030.** The focus now is on consolidating progress and ensuring emergency housing is focused on its intended use. Longer-term work to improve the wider housing supports system will also support maintenance of the target.

Fluctuations in the numbers of households in emergency housing are expected, and we will continue to monitor and report on initiatives to maintain progress and effectiveness.

Social outcomes contracting trial

During 2025/26, the Ministry continued delivery and evaluation of the Emergency Housing Social Outcomes Contracting (SOC) Trial, which supports households without children in emergency housing to access and sustain stable housing through tailored, outcomes-focused support.

An independent evaluation completed in 2025/26 found the trial to be effective and identified good practice in the social outcomes contracting approach. By March 2026, 42 households had been stably housed throughout the trial. In June 2026, HUD provided Ministers with the independent evaluation and advice on the future of the trial, helping to inform decisions on the next phase of support for people experiencing housing need.

Short-term actions to reduce homelessness

In September 2025, the Government announced a range of short-term actions to support people living without shelter, including those sleeping rough or in cars. These actions included:

- $7 million for 300 additional social housing places for people already getting support through Housing First. As at 29 July 2026 all 300 places were leased with tenancies commenced.
- $10 million for the year ending 30 June 2026, to help providers deliver better local responses for people living without shelter or at imminent risk, in Auckland, Wellington, Christchurch and Hamilton
- Improvements to existing programmes and support services together with the Ministry of Social Development.

Between September 2025 and 1 July 2026, 699 households in Auckland, Hamilton, Wellington and Christchurch who had been sleeping rough have been moved into stable housing, either through the additional 300 places or existing social homes.

Housing assistance centres funded through the short-term local responses have delivered more than 1,500 support activities, including mental health or addiction support, assistance to register for a benefit, along with increased outreach services to those sleeping rough.

In June 2026, the Government announced an additional $14.54 million to expand outreach and support services to six new locations and extend the proven initiatives already underway in Auckland, Hamilton, Wellington and Christchurch to 30 June 2027.

Of the additional funding, $2.7 million will extend support to people living without shelter in six additional locations: Tauranga, Whakatāne, New Plymouth, Napier, Whanganui and Waimakariri.

Improving the experience of renting and other types of living arrangements

The Ministry continued work to support safe, secure and well-functioning housing arrangements for New Zealanders. During 2025/26, this included implementing and supporting changes to tenancy legislation and regulation, strengthening consumer protections in retirement villages, progressing regulation of residential property managers, and supporting improved standards and practices across the rental housing market. Together, these initiatives help improve housing quality, increase transparency and accountability, and provide greater certainty for tenants, landlords, residents and operators.

Legislation and regulations

Residential Tenancies Amendment Act 2024

The Government passed the Residential Tenancies Amendment Act 2024, with the aim of reducing barriers to supply of and access to rental housing. Changes to encourage landlords to allow pets in rental properties commenced on 1 December 2025. The pet-

related changes required pet bond functionality that was developed as part of a broader bond transformation project led by the Ministry of Business, Innovation & Employment – Hīkina Whakatutuki. As at 30 June 2026, 10,435 pet bonds were lodged.

Healthy homes standards

The healthy homes standards apply to residential tenancies and aim to close the quality gap between rental properties and owner-occupied homes. From 1 July 2025, all residential tenancies were required to comply with the standards.

Since the standards first came into effect in July 2021, the Ministry has commissioned a series of topline surveys from Verian. In the latest survey, conducted over April and May 2026, nine out of ten landlords reported that their properties were fully compliant with the standards.

Residential property managers

On 24 March 2026 the Government announced a registration and dispute resolution regime for the residential property management sector, designed to lift professionalism and improve protections for landlords and tenants. The Ministry has provided drafting instructions to Parliamentary Counsel Office and, subject to government priorities, the new legislation will be introduced in 2027.

Residential Tenancies (Registration of Boarding House Landlords) Amendment Bill

In 2025, this Member's Bill was introduced to the House. In April 2026 it passed its first reading and was referred to the Social Services and Community Select Committee. The Bill proposes to create a register of boarding house landlords, with certain information requirements that are intended to make locating boarding houses easier for agencies, councils and the public. The Ministry will continue to provide advisory support for this Bill as it is considered by the Committee.

Retirement Villages Act 2003

In November 2025, Cabinet agreed to a comprehensive package of changes to the Retirement Villages Act 2003 (the Act), to rebalance the rights and responsibilities of residents and operators and increase consumer protections. The changes include strengthening the disclosure regime; making operators responsible for the chattels and fixtures they own in retirement village units; a new, independent complaints scheme; and requirements for the repayment of residents' capital sums when they exit a retirement village.

Residential Tenancies (Managing Methamphetamine Contamination) Regulations 2026

The Government has introduced new regulations under the RTA which make it clear how to manage methamphetamine contamination in rental properties. The regulations will help landlords and tenants understand when a tenancy can be terminated due to methamphetamine contamination; how landlords should manage methamphetamine contamination and when they need to test for it; what processes should be followed for testing and decontamination; and what should be done with abandoned goods left in contaminated properties. The regulations were gazetted on 26 February 2026 and came into force on 16 April 2026.

Progressive Home Ownership Fund

The Progressive Home Ownership (PHO) fund closed on 30 June 2024. The fund was aimed at low to moderate-income households who can afford repayments but face barriers to saving a deposit or securing finance. PHO supports delivery through shared ownership/equity, rent to buy, and leasehold models, primarily using interest free Crown loans of up to 15 years, delivered by approved providers and Kāinga Ora.

As at 30 June 2026, the total contracted homes were 2,057, of which 1,683 homes are delivered and settled into home ownership, with the remaining homes still in delivery.

Reporting on appropriations for Vote Housing and Urban Development

Ngā pūrongo mō ngā whakapaunga pūtea o te tahua Tūāpapa Kura Kāinga

The appropriations reported in this annual report and included in this statement of performance are outlined below.

Multi-Category Expenses and Capital Expenditure

- **Managing the Housing and Urban Development Portfolio**

  Departmental Output Expenses:
  - Facilitating the Purchase and Redevelopment of Land for Housing Purposes
  - Management of Housing Provision and Services
  - Policy Advice and Ministerial Servicing
- **Social Housing**

  Non-Departmental Output Expenses:
  - Community Group Housing Market Rent Top-Up
  - Purchase of Social Housing Provision
  - Services for People in Need of or at Risk of Needing Social Housing
  - Services Related to the Provision of Social Housing

  Non-Departmental Other Expenses:
  - Community Housing Rent Relief

  Non-Departmental Capital Expenditure:
  - Acquisition and Improvement of Community Group Housing Properties
- **Transitional Housing**

  Non-Departmental Output Expenses:
  - Provision of Transitional Housing Places
  - Transitional Housing Services
- **Housing Acceleration Fund (Multi-Year Multi-Category Appropriation)**

  Non-Departmental Capital Expenditure:
  - Investment in Crown-owned Entities to Advance Development-Ready Land

  Non-Departmental Other Expenses:
  - Investment in Infrastructure to Advance Development-Ready Land
- **Residential Development Underwrite (Multi-Year Multi-Category Appropriation)**

  Non-Departmental Output Expenses:
  - Operating the Residential Development Underwrite
  - Residential Development Underwrite Purchase

- **Upfront Payments**

  Non-Departmental Capital Expenditure:
  - Affordable Housing Fund – Prepayment of Grants
  - Community Housing Providers – Early-Stage Operating Supplement
  - He Kūkū ki te Kāinga – Increasing Māori Housing Supply – Prepayment of Upfront Funds
  - Māori Infrastructure Projects – Prepayment of Upfront Funds
  - Transitional Housing Providers – Prepayment of Upfront Funds
- **Amortisation of Upfront Payments**
- **Housing Programme Fair Value Impairment Loss and Inventory Disposal**

Departmental Capital Expenditure

- **Ministry of Housing and Urban Development – Capital Expenditure Permanent Legislative Authority (PLA)**

Minister's Report on Non-Departmental Appropriations

The appropriations included in the Minister's Report on Non-Departmental Appropriations for Vote Housing and Urban Development are outlined below.

Non-Departmental Output Expenses

- Affordable Housing Fund (Multi-Year Appropriation)
- Buying Off the Plans Programme (Multi-Year Appropriation)
- Contracted emergency housing accommodation and services
- He Kūkū ki te Kāinga – Increasing Māori Housing Supply (Multi-Year Appropriation)
- Infrastructure Investment to Progress Urban Development (Multi-Year Appropriation)
- Land for Housing Programme (Multi-Year Appropriation)
- Local Innovations and Partnerships
- Operating the Buying Off the Plans Programme (Multi-Year Appropriation)
- Progressing the Pipeline of Māori Housing 2025-2030 (Multi-Year Appropriation)
- Support Services to Increase Home Ownership

Non-Departmental Capital Expenditure

- Housing Infrastructure Fund Loans (Multi-Year Appropriation)
- Land purchase within the Housing Agency Account
- Progressive Home Ownership Fund (Multi-Year Appropriation)

Annual Report for Kāinga Ora – Homes and Communities

The following appropriations are reported in the annual report for Kāinga Ora – Homes and Communities.

Non-Departmental Output Expenses

- Kāinga Ora – Homes and Communities

Non-Departmental Other Expenses

- Housing Assistance
- Kāinga Ora Land Programme (Multi-Year Appropriation).

Non-Departmental Capital Expenditure

- Kāinga Ora – Homes and Communities Crown Lending Facility (Multi-Year Appropriation)
- Kāinga Ora – Homes and Communities Private Debt Refinancing Facility (Multi-Year Appropriation)
- Refinancing of Crown loans to Kāinga Ora – Homes and Communities

Annual Report for Tāmaki Regeneration Company Limited

The following appropriations are reported in the annual report Tāmaki Regeneration Company Limited.

Non-Departmental Capital Expenditure

- Tāmaki Regeneration Company Limited – Equity Injection

Annual Report for National Infrastructure Funding and Financing Limited

The following appropriations are reported in the annual report National Infrastructure Funding and Financing Limited.

Non-Departmental Output Expense

- Infrastructure Acceleration Fund – Administration Funding 2025-2028 (Multi-Year Appropriation)

Exemptions

The remaining appropriations included in the Estimates of Appropriations and Supplementary Estimates are not reported in the reports noted above, as resources will be provided to a person or entity other than a department, a functional chief executive, an Office of Parliament, or a Crown entity; and an exemption has been granted under s15D(2)(b) of the Public Finance Act 1989.

Exemption under section 15D(2)(b)(iii) of the Public Finance Act 1989 as the amount of these annual appropriations for a non-departmental output expense is less than $5 million:

Non-Departmental Output Expense

- Social Housing
    - Services Related to the Provision of Social Housing

Exemption under section 15D(2)(b)(ii) of the Public Finance Act 1989 as additional performance information is unlikely to be informative:

Non-Departmental Output Expense

- Operating the Land for Housing Programme (Multi-Year Appropriation)

Non-Departmental Other Expense

- Land for Housing Operations (Multi-Year Appropriation)
- Transfer of infrastructure assets to Councils and other Stakeholders
- Amortisation of Upfront Payments – Affordable Housing Fund
- Amortisation of Upfront Payments – Community Housing Providers – Early-Stage Operating Supplement
- Amortisation of Upfront Payments – He Kūkū ki te Kāinga
- Amortisation of Upfront Payments – Māori Infrastructure Fund
- Amortisation of Upfront Payments – Social Housing Upfront Capital Payments
- Amortisation of Upfront Payments – Transitional Housing Providers
- Housing Programme Fair Value Impairment Loss and Inventory Disposal – Sale of Developments Underwritten – Costs
- Housing Programme Fair Value Impairment Loss and Inventory Disposal – Sale of Land and Dwellings – Costs

Non-Departmental Capital Expenditure

- Housing Programme Fair Value Impairment Loss and Inventory Disposal – Land for Housing – Deferred Settlements

Disclosure and judgements

Reporting entity

We are a government department as defined by section 5 of the Public Service Act 2020. The relevant legislation governing our operations includes the Public Finance Act 1989 and Public Service Act 2020. Our ultimate parent is the New Zealand Crown.

We are the Government's advisor and stewards of the housing and urban development system. This means we consider whether the products and programmes we administer, and the system, are effective and efficient, work as intended, achieve the intended outcomes and are fit for purpose. We don't operate to make a financial return, and we are a Public Benefit Entity (PBE) for performance reporting purposes.

Further information regarding our role and responsibilities can be found on page 8 of this document.

Statement of compliance

This annual report has been prepared in accordance with the requirements of the Public Finance Act 1989.

The 'assessment of our operations' section covers all our activities as set out in the Estimates of Appropriations 2025/26 for Vote Housing and Urban Development. The 'our progress' section includes other indicators as outlined in our statement of strategic intentions 2025-2029.

The year-end reporting on appropriations complies with Aotearoa New Zealand generally accepted accounting practice (NZ GAAP), has been prepared in accordance with Tier 1 public benefit entities financial reporting standards, which have been applied consistently throughout the period, and complies with public benefit entities financial reporting standards

The year end reporting on appropriations has been prepared in accordance with tier 1 PBE financial reporting standards including PBE FRS 48, which applies to the service performance reporting.

We apply the standard PBE FRS 48 for service performance reporting with its principles-based requirements to provide appropriate and meaningful service performance information and reporting to users. This includes maintaining consistency of reporting, and providing performance information that is comparable, relevant, reliable, neutral, understandable and complete.

We have made judgements on the application of reporting standards, and estimates and assumptions concerning the future, as discussed below. The estimates and assumptions may differ from the subsequent actual results.

Critical reporting judgements, estimates and assumptions

Performance measures were selected through consultation with internal subject matter experts and approved by the senior leadership team. Selection of measures was based on the availability of reliable data and relevance to the impact we are trying to achieve.

In determining key service performance information for each outcome, our leadership team has used judgement based on indicators that align with our mission and key annual activities. While we do have discretion over these, we've tried to stay consistent across years where appropriate and to determine service performance information that is relevant, reliable, neutral, understandable and complete. In selecting measures, we have made judgements to determine which aspects of performance are relevant and material to readers.

We set targets for output performance measures based on historical performance, with consideration of factors that may impact future performance. We may also identify and factor in opportunities for improvement. As such, future performance may differ from budgeted performance. We plan to review our performance measures and standards to report appropriate and meaningful service performance information.

Policy advice

In keeping with the policy quality framework provided by the Department of the Prime Minister and Cabinet (DPMC), we measure:

- the quality of our policy advice by applying the framework's prescribed measures for quality of policy advice
- ministerial satisfaction that all government agencies with a policy advice appropriation must apply.

This includes a target score for both the quality of policy advice and ministerial satisfaction. More information can be found on the DPMC website under the 'Policy Project's progress and performance' section[6].

The policy quality framework sets a common set of standards that specify what good-quality policy advice looks like. Its purpose is to assess and improve the quality of our written policy and other advice. The advice may be for a minister, Cabinet or other decision-makers and may be jointly provided with other agencies.

Quality is assessed by an assurance panel that reviews a random sample of policy advice papers every year. The panel, made up of external and internal members, considers whether each paper meets or exceeds the quality standards of 'acceptable'. Results are based on these characteristics:

- context – the paper explains why the decision-maker is getting this and where it fits
- analysis – the paper is clear, logical and informed by evidence
- advice – the paper engages the decision-maker and tells the full story
- action – the paper identifies who is doing what next.

The overall result comes from calculating the average score of papers assessed using a five-point scale from one (unacceptable) to five (outstanding).

The ministerial satisfaction survey contains a common set of questions provided by DPMC. The survey asks about general satisfaction, the quality of policy advice and

[6] About the Policy Project | Department of the Prime Minister and Cabinet (DPMC)

overall performance, using a 10-point scale. There are also three free-text questions about satisfaction. The survey is done once per year.

Service delivery

We report on several service delivery measures each year. They are a commitment of what we will deliver with the funding provided. The type of performance measure may vary by appropriation, depending on the focus of the service being provided. For example, for some appropriations, the focus may be on the volume or quantity of what is being delivered or negotiated, while for other appropriations the focus may be on the timeliness of delivering services.

We are primarily a policy and information services organisation, and we do not provide front-line customer services to the public. As such, we don't report on customer experience or satisfaction.

Organisational health

Organisational health indicators provide information on how we're using our resources to deliver for the Government and sustain performance. Several indicators are externally directed, such as targets under the Carbon Neutral Government Programme and timeliness in paying invoices to domestic suppliers.

Performance measures explanatory notes

Explanatory notes for non-financial performance measures are included where they provide meaningful additional information. This could include, for example, a definition for what is included, the reason for not achieving a particular target, or a correction to a previously reported result.

All measures are reported to the latest time available, or 30 June 2026. Data may not be available up to June 2026 (the reporting period for this annual report) for several reasons, such as it is pulled from a survey or report from another agency and the data is not yet available for the reporting period.

Year-end reporting on appropriations

Te pūrongo mutunga tau mō ngā pūtea i whakatōhia

Multi-Category Expenses and Capital Expenditure

Managing the Housing and Urban Development Portfolio Multi-Category Appropriation (MCA)

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. This appropriation is intended to achieve an improvement to the functioning of the housing sector through effective departmental operations.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
69%	The satisfaction rating given by the Minister for overall satisfaction annually	75.7%	Reach or exceed 70%

Financial information

2025 actuals $000	Financial Performance	2026 actuals $000	2026 budget $000
	Departmental output expenses		
	Revenue		
	Revenue – Crown		
37,751	Policy Advice and Ministerial Servicing	34,458	34,459
23,116	Management of Housing Provision and Services	28,964	28,963
6,769	Facilitating Purchases and Development of Land for Housing Purposes	2,925	2,925
	Revenue – Departmental		
245	Policy Advice and Ministerial Servicing	-	-
150	Management of Housing Provision and Services	-	-
44	Facilitating Purchases and Development of Land for Housing Purposes	102	-
-	**Revenue – Third Party**	-	-
156	Policy Advice and Ministerial Servicing	-	-
93	Management of Housing Provision and Services	-	-
37	Facilitating Purchases and Development of Land for Housing Purposes	20	-
68,361	**Total revenue**	**66,469**	**66,347**
	Expenses		
32,638	Policy Advice and Ministerial Servicing	40,691	34,459
26,778	Management of Housing Provision and Services	21,160	28,963
5,445	Facilitating Purchases and Development of Land for Housing Purposes	2,040	2,925
64,861	**Total expenses**	**63,891**	**66,347**

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

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
0 (see Note 1)	Number of settled land acquisitions	0 (see Note 2)	0
4 (see Note 3)	Number of signed development agreements	6	5
16.1%	The percentage of completed underwritten KiwiBuild homes acquired by the Crown as part of the Buying Off the Plans Programme since the start of the programme	16.3%	<25%

Note 1 – The performance target for 2024/25 of number of settled land acquisitions was four.

Note 2 – As at the end of 2024/25, the approach to future purchases is being considered as part of work on how best to use the programme within the housing and urban development system. As a result, land acquisitions remain paused.

Note 3 – The performance target for 2024/25 of number of signed Development Agreements was three.

Management of Housing Provision and Services

This category is limited to managing and regulating housing and housing support providers (including Kāinga Ora – Homes and Communities) through negotiating, managing and paying contracts. This category is intended to achieve effective management and regulation of housing and housing support providers (including Kāinga Ora – Homes and Communities) through negotiating, managing and paying contracts.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
98.3%	An annual monitoring report will be provided within 120 working days of receiving a community housing provider annual return	78.1% (see Note 1)	80%
94.0%	Percentage of contracts monitored against their performance and reporting requirements	83% (see Note 2)	90%
99.1%	Percentage of payments to contracted housing and support providers processed within 10 working days	95.0%	90%

Note 1 – Progress against the 2025/26 Target was affected by reduced financial assessment capacity following the loss of key staff and staffing constraints during the year. Targeted recruitment and the return of an experienced financial team member have strengthened capability, resulting in improved performance and supporting more timely completion of financial assessments.

Note 2 – The scope of this measure was widened in 2025/26 to include Māori Housing contracts and to set clear expectations for the monitoring of all in-scope contracts. Frequent engagement with all providers has continued throughout the year. Enhanced monitoring processes and systems are currently being implemented that are expected to assist with meeting the formal monitoring target in 2026/27.

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. 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.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
69.0%	The satisfaction rating given by the Minister for overall satisfaction annually	75.7%	Reach or exceed 70%
3.54	Technical quality of policy advice papers will be assessed against the policy quality framework	3.48	Achieve an average score of at least 3/5
Percentage of requests completed within either specified or statutory timeframes:			
96.0%	• Ministerial correspondence	97.22%	95% or above
100.0%	• Ministerial Official Information Act 1982 requests	100.0%	95% or above
100.0%	• Parliamentary Questions	99.75%	95% or above
99.6%	• Departmental Official Information Act 1982 requests	99.16%	95% or above

Social Housing

The single overarching purpose of this appropriation is to secure and purchase the provision of social housing and associated support services. This appropriation is intended to achieve better access to social and community housing places by providing payments to secure access to properties for social and community housing providers and the purchase of social housing provision.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
3,130 (see Note 1)	The net increase in additional social housing places (see Note 2) will be at least:	1,626	1,450

Note 1 – The performance target for 2024/25 of the net increase in additional social housing places was at least 3,900 (as reported against in the Ministry of Housing and Urban Development's 2024/25 Annual Report).

Note 2 – 'Social housing places' is made up of total tenancies (Kāinga Ora and Community Housing Providers Income Related Rent Subsidy places and market renters) plus unoccupied Kāinga Ora social homes (for example homes under refurbishment, being redeveloped or being made available to let).

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental output expenses		
1,844,204	Purchase of Social Housing Provision	2,066,402	2,077,595

106,154	Services for People in Need of or at risk of Needing Social Housing	108,803	96,576
539	Services Related to the Provision of Social Housing	476	300
21,595	Community Group Housing Market Rent Top-Up	13,891	13,891
	Non-departmental other expenses		
3,306	Community Housing Rent Relief	2,863	4,104
	Non-departmental capital expenditure		
4,524	Acquisition and Improvement of Community Group Housing Properties	4,881	5,800
1,980,322	**Total expenses**	**2,197,316**	**2,198,266**

Purchase of social housing provision

This category is limited to purchasing the provision of social housing and related services from social housing providers. This category is intended to achieve an increase in social housing support for eligible people through the payment of income-related rent subsidy.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
82,932 (see Note 1)	The number of tenancies subsidised by an Income-Related Rent Subsidy will be at least:	85,698	84,000

Note 1 – The performance target for 2024/25 of the number of tenancies subsidised by an income-related rent subsidy was 82,000.

Services for people in need or at risk of needing social housing

This category is limited to the provision of support services to those in need of social housing or those at risk of entering or exiting social housing. This category is intended to achieve an increase in the number of people who can secure and sustain tenancies, and transition to housing independence.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
2,735 (see Note 1)	The number of contracted places available for chronic homeless households to be placed and supported into secure and stable accommodation under the Housing First initiative, will be at least:	2,735	2,735
2,537 (see Note 2)	The number of contracted places available for households to be supported under the Sustaining Tenancies programme, will be at least:	2,293	2,290
671 (see Note 3)	The number of contracted places available for homeless households to be	671	565

	supported under the Rapid Rehousing programme, will be at least:		

Note 1 – The performance target for 2024/25 of contracted Housing First places was at least 2,750.
Note 2 – The performance target for 2024/25 of contracted Sustaining Tenancies places was at least 2,350.
Note 3 – The performance target for 2024/25 of contracted Rapid Rehousing places was at least 545

Community Group Housing Market Rent Top-Up

The 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. This category is intended to enable 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.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
1,468	The performance will be assessed by Kāinga Ora – Homes and Communities support to community group providers by making available up to 1,500 community group housing properties and related housing services	1,445	1,500

Community Housing Rent Relief

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. This category is intended to achieve safe, healthy and affordable homes by the provision of rent relief to service provider tenants of the Community Group Housing properties.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
1,468	The performance will be assessed by Kāinga Ora – Homes and Communities support to community group providers by making available up to 1,500 community group housing properties and related housing services	1,445	1,500

Acquisition and Improvement of Community Group Housing Properties

This category is limited to providing debt or equity to Kāinga Ora to acquire, modernise or reconfigure properties leased by Community Housing Providers. This category is intended to achieve safe, healthy and affordable Community Group Houses properties through the acquisition, modernisation and reconfiguration of Kāinga Ora – Homes and

Communities Community Group Housing properties.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
1,468	The performance will be assessed by Kāinga Ora – Homes and Communities support to community group providers by making available up to 1,500 community group housing properties and related housing services	1,445	1,500

Transitional Housing

The single overarching purpose of this appropriation is to fund the delivery of transitional housing places and services in New Zealand. This appropriation is intended to achieve better outcomes for vulnerable households with nowhere to stay, through the provision of transitional housing and associated support services.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	At least 5,800 transitional housing places and associated support services where applicable are provided and maintained	Achieved	Achieved

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental output expenses		
180,470	Provision of transitional housing places	151,487	159,973
173,708	Transitional housing services	177,437	195,054
354,178	**Total expenses**	**328,924**	**355,027**

Provision of transitional housing places

This category is limited to supporting transitional housing providers to provide transitional housing places. This category is intended to achieve improved access to transitional places for eligible families and individuals across New Zealand.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
6,207	The number of transitional housing places available will be at least:	5,824	5,800

Transitional housing services

This category is limited to payments to transitional housing providers to cover tenancy and property management, and services to support tenants in transitional housing to move into sustainable housing. This category is intended to achieve an increase in

support services for the families and individuals who access the additional transitional housing places secured.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
100%	Percentage of new transitional housing places contracted that receive associated services	100%	100%

Upfront Payments

The single overarching purpose of this appropriation is to record the prepayment of expenses associated with implementation of government housing policy. This category is intended to recognise the prepayment of expenses associated with implementation of government housing policy.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
See categories	Performance will be assessed by the assessment of the categories for this MCA	See categories	See categories
Achieved	Prepayments will be accurately recorded and recognised in the correct accounting period	Achieved	Achieved

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental capital expenditure		
49,374	Affordable Housing Fund – Prepayment of Grants	45,012	58,900
9,638	Community Housing Providers – Early-Stage Operating Supplement	41,195	53,234
63,494	He Kūkū ki te Kāinga – Increasing Māori Housing Supply – Prepayment of Upfront Funds	96,528	170,547
15,817	Māori Infrastructure Projects – Prepayment of Upfront Funds	57,371	32,013
-	Transitional Housing Providers – Prepayment of Upfront Funds	898	8,021
138,323	**Total expenses**	**241,004**	**322,715**

Affordable Housing Fund – Prepayment of Grants

This category is limited to the prepayments of contributions to providers of affordable rentals within the Affordable Housing Fund. This category is intended to facilitate the payment of contributions to affordable rental providers under the Affordable Housing Fund.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
159 (see Note 1)	The number of homes delivered through the Affordable Rental Pathway	168 (see Note 2)	265

Note 1 – The performance target for 2024/25 of number of homes delivered through the Affordable Rental Pathway was 150.

Note 2 – Several factors have contributed to the target not being met in 2025/26, including project delays from resource consenting, issue of Code Compliance Certificates, and changes in construction methodology, resulting in slower than expected delivery across the year. To date 383 of 487 contracted homes funded by the Affordable Rental Pathway have been delivered. The remaining 104 homes are expected to be delivered in 2026/27, within the Pathway's forecast delivery period.

Community Housing Providers – Early-Stage Operating Supplement

This category is limited to early-stage operating funding to Community Housing Providers who provide Social Housing. This category is intended to provide early-stage operating funding to Community Housing Providers who deliver social housing.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	Payments of staged operating funding contribute to securing and purchasing social housing and associated support services	Achieved	Achieved

He Kūkū ki te Kāinga – Increasing Māori Housing Supply – Prepayment of Upfront Funds

This category is limited to the prepayment of funding to increase the housing supply provided by Māori service providers. This category is intended to facilitate the prepayment of funding to increase the housing supply provided by Māori service providers.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
490 (see Note 1)	Number of new housing places created for individuals/whānau	413	400

Note 1 – The performance target for 2024/25 of number of new housing places created for individuals/whānau was 206.

Māori Infrastructure Projects – Prepayment of Upfront Funds

This category is limited to the prepayment of contributions for Māori infrastructure projects to advance development-ready land. This category is intended to facilitate the

prepayment of contributions for Māori infrastructure projects to advance development-ready land.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
274 (see Note 1)	The total number of houses enabled through the Māori Infrastructure Fund	513	450

Note 1 – The performance target for 2024/25 of total number of houses enabled through the Māori Infrastructure Fund was 150.

Transitional Housing Providers – Prepayment of Upfront Funds

This category is limited to the prepayment of upfront funding to Transitional Housing Providers who provide transitional housing. This category is intended to facilitate the prepayment of upfront funding to Transitional Housing Providers for the purpose of providing transitional housing.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	Payments of upfront funding contribute to securing and purchasing transitional housing and associated support services	Achieved	Achieved

Amortisation of Upfront Payments

The single overarching purpose of this appropriation is to recognise the amortisation of prepaid expenses associated with implementation of government housing policy. This appropriation is intended to achieve the recognition of amortisation of upfront payments made to housing providers associated with the implementation of government housing policy.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	Amortisation of prepaid expenses will be accurately recorded and recognised in the correct accounting period	Achieved	Achieved

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental other expenses		
27,574	Amortisation of Upfront Payments MCA	35,777	80,363
27,574	**Total expenses**	**35,777**	**80,363**

Housing Programme Fair Value Impairment Loss and Inventory Disposal

The single overarching purpose of this appropriation is to recognise the non-cash expenses associated with implementation of government housing policy. This appropriation is intended to recognise the non-cash expenses associated with the implementation of government housing policy.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	Expenses will be accurately recorded and recognised in the correct accounting period	Achieved	Achieved

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental other expenses		
7,137	Sale of Land and Dwellings – Costs	-	49,215
21,202	Sale of Developments Underwritten – Costs	11,546	24,633
	Non-departmental capital expenditure		
-	Land for Housing – Deferred Settlements	-	135,820
28,339	**Total expenses**	**11,546**	**209,704**

Housing Acceleration Fund (MCA MYA)

The single overarching purpose of this appropriation is to achieve the outcome of advancing housing supply through the provision of infrastructure investment. This appropriation is intended to achieve increased housing supply through funding infrastructure and land development for social, affordable, and market-housing through Kāinga Ora's Large-Scale Projects, the Infrastructure Acceleration Fund, and the Māori Infrastructure Fund.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
2,138	The total number of houses enabled	4,144	2,087

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental other expenses		
157,123	Investment in Infrastructure to Advance Development-Ready Land	172,780	130,162
	Non-departmental capital expenditure		

266,899	Investment in Crown-owned Entities to Advance Development-Ready Land	8,211	263,890
424,022	**Total expenses**	**180,991**	**394,052**

Investment in Infrastructure to Advance Development-Ready Land

This category is limited to contributions for infrastructure projects to advance development-ready land. This category is intended to enable contributions for infrastructure projects to advance development-ready land.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
665	Number of dwellings enabled as a result of the Infrastructure Acceleration Fund	3,159	1,300

Investment in Crown-owned Entities to Advance Development-Ready Land

This category is limited to investments in Crown-owned entities to increase the amount of development-ready land. This category is intended to enable investments in Crown-owned entities to support the development of government-owned land.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
1,473	Number of new homes enabled on land developed and delivered by Kāinga Ora – Homes and Communities	985	787

Residential Development Underwrite (MCA MYA)

The single overarching purpose of this appropriation is to record purchase costs and associated expenses incurred in acquiring, holding and on-selling homes under the residential development underwrite. This appropriation is intended to achieve increased housing supply and support for the residential construction sector by underwriting developments, ensuring financial feasibility and maintaining construction pipelines.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
126 (see Note 1)	Number of homes underwritten through the Residential Development Underwrite	383 (see Note 2)	400

Note 1 – 2024/25 was the baseline year for homes underwritten through the Residential Development Underwrite.

Note 2 – The target was not met as pipeline projects were not progressed in the last months of the year to ensure that the total underwrite risk from the Residential Development Underwrite remains within the available appropriation. In addition, the underwrite yield for the last project underwritten was reduced by 15. The 383 homes underwritten in 2025/26 have enabled a total of 1,046 homes to be unlocked.

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
	Non-departmental output expenses		
-	Operating the Residential Development Underwrite	-	-
-	Residential Development Underwrite Purchase	-	-
-	**Total expenses**	**-**	**-**

Departmental Capital Expenditure

Capital Expenditure Permanent Legislative Authority (PLA)

This appropriation is limited to the purchase or development of assets by and for the use of Te Tūāpapa Kura Kāinga – Ministry of Housing and Urban Development, as authorised by section 24(1) of the Public Finance Act 1989. This appropriation is intended to achieve the implementation of the Ministry of Housing and Urban Development's capital expenditure plan.

Performance information

2024/25 Performance	Performance measure	2025/26 Performance	2025/26 Target
Achieved	Capital expenditure is in accordance with the capital asset management plan	Not applicable	Achieved

Note 1 – No capital expenditure was incurred against the appropriation in 2025/26. As a result, there was no capital investment activity against which compliance with the Capital Asset Management Plan could be assessed.

Financial performance

2025 actuals $000	Financial performance	2026 actuals $000	2026 budget $000
-	**Total expenses**	-	2,551



Part C:
Our organisational health and capability

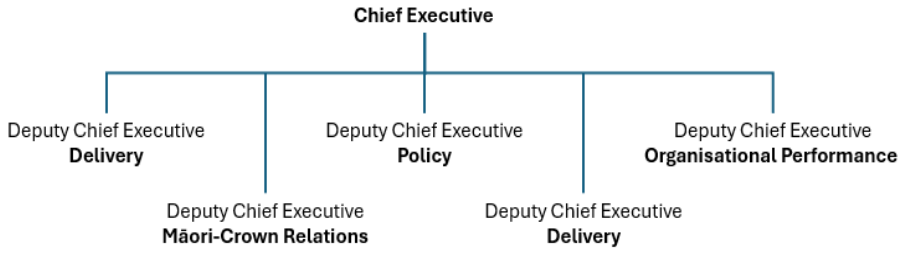
Part C: Our organisational health and capability

Organisational structure

Our people, leadership and ways of working were critical to our success. Our senior leadership team, led by Acting Chief Executives Brad Ward and Adrienne Meikle, was collectively responsible for providing leadership across the organisation.

This includes shaping our strategic direction and focusing our efforts where they can have the greatest impact. The team also worked together to lead across the housing and urban development system and maintain strong relationships with our partners and stakeholders.

Our executive structure on the 30 June 2026 was:



People and workforce diversity

Our People

At 30 June 2026, we had 287 people working at the Ministry. Most of our people were based in Wellington (84 percent), with the remainder working in Auckland (11 percent) and the regions (4 percent). Throughout the year, we remained focused on ensuring we had the capability, capacity and ways of working needed to deliver on our priorities and maintain performance.

As we got ready to move into the Ministry for Cities, Environment, Regions and Transport (MCERT) on 1 July 2026, we focused on helping our people feel prepared, clear about what was changing, and confident to keep doing their work well. This included staying focused on our priorities, maintaining momentum, and supporting people to be ready to contribute to the new Ministry from day one.

The changes made through our phased organisational change programme in 2024/25 provided a strong foundation for this transition. The changes streamlined our structure, strengthened our capability and resourcing, and shifted our delivery work towards a more place-focused approach. They also reset our capability and work programme to strengthen Māori-Crown relations across the housing and urban development system.

Workforce diversity

We recognise that responding effectively to the housing challenges facing people across Aotearoa New Zealand requires a workforce that brings different perspectives, experiences and ways of thinking.

We continued to foster a workplace where people feel connected, valued and able to contribute through:

- Recruitment practices that provide everyone with a fair and reasonable opportunity to demonstrate merit.
- Employee-led Networks which create opportunities for connection, collaboration and celebration
- Participating in the Tupu Tai internship programme for Pacific tertiary students (led by the Ministry of Business Innovation and Employment) over the summer of 2025/26
- Neurodiversity workshops to help leaders and staff better understand and support neurodiverse people in the workplace.

Health, safety and wellbeing

Over 2025/26, we continued to strengthen our health, safety and wellbeing governance, culture, knowledge, systems and processes. Our internal health, safety and wellbeing risk profile remains low, reflecting the effectiveness of our proactive hazard reduction and risk management strategies.

We received 11 health, safety and wellbeing reports relating to our internal workforce during 2025/26, similar to the 10 reports received in 2024/25. Four reports related to hazards, while the remaining seven were low-level incidents, including near misses, minor injuries, and reports of pain or discomfort. Reporting by our people supports the early identification and management of health, safety and wellbeing risks and contributes to maintaining a safe and healthy workplace.

Externally, we consult, cooperate, and coordinate with other PCBUs (Person Conducting a Business or Undertaking) across a range of service delivery activities and enabled housing development. We use recognised standards and regulatory requirements, including BWOF, Healthy Homes Standards and fire safety requirements, to help ensure the homes and services we fund, and monitor remain safe and fit for purpose.

Within our land acquisition and development portfolio, we work closely with developers and property managers to ensure shared health and safety responsibilities and PCBU obligations are effectively managed. This helps support the safe delivery of housing developments, promotes good health and safety practices across projects, and reduces risks for workers, contractors and the wider public.

As our governance, monitoring and measurement practices continue to mature, we are identifying opportunities for improvement and adapting our policies and practices in response to sector changes and emerging insights.

Strengthening Māori-Crown relationships

Te whakarenarena i ngā hononga Māori ki te Karauna

The Ministry, and MCERT as its successor agency, are committed to improving housing services and outcomes for and with Māori, by strengthening Māori-Crown relationships through our MAIHI and place-based approaches. As a Crown agency and steward of the housing and urban development system, we work in partnership with Māori to support Māori housing aspirations and uphold the Crown's responsibilities under Te Tiriti o Waitangi.

Our work focuses on strengthening Māori-Crown partnerships, supporting Māori-led solutions, increasing Māori housing supply and support, improving the housing system, and promoting long-term housing sustainability. We maintain relationships with iwi and Māori, supporting housing-related Treaty settlement commitments, and manage Waitangi Tribunal responsibilities to help ensure Māori perspectives and aspirations are reflected across the housing system.

We work closely with Kāinga Ora and Te Puni Kōkiri to align priorities and coordinate a more effective Crown response to Māori housing needs. We also work alongside iwi, Māori organisations, local government, and other sector partners to support development on whenua Māori, improve access to housing information and support, and enable locally led solutions that reflect community needs and aspirations.

Through this work, we are helping build a more connected and responsive housing system that supports better outcomes for whānau, hapū, and iwi, now and for future generations.

Our Te Tiriti settlement commitments

We are committed to meeting our Te Tiriti settlement obligations and building enduring relationships with iwi and Māori. Since 2020, more than 40 percent of Treaty settlement groups have accessed housing funding support, and we have worked with over 200 iwi and Māori organisations on housing initiatives and development opportunities.

As at 30 June 2026, we are responsible for 24 commitments across seven Te Tiriti settlements: Ngāi Tūhoe, Te Aupōuri, Ngai Takoto, Ngāti Kūri, Ngā Mana Whenua o Tāmaki Makaurau, Te Rarawa, and Taranaki Whānui ki Te Upoko o Te Ika.

The commitments also include pre- and post-settlement arrangements, such as Ministerial Accords and Relationship Agreements, which help us understand iwi aspirations, strengthen Māori-Crown relationships, and support better housing outcomes for Māori.

Most commitments have been completed, with the remainder either on track or yet to be triggered. We continue to monitor and report progress through Te Haeata, the Government's online Treaty settlement commitments tracking system.

During the year, we worked with iwi and Māori partners across the motu, including Waikato-Tainui, Tūhoe, Te Hiku o Te Ika, Taranaki Whānui, Parihaka Papakāinga Trust,

Ngāti Kahungunu ki Wairarapa Tāmaki nui ā-Rua and Mōkai Pātea, to advance shared housing priorities and support long-term Māori-Crown relationships.

We are making good progress, while recognising there is more to do. Improvements identified this year will strengthen how we meet obligations, build organisational capability, and work more effectively with iwi, Māori, and partners across the housing and urban development system.

Wai 2750: The Housing Policy and Services Kaupapa Inquiry

The Ministry is leading the Crown response to Wai 2750: the Housing Policy and Services Kaupapa Inquiry. Participating in the inquiry is an opportunity to reset the housing system in partnership with Māori and strengthen the Māori-Crown relationship. Understanding how historical and current Crown housing policies and services failed to reach Te Tiriti standards and meet the needs of Māori is critical to addressing the housing inequity experienced by Māori.

Stage One response

In May 2023, the Waitangi Tribunal released 'Kāinga Kore: The Stage One Report of the Housing Policy and Services Kaupapa Inquiry on Māori Homelessness'. The Tribunal found the Crown had breached its Treaty obligations by failing to adequately consult Māori when developing the 2009 homelessness definition and recommended that the Crown and claimants work together to co-design a new definition.

Officials have been progressing this work by drafting the Crown's needs in relation to a homelessness definition. Statistics NZ, working closely with MCERT, is establishing a Homeless and Transient Populations Data Advisory Group. The homelessness definition will be reviewed in partnership with iwi Māori, data experts and stakeholders, and the Homeless and Transient Populations Data Advisory Group will support that review. The process for working with Wai 2750 claimants is still being developed.

Stage Two preparation

In June 2026, the Waitangi Tribunal issued directions confirming the next steps for the Wai 2750 Inquiry and releasing the Tribunal Statement of Issues.

The Tribunal advised that hearings will be held from late 2027 to July 2029, with the report scheduled to be released in July 2031 thereby concluding proceedings.

Stage two of the inquiry will consider four pakitara (themes):

- **Whenua Māori** – use and development of Māori land for housing
- **Hauora** – the relationship between poor physical and mental health (and other socio-economic factors) and housing
- **Te ao kāinga** – housing policy, practice and regulation of the housing market
- **Whānau kāinga** – social housing and the provision of 'Social Housing' by central or local government or both.

Internal Māori–Crown capability

In 2021, Te Tūāpapa Kura Kāinga developed two key strategic plans, Taukaea – Our Māori Language Plan and our Whāinga Amorangi Organisational Plan.

Taukaea - Our Māori Language Plan

Our Māori language plan under *Te Ture Reo Māori Act 2016* provides short- and long-term goals to promote the status and critical awareness of te reo and tikanga Māori within Te Tūāpapa Kura Kāinga, which contributes to the necessary micro-immersions that influence macro-outcomes in the revitalisation of te reo Māori in Aotearoa New Zealand. Taukaea sets out the aspirations of Te Tūāpapa Kura Kāinga for our people to develop te reo and tikanga Māori understanding, enabling the connection between our people and the communities they serve. Taukaea recognises that te reo and tikanga Māori are key to the success of the partnership created through the Treaty of Waitangi.

Whāinga Amorangi Organisational Plan

The Whāinga Amorangi Organisational Plan sets out targeted actions, initiatives and milestones focused on building capability in six competency areas, in order to partner, understand and respond to the needs and aspirations of Māori in a genuine way. The six key competencies are:

1. Aotearoa New Zealand history and the Treaty of Waitangi
2. Te Reo Māori
3. Kawa and tikanga
4. Understanding racial equity and institutional racism
5. Worldview knowledge
6. Engagement with Māori.

Since the development of our Whāinga Amorangi Organisational Plan, Te Tūāpapa Kura Kāinga has built a strong foundation and culture that supports our people to grow their capability through efforts to normalise te reo and tikanga Māori across our work. Te Tūāpapa Kura Kāinga has continued to develop a clear, accessible, and sustainable learning and development pathway, to build the capability of our people.

Through our commitment to Whāinga Amorangi, we have had increased partnership across business units, established quality, accessible and sustainable learning and development opportunities, and investment in our people and culture have seen progress toward our own aspirations and milestones.

The formal learning and development initiatives that have been undertaken demonstrate our commitment to building capability and understanding across all key competencies to strengthen the Māori-Crown relationship.

The following data demonstrates the progress we have had towards achieving our Whāinga Amorangi goals:

- **64.4 percent** of our people have completed wānanga, online learning, and workshops focused on building understanding of Aotearoa New Zealand history and the Treaty of Waitangi literacy to the comfortable (tipu) level

- **65.2 percent** of our people have completed or are undertaking learning and development opportunities focused on building understanding of te reo Māori to the comfortable (tipu) level.

Te whanake i te āheitanga ā-hononga i waenga i a ngāi Māori me te Karauna

I 2021, i whakawhanake a Te Tūāpapa Kura Kāinga i ngā mahere rautaki matua e rua, ko Taukaea – Our Māori Language Plan me Whāinga Amorangi Organisational Plan.

Taukaea

Tā mātou mahere reo Māori i raro i Te Ture Reo mō te Reo Māori 2016 i ētahi whāinga paetata, paetawhiti anō hoki ki te whakatairanga i te mana me te Mārama pū o te reo me ngā tikanga Māori i roto i Te Tūāpapa Kura Kāinga. Ka whāngai nei tērā i ngā rumakitanga-whāiti ka whakaawe nei i ngā hua-whānui i te whakarauoratanga o te reo Māori i Aotearoa. Ka whakatakoto a Taukaea i ngā wawata o Te Tūāpapa Kura Kāinga mō ō mātou tāngata kia piki ai te mārama ki te reo me ngā tikanga Māori, e hua ake ai ko te taukaea i waenganui i ō mātou tāngata me ngā hapori i Aotearoa e manaaki nei rātou. Ka tohua a Taukaea i te reo me ngā tikanga Māori hei ara e angitu ai te haere kōtui i hua ake ai i Te Tiriti o Waitangi.

Mahere Whakahaere mō Whāinga Amorangi

Ka whakarārangi te Mahere Whakahaere mō Whāinga Amorangi i ngā mahi e whāia ana e mātou, ngā kaupapa me ngā tūāoma e aro ana ki te whakapiki i te mātau ahurea o ā mātou kaimahi i ngā āheitanga e ono kia motuhenga ai te haere kōtui, te mārama me te urupare ki ngā matea me ngā wawata o ngāi Māori. Ko ngā āheitanga e ono ko:

- Te Hītori o Aotearoa me Te Tiriti o Waitangi
- Te Reo Māori
- Kawa me ngā Tikanga
- Te mārama ki te tōkeke ā mātāwaka me te kaikiri torowhare
- Mātauranga Tirohanga ā Ao
- Te whai wāhi ki a ngāi Māori.

Nō te whakawhanaketanga o te Whāinga Amorangi Organisational Plan, kua whakatakoto a Te Tūāpapa Kura Kāinga i tētahi tūāpapa mārohirohi me tētahi ahurea e tautoko ana i ā mātou tāngata ki te whakapiki i tō rātou mātau ā-ahurea mā roto mai i ngā mahi whakataunoa i te reo me ngā tikanga Māori puta noa i ā mātou mahi. Kua whakawhanake tonu a Te Tūāpapa Kura Kāinga i tētahi ara ako, ara whakawhanake mārama, tomopai, toitū anō hoki, hei whakapiki i te mātau ā-ahurea o ā mātou tāngata.

I whakapiki a Te Tūāpapa Kura Kāinga, mā tō mātou takohanga ki te Mahere Whakahaere mō Whāinga Amorangi, i te haere kōtui puta noa i ngā taiwhanga mahi. Ka mutu, nā ngā haumitanga ki ō mātou tāngata me tō mātou ahurea i kitea ai ngā kokenga ki ō mātou anō wawata, tūāoma anō hoki.

Ko ngā kaupapa ako me ngā kaupapa whakawhanake ōkawa kua whāia e whakaatu ana i tō mātou takohanga ki te whakapiki i te mātau ā-ahurea me te māramatanga

puta noa i ngā āheitanga matua katoa hei whakapakari ake i te hononga i waenga i a ngāi Māori me te Karauna.

E waiwai ana ēnei e whai ake nei i ngā kauneke whakamua kia tutuki ō mātou whāinga i raro i a Whāinga Amorangi:

- **64.4 percent** o ā mātou tāngata kua whakaoti i ngā wānanga, ngā akoranga ā-ipurangi me ngā mahi ako e aro ana ki te whakapiki i te mārama ki te hītori o Aotearoa me te mātau ki Te Tiriti o Waitangi ki te taumata hāneanea (tipu)
- **65.2 percent** o ā mātou tāngata kua whakatutuki, e whai ana rānei i ngā ara ārahi, whakawhanake anō hoki e aro ana ki te whakapiki i te mārama ki te reo Māori ki te taumata hāneanea (tipu).

Our next steps

Te Tūāpapa Kura Kāinga has built a strong foundation through Whāinga Amorangi and is ready to take the next step. Te Arawhiti in its development of Whāinga Amorangi sets out additional core competency areas which the Crown needs to strengthen. Te Tūāpapa Kura Kāinga will explore opportunities to embed the following:

1. Understanding of Māori-Crown relations
2. Treaty of Waitangi analysis
3. Knowledge of Treaty of Waitangi settlement commitments
4. Data and evidence
5. Partnership capability.

Ngā tūāoma ka whai ake

He kokenga tēnei mea te whakatipu mātau ā-ahurea, ā, kua whakapau kaha a Te Tūāpapa Kura Kāinga ki te whakatakoto tūāpapa. E rite ana kia koke whakamua. Nō te whanaketanga o Whāinga Amorangi kua whakatūria e Te Arawhiti ētahi anō āheitanga matua hei whakakaha mā te Karauna. Ka whai huarahi a Te Tūāpapa Kura Kāinga kia whakaūngia ai tana hōtaka ako, hōtaka whanaketanga ki ēnei e whai ake nei:

1. Whai māramatanga mō te hononga o Ngāi Māori me te Karauna
2. He tātari o te Tiriti o Waitangi
3. He mōhio ki ngā takohanga mō ngā whakataunga Tiriti
4. Tatauranga me ngā taunaki
5. Te Mātau Mahitahi.

Critical assets

As a policy, stewardship and funding agency, The Ministry relies primarily on information, financial and digital systems rather than physical operational infrastructure. Most technology services are provided through contracted cloud-based solutions, with HUD responsible for governance, configuration, information management and business processes.

The following systems are critical to HUD's ability to deliver its functions and administer public funding.

Aho (Oracle Fusion Cloud)

Aho supports HUD's financial management, procurement and contract administration functions. The system records supplier contract information and enables payments to suppliers, including housing providers and other organisations funded through Vote Housing and Urban Development.

The platform is provided through Oracle Fusion Cloud and is managed under a software-as-a-service arrangement. HUD remains responsible for business processes, controls, configuration and data quality. The system is operating effectively, and no replacement is planned in the short to medium term.

Kuhu

Kuhu is HUD's provider relationship and operational management platform. Implemented in 2024, it supports interactions with housing providers and enables the management of information required for housing programmes and service delivery.

The solution is built on Microsoft Power Platform technology. HUD manages the application's information, configuration and business processes, while the underlying platform is maintained through Microsoft's cloud service arrangements. No replacement is planned in the short to medium term.

Microsoft 365

Microsoft 365 provides HUD's core collaboration, communication and information management capability. The platform supports email, document management, collaboration, knowledge sharing, reporting and business productivity functions across the organisation. Key services include Exchange Online, SharePoint, Teams and Power BI.

The platform is provided through Microsoft's cloud services and is maintained through regular vendor-led updates and security enhancements. HUD manages user access, governance, information management and configuration settings. The platform remains fit for purpose and no replacement is planned in the short to medium term.

Stewardship and asset management

The Ministry manages these critical systems through lifecycle planning, vendor management, cyber security controls, business continuity arrangements and periodic reviews of capability, risk and value for money. These activities help ensure critical systems remain reliable, secure and capable of supporting HUD's stewardship, operational and funding responsibilities.

During 2025/26, HUD continued to monitor the performance, resilience and security of these systems and maintained cloud service arrangements with strategic technology providers. No significant issues were identified that would require replacement of these systems in the short to medium term.

HUD maintains business continuity and disaster recovery arrangements for its critical systems and regularly reviews security controls, access management practices and vendor performance. This supports the integrity, availability and confidentiality of information used to administer public funding and meet statutory reporting obligations.

Governance and risk management

Effective risk management and assurance are fundamental to sound governance, stewardship and organisational performance. The Ministry maintained an enterprise risk management framework and supporting policy that provide a consistent approach to identifying, assessing, managing and monitoring risks across the organisation and the wider housing and urban development system.

The Ministry monitors and reports on strategic risks in line with relevant government expectations and frameworks. Strategic risks are reviewed regularly by the Senior Leadership Team (SLT), which considers risks that may affect both HUD and the housing and urban development system. This supports informed decision-making, prioritisation of mitigation activities, and the achievement of organisational objectives.

Risk management is integrated into business planning, programme delivery, investment decisions and performance monitoring. Several elements of HUD’s work programme are specifically focused on understanding and managing risks and opportunities within the housing and urban development system. This includes system intelligence and analytical activities that support the identification of emerging trends, issues and opportunities that may affect the achievement of government priorities and long-term system outcomes.

The SLT is supported by governance forums and committees that oversee organisational, programme and project risks. These forums provide oversight of key delivery risks, monitor the effectiveness of risk mitigation activities and support sound decision-making across the organisation.

HUD’s independent Strategic Advisory Committee provides advice to the Chief Executive on risk management, assurance and organisational performance. The Committee supports the Chief Executive by providing independent perspectives on the effectiveness of governance, risk and control arrangements and by advising on actions that strengthen organisational capability and assurance maturity.

The Ministry maintains an internal assurance programme designed to provide independent assurance to the Chief Executive that key controls, processes and systems are operating effectively. The programme helps identify opportunities for continuous improvement and supports confidence in the integrity of HUD's governance, financial management, operational and reporting arrangements.

Through its risk management and assurance activities, HUD seeks to strengthen organisational resilience, safeguard public resources, support effective stewardship of the housing and urban development system, and maintain public trust and confidence in its operations.

Crown entity monitoring

One of HUD's core stewardship functions is monitoring Crown entities within the housing and urban development system. The Ministry acts on behalf of the Minister of Housing to support the Minister's role as a responsible Minister and to protect the Crown's ownership, investment and purchasing interests in Kāinga Ora – Homes and Communities and Tāmaki Regeneration Company.

The Ministry supports Ministers by providing advice on entity performance, strategic direction, accountability expectations, governance matters and investment decisions. We work closely with monitored entities to assess organisational performance, delivery against government priorities, financial sustainability and key organisational risks. We also facilitate engagement between Ministers, boards and management teams to support effective oversight and accountability.

During 2025/26, monitoring activity remained focused on ensuring entities were delivering value for money, maintaining financial sustainability and contributing to the Government's housing and urban development objectives. This included ongoing monitoring of organisational performance, financial performance, major investments, strategic risks and long-term capability.

A significant area of focus continued to be Kāinga Ora's implementation of the Government's Turnaround Plan following the independent review completed in 2024. HUD provided advice and support to Ministers on matters arising from the programme, including progress against agreed objectives, governance and accountability arrangements, organisational performance, and key risks and opportunities.

HUD's monitoring activities are informed by a risk-based approach that focuses attention on areas of greatest strategic, financial and operational significance. We regularly assess emerging issues and provide timely advice to Ministers to support informed decision-making and effective stewardship of Crown investments.

Through its monitoring role, HUD seeks to provide Ministers with confidence that Crown entities are operating effectively, managing public resources responsibly, and contributing to improved housing and urban development outcomes for New Zealanders.

Carbon Emissions

HUD remains committed to meeting the requirements of our internally focussed Carbon Neutral Government Programme and operating in a low-emissions and energy-efficient environment. Management of our emissions is an important component of our environmental and sustainability objectives. Our sustainability reporting will highlight the areas where we need to make changes to reduce our operational greenhouse gas emissions. The scope of our carbon emissions reporting is defined as our core operational emissions. The base year for reporting is 2020/21, as this represents our first full year of available data.

Our greenhouse gas emissions measurement (emissions data and calculations) is independently verified against ISO14064-1:2018 by Toitū Envirocare (Enviro-Mark Solutions Limited), a wholly owned subsidiary of Manaaki Whenua Landcare Research, which is a Crown Research Institute.

We have set targets to do our part to keep global warming to less than 1.5 degrees of warming as required under the Carbon Neutral Government Programme. We are making positive progress towards our ability to meet our targets. Our targets also align to the requirements of the Toitū carbon reduce programme. We have set the following emission reduction targets:

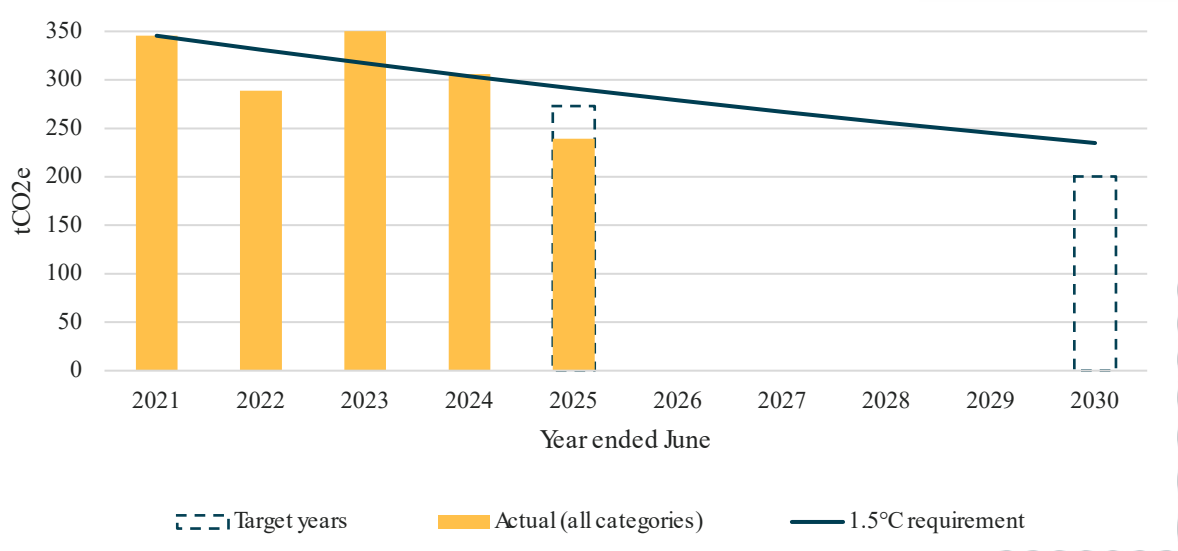
2025 target: Gross emissions (all categories) to be no more than 166.24 tCO_2-e, representing a 21.8 percent reduction in gross emissions (all categories) compared to base year 2020/21

2030 target: Gross emissions (all categories) to be no more than 122.23 tCO_2-e, representing a 42.5 percent reduction in gross emissions (all categories) compared to base year 2020/21

Besides ongoing efforts to reduce emissions, the major drivers for this reduction are a tighter fiscal environment and decrease in overall FTE. Most of our emissions came from domestic air travel and purchased electricity for our two offices.

We have identified the following areas of focus to decrease our emissions:

- energy efficiency – continue to refine office lighting and energy-using hardware and work with our landlords on energy-saving initiatives
- travel – reduce and/or make smarter decisions around air travel, hotel nights, taxi journeys and rental cars by choosing energy-efficient options. We encourage the continued use of technology to reduce the need for in-person meetings
- waste – keep encouraging our people to help reduce our waste to landfill, through initiatives such as introducing soft plastic recycling on-site
- engaging our people – keep working with our internal sustainability group and engage with people on our emissions reduction plans to boost awareness of our targets and help people decarbonise in their everyday lives.


350
300
250
200
150
100
50
0
tCO2e
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
Year ended June
Target years
Actual (all categories)
1.5°C requirement



Part D:
Departmental financial statements

Part D: Departmental financial statements

Departmental financial statements

Ngā tauākī pūtea tari

Statement of Comprehensive Revenue and Expenses

For the year ended 30 June 2026

Actual 2025 $000		Notes	Actual 2026 $000	Unaudited Budget* 2026 $000	Unaudited Revised Budget* 2026 $000
	Revenue				
67,645	Revenue Crown		66,347	63,562	66,347
715	Other revenue	2	122	-	-
68,360	**Total revenue**		**66,469**	**63,562**	**66,347**
	Expenses				
47,251	Personnel costs	3	46,643	44,967	44,967
2,627	Depreciation and amortisation	7,8	1,345	986	986
622	Capital charge	4	622	737	737
1,405	Restructuring costs		261	-	-
12,956	Other operating expenses	5	15,020	16,872	19,657
64,861	**Total expenses**		**63,891**	**63,562**	**66,347**
3,499	**Net surplus and total comprehensive revenue and expenses**		**2,578**	**-**	

*The Statement of Accounting Policies provides explanations of these figures, which are not subject to audit.

Explanations of significant variances against the original 2025/26 budget are detailed in Note 17.

There is no unaudited forecast for 2027 year as the Ministry of Housing and Urban Development (MHUD) was disestablished on 1 July 2026.

The accompanying notes form part of these financial statements.

Statement of Financial Position

As at 30 June 2026

Actual 2025 $000		Notes	Actual 2026 $000	Unaudited Budget* 2026 $000	Unaudited Revised Budget* 2026 $000
	Assets				
	Current assets				
12,677	Cash and cash equivalents		8,750	13,048	13,701
134	Trade and other receivables	6	360	133	17
4,136	Debtor Crown	16	8,436	-	-
599	Prepayments		849	604	599
17,546	**Total current assets**		**18,395**	**13,785**	**14,317**
	Non-current assets				
1,594	Property, plant and equipment	7	769	5,390	2,420
2,924	Intangible assets	8	2,406	3,774	3,665
4,518	**Total non-current assets**		**3,175**	**9,164**	**6,085**
22,064	**Total assets**		**21,570**	**22,949**	**20,402**
	Liabilities				
	Current liabilities				
1,210	Trade and other payables	9	1,984	2,179	65
3,499	Return of operating surplus	10	2,578	-	-
299	Deferred revenue		423	327	-
49	Provisions	11	856	-	-
4,053	Employee entitlements	12	2,877	4,000	4,000
9,110	**Total current liabilities**		**8,718**	**6,506**	**4,065**
	Non-current liabilities				
115	Provisions	11	-	106	-
406	Employee entitlements	12	416	450	450
521	**Total non-current liabilities**		**416**	**556**	**450**
9,631	**Total liabilities**		**9,134**	**7,062**	**4,515**
12,436	**Net assets**		**12,436**	**15,887**	**15,887**
	Equity				
12,436	Taxpayers' funds	13	12,436	15,887	15,887
12,436	**Total equity**		**12,436**	**15,887**	**15,887**

*The Statement of Accounting Policies provides explanations of these figures, which are not subject to audit.

Explanations of significant variances against the original 2025/26 budget are detailed in Note 17.

There is no unaudited forecast for 2027 year as Ministry of Housing and Urban Development (MHUD) was disestablished on 1 July 2026.

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2026

Actual 2025 $000		Notes	Actual 2026 $000	Unaudited Budget* 2026 $000	Unaudited Revised Budget* 2026 $000
12,436	**Balance as at 1 July**		12,436	14,736	12,436
3,499	Total comprehensive revenue/(expense)		2,578		
	Owner transactions				
-	Capital injections		-	1,151	3,451
(3,499)	Repayment of operating surplus to the Crown	10	(2,578)	-	-
12,436	**Balance as at 30 June**	13	**12,436**	**15,887**	**15,887**

*The Statement of Accounting Policies provides explanations of these figures, which are not subject to audit.

Explanations of significant variances against the original 2025/26 budget are detailed in Note 17.

There is no unaudited forecast for 2027 year as Ministry of Housing and Urban Development (MHUD) was disestablished on 1 July 2026.

The accompanying notes form part of these financial statements.

Statement of Cash Flows

For the year ended 30 June 2026

Actual 2025 $000		Actual 2026 $000	Unaudited Budget* 2026 $000	Unaudited Revised Budget* 2026 $000
	Cash flows from operating activities			
65,152	Receipts from revenue Crown	62,608	63,562	71,133
52	Receipts from department	124	-	-
671	Receipts from other revenue	237	-	-
(13,776)	Payments to suppliers	(14,970)	(16,817)	(20,702)
(50,425)	Payments to employees	(47,316)	(45,022)	(45,530)
(622)	Payments for capital charge	(622)	(737)	(737)
(438)	Goods and Services Tax (net)	(489)	-	(678)
614	**Net cash flows from operating activities**	**(428)**	**986**	**3,486**
	Cash flows from investing activities			
-	Purchase of property, plant and equipment	-	(1,400)	(1,400)

-	Purchase of intangible assets	-	(1,151)	(1,151)
-	**Net cash flows from investing activities**	**-**	(2,551)	(2,551)
	Cash flows from financing activities			
(4,095)	Repayment of surplus to the Crown	(3,499)	-	(3,500)
-	Capital injection	-	1,151	3,451
(4,095)	**Net cash flows from financing activities**	**(3,499)**	**1,151**	**(49)**
(3,481)	**Net (decrease)/increase in cash and cash equivalents**	(3,927)	(414)	886
16,159	Cash and cash equivalents at the beginning of the year	12,677	13,462	12,815
12,677	**Cash and cash equivalents at the end of the year**	**8,750**	**13,048**	**13,701**

*The Statement of Accounting Policies provides explanations of these figures, which are not subject to audit.

There is no unaudited forecast for 2027 year as Ministry of Housing and Urban Development (MHUD) was disestablished on 1 July 2026.

Explanations of significant variances against the original 2025/26 budget are detailed in Note 17.

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes and this is consistent with the presentation basis of the other primary financial statements.

Actual 2025 $000		Actual 2026 $000
3,499	**Net surplus**	2,578
	Add/(less) non-cash items	
2,627	Depreciation, amortisation and impairment expense	1,345
2,627	**Total non-cash items**	**1,345**
	Add/(less) non-operating non-financial liability items	
-	Pension liability movement	-
-	**Total non-operating non-financial liability items**	**-**
	Add/(less) movements in Statement of Financial Position items	
(2,789)	(Increase)/decrease in receivables and prepayments	(4,776)
(971)	Increase/(decrease) in payables	775
(53)	Increase/(decrease) in deferred revenue	124
(1,251)	Increase/(decrease) in current provisions	807
(454)	Increase/(decrease) in employee entitlements	(1,176)
(3)	Increase/(decrease) in non-current employee entitlements	10

9	Increase/(decrease) in non-current provisions	(115)
(5,512)	**Total net movements in Statement of Financial Position items**	**(4,351)**
614	**Net cash flows from operating activities**	**(428)**

The accompanying notes form part of these financial statements.

Statement of Commitments

As at 30 June 2026

Capital commitments

Capital commitments are the aggregate amount of capital expenditure contracted for the acquisition of property, plant, and equipment and intangible assets that have not been paid for or not recognised as a liability at balance date.

Cancellable capital commitments that have penalty or exit costs explicit in the agreement on exercising that option to cancel are reported below at the lower of the remaining contractual commitment and the value of those penalty or exit costs (that is, the minimum future payments).

Non-cancellable operating lease commitments

The Ministry leases premises in the normal course of its business. The Ministry has two leases for office space with non-cancellable leasing periods. One lease was for 72 months and has 12 months remaining, and the other was for 109 months and has 33 months remaining.

Both leases have varying terms, escalation clauses, and renewal rights. The Ministry also leases laptops, tablets and keyboards for 36 months. There is no liability for the Ministry to purchase the leased assets at the end of the lease period.

There are no restrictions placed on the Ministry by any of its leasing arrangements.

Actual 2025 $000		Actual 2026 $000
	Capital commitments	
-	Leasehold improvements	-
-	**Total capital commitments**	-
	Operating leases as lessee	
	The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:	
2,994	Not later than one year	3,063
8,045	Later than one year and not later than five years	5,107
-	Later than five years	**-**
11,039	**Total non-cancellable operating lease commitments**	**8,170**
11,039	**Total commitments**	**8,170**

The accompanying notes form part of these financial statements.

The Ministry's commitments as at 30 June 2026 transferred to the Ministry for Cities, Environment, Regions, and Transport (MCERT) on 1 July 2026.

As part of the MCERT establishment process, the Ministry expects to relocate from its current leased premises before the expiry of the minimum contractual lease term. The relocation is currently expected to occur by 31 December 2026. The operating lease commitment amounts disclosed above include lease payments that may be payable beyond the expected relocation date and up to the contractual expiry of the lease.

The Ministry expects that another government agency will occupy the premises following its relocation. A provision has been recognised for the costs expected to arise from the relocation (see note 11). As at 30 June 2026, the Ministry has assessed that no further onerous obligation will arise from these changes and no contingent recoveries have been offset against the operating lease commitments disclosed above.

Statement of Contingent Liabilities and Contingent Assets

As at 30 June 2026

Unquantifiable contingent liabilities

As at 30 June 2026, the Ministry has no unquantifiable contingent liability (2025 the Ministry is aware of one unquantifiable contingent liability).

Quantifiable contingent liabilities

As at 30 June 2026, the Ministry has no quantifiable contingent liabilities. (2025: $81,000).

Contingent assets

The Ministry has no contingent assets (2025: $nil).

The accompanying notes form part of these financial statements.

Notes to the Departmental Financial Statements

For the year ended 30 June 2026

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1. Statement of Accounting Policies

Reporting entity

The Ministry of Housing and Urban Development (the Ministry) is a government department as defined by section 5 of the Public Service Act 2020 and is domiciled and operates in New Zealand. The relevant legislation governing the Ministry's operations includes the Public Finance Act 1989 (PFA), Public Service Act 2020, and the Urban Development Act 2020. The Ministry's ultimate parent is the New Zealand Crown. The Ministry became part of the new Ministry for Cities, Environment, Regions and Transport (MCERT) on 1 July 2026.

In addition, the Ministry reports on Crown activities that it administers in the non-departmental statements and schedules on page 100-118.

The Ministry's primary objective is to provide leadership across agencies to coordinate the social, economic and environmental aspects of housing and urban development. We are responsible for delivering the Government's housing and urban development programme to end homelessness, make room for growth in our urban centres, and help create thriving communities. The Ministry does not operate to make a financial return.

The Ministry has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting principles (GAAP).

These financial statements of the Ministry are for the year ended 30 June 2026, and the Chief Executive approved them for issue on 30 September 2026.

Disestablishment of the Ministry

In December 2025, the Government confirmed its plans to establish a new Ministry for Cities, Environment, Regions and Transport (MCERT), to support the Government's reforms in housing, transport, urban development and the environment.

The new Ministry will bring together the Ministry for the Environment, the Ministry of Housing and Urban Development, the Ministry of Transport, and local government functions from the Department of Internal Affairs into one new agency.

The disestablishment of the Ministry was given effect through an Order in Council passed on 16 February 2026 which amended the Public Service Act 2020. This allowed for the formal establishment of MCERT on 1 April 2026 and disestablishment of the Ministry on 1 July 2026 which was when staff transferred

As a result, the Ministry's existing functions, assets, liabilities, and appropriations were transferred and amalgamated into MCERT on 1 July 2026. The Ministry of Housing and Urban Development ceased operations at the end of 30 June 2026 and did not undertake any transactions between this date and its disestablishment at the beginning of 1 July 2026. Accordingly, these financial statements represent the final annual report of the Ministry for the year ended 30 June 2026.

Statement of Compliance

The financial statements of the Ministry have been prepared in accordance with the requirements of the Public Finance Act 1989, which includes the requirement to

comply with GAAP, and Treasury Instructions.

The financial statements have been prepared in accordance with and comply with Tier 1 PBE Accounting Standards. The accounting policies set out below have been complied with consistently to all periods presented in the financial statements.

The financial statements were authorised for issue by the Chief Executive for the Ministry for Cities, Environment, Regions and Transport, Jeremy Lightfoot. Mr Lightfoot was appointed on 27 April 2026 and is the Chief Executive MCERT.

Basis of preparation

The financial statements have been prepared on the basis that the Ministry operated as a going concern throughout the reporting year. The accounting policies have been applied consistently throughout the year.

While the Ministry will cease to exist as a separate legal entity from 1 July 2026, its operations and service delivery will continue without material change within MCERT. Accordingly, the accounting policies have been applied consistently throughout the year, and no changes have been made to the recognition and measurement, or presentation of assets and liabilities in these financial statements, as these are expected to be realised or settled in the normal course of operations within MCERT.

Basis of recognition and measurement

The financial statements have been prepared on an accrual basis unless otherwise specified (for example, the Statement of Cash Flows). Under an accrual basis, revenues are recognised when rights to assets are earned rather than when cash is received, and expenses are recognised when obligations are incurred rather than when they are settled. The financial statements have also been prepared on a historical cost basis unless otherwise stated.

For further information on the recognition and measurement of certain items in these financial statements please refer to the relevant note.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars (NZ dollars), and all values are rounded to the nearest thousand dollars ($000). The related party transaction disclosures are rounded to the nearest dollar. The functional currency of the Ministry is New Zealand dollars.

New or amended standards adopted

No new or amended standards and interpretations came into effect during the period that required a change in accounting policies or had a material impact on these financial statements.

Standards issued and not yet effective and not early adopted

Standards and amendments issued but not yet effective and not early adopted are:

- 2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1) The amendment clarifies the principles for classifying a liability as current or non-current. Particularly in relation to loan covenants. The amendment is effective for the year ended 30 June 2027.

The Ministry has not yet assessed in detail the impact of these amendments.

Other changes in accounting policies

There have been no other changes in the Ministry's accounting policies since the date of the last audited financial statements.

Summary of significant accounting policies

Significant accounting policies are included in the notes that they relate to.

Significant accounting policies that do not relate to a specific note are outlined below.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Foreign currency transactions

Foreign currency transactions are translated into $NZ (the functional currency) using the spot exchange rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in surplus or deficit.

Cash and cash equivalents

Cash includes cash on hand and funds in the current accounts on deposit with banks.

The Ministry is permitted to expend its cash and cash equivalents only within the scope and limits of its appropriations.

Goods and Services Tax (GST)

All items in the financial statements, including appropriation statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IR) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from IR, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

The Ministry is a public authority and consequently is exempt from income tax. Accordingly, no charge for income tax has been provided for.

Critical accounting estimates and assumptions

In preparing these financial statements, the Ministry has made estimates and assumptions about the future. These estimates and assumptions might differ from the

subsequent actual results. The Ministry continually evaluates estimates and assumptions, which are based on historical experience and other factors, including expectations of future events that the Ministry believes to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of:

- assessing the useful lives of property, plant and equipment – refer to Note 7; and
- assessing the useful lives of software – refer to Note 8.

Critical judgements in applying accounting policies

There have been no critical judgements in applying accounting policies.

Budgeting and forecasting figures

Basis of the budget and forecast figures

The 2026 budget figures are for the year ended 30 June 2026 and were published in the 2024/25 Annual Report. They are consistent with the Ministry's best estimate financial forecast information submitted to the Treasury for the Budget Economic and Fiscal Update (BEFU) for the year 2025/26.

The revised budget figures are those included in the Supplementary Estimates of Appropriations (Budget) for the year 2025/26.

The budget figures are unaudited and have been prepared using the accounting policies adopted in preparing these financial statements.

Pursuant to section 45BA of the Public Finance Act, forecast financial statements would normally be required to be disclosed. However, due to the disestablishment of the Ministry of Housing and Urban Development no forecast financial statements are presented. Future activities and associated financial information of the new departmental agency will be incorporated in the reporting for the Ministry for Cities, Environment, Regions and Transport.

2. Revenue

Accounting policy

The specific accounting policies for significant revenue items are explained below.

Revenue Crown

Revenue from the Crown is measured based on the Ministry's funding entitlement for the reporting period. Parliament establishes the funding entitlement when it passes the Appropriations Act for the financial year. The amount of revenue recognised takes into account any amendments to appropriations approved in the Appropriation (Supplementary Estimates) Act for the year and certain other unconditional funding adjustments formally approved before the balance date.

There are no conditions attached to the funding from the Crown. However, the Ministry can incur expenses only within the scope and limit of its appropriations.

The fair value of revenue Crown has been determined to be equivalent to the funding entitlement.

Revenue – Department and third party

Revenue earned in exchange for the provision of outputs (products and services) to third parties, is recorded as operating revenue.

Revenue from the supply of services is measured at the fair value of consideration received, recognised on a straight-line basis over the specified period for the services.

Revenue is measured at the fair value of consideration received or receivable.

Breakdown of other revenue and further information

Actual 2025 $000		Actual 2026 $000
	Other revenue	
406	Revenue from departments	102
309	Revenue from third parties	20
715	**Total other revenue**	**122**

3. Personnel costs

Accounting policy

Salaries and wages are recognised as expenses as employees provide services.

Superannuation schemes

Defined contribution schemes

Employer contributions to defined contribution schemes, including contributions to the State Sector Retirement Savings Scheme, KiwiSaver, and the Global Retirement Fund, are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit as incurred.

Breakdown of personnel costs and further information

Actual 2025 $000		Actual 2026 $000
44,683	Salaries and wages	43,508
462	Contract employees	1,188
1,449	Contributions to defined contribution and benefit schemes	1,323
610	Other personnel expenses	346
62	ACC employer contributions	54
(15)	Increase/(decrease) in employee entitlements	224
47,251	**Total personnel costs**	**46,643**

4. Capital charge

The capital charge is recognised as an expense in the period to which the charge relates.

Further information

The Ministry pays a capital charge to the Crown based on its taxpayers' funds, excluding any memorandum accounts as at 30 June of the previous financial year and 31 December of the current financial year. The capital charge rate for the year ended 30 June 2026 was 5.0% (2025: 5.0%).

5. Other operating expenses

Accounting policy

Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

The Ministry leases office premises and laptops, tablets and keyboards. As all the risks and benefits of the ownership are substantially retained by the lessors, these leases are classified as operating leases.

Other operating expenses

Other expenses are recognised as goods and services are received.

Breakdown of other operating expenses and further information

Actual 2025 $000		Actual 2026 $000
	Fees to Auditors:	
321	- fees to Audit New Zealand for audit of financial statements	331
1,969	Consultancy fees	2,274
3,210	Leasing and renting costs	3,266
1,658	Legal fees	520
415	Subscriptions	190
1,721	Professional services	1,352
1,768	Computer operating costs	2,712
-	Grants and subsidies	1,271
1,894	Other operating costs	3,104
12,956	**Total other operating expenses**	**15,020**

6. Trade and other receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL). The Ministry applies the simplified ECL model of recognising lifetime ECLs for short-term receivables.

In measuring ECLs, short-term receivables have been assessed collectively because they share similar credit risk characteristics. They have then been grouped based on the days past due. A provision matrix is then established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Short-term receivables are written off when there are no reasonable expectations of recovery. Indicators that there are no reasonable expectations of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

All debtors are non-interest-bearing, are from exchange revenue (other than monies receivable from the Crown), and are generally settled on the 20th of the month following the date of invoice unless specific legislative terms apply; therefore, the carrying value of trade and other receivables approximates their fair value due to their short-term nature.

Breakdown of trade and other receivables, and further information

Actual 2025 $000		Actual 2026 $000
134	Receivables from departments and Crown entities	360
-	Receivables from third parties	-
-	*Less:* allowance for credit losses	-
134	**Total trade and other receivables**	**360**

Those specific debtors that are insolvent are fully provided for. As at 30 June 2026, the Ministry has identified no insolvent debtors. Receivables from other Government agencies are $360,000 at 30 June 2026 (2025: $134,000). We expect the future cash flows associated with these receivables to be specific. There is minimal uncertainty related to our third-party receivables, and we expect to receive the full amount.

All non-government customers who wish to trade on credit terms are subject to credit verification procedures. Risk limits are set for each individual customer; these risk limits are regularly monitored. In addition, receivable balances are monitored on an ongoing basis, with the result that the Ministry's exposure to bad debts is not significant.

As at 30 June 2026, all overdue receivables have been assessed for impairment and no provisions have been applied.

There have been no changes during the reporting period in the estimation techniques or significant assumptions used in measuring the loss allowance.

7. Property, plant and equipment

Accounting policy

Property, plant and equipment consists of the following asset classes: furniture and office equipment, computer hardware and leasehold improvements.

Property, plant and equipment is shown at cost less accumulated depreciation and impairment losses.

Individual assets are capitalised if their cost is greater than $5,000.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in surplus of deficit.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in surplus or deficit as they are incurred.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, other than work in progress, at rates that will write down the cost of the asset to its estimated residual values over its useful life.

The estimated useful lives of major classes of assets are as follows:

Type of asset	Estimated life (years)	Depreciation Rate
Computer hardware	2 to 3 years	33.3% to 42.6%
Furniture and fittings	5 years	20%
Lease hold improvements	7 to 10 years	6% to 13%

Leasehold improvements are depreciated over the shorter of the unexpired period of the lease or the estimated remaining useful lives of the improvements.
The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each balance date.

Impairment

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount that the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is determined using an approach based on either a depreciated replacement cost approach, a restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

If an asset's carrying amount exceeds its recoverable service amount, the asset is regarded as impaired and the carrying amount is written down to the recoverable service amount.

The total impairment loss and reversal of previously recognised impairments are recognised in surplus or deficit.

Critical accounting estimates and assumptions

Useful lives of property, plant and equipment

At each balance date, the Ministry reviews the appropriateness of the useful lives and residual values of its property, plant and equipment. In making the assessment in respect of each asset, the Ministry needs to consider a number of factors such as its condition, expected period of use by the Ministry and expected disposal proceeds from its future sale. An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the Statement of Comprehensive Revenue and Expenses and carrying amount of the asset in the Statement of Financial Position. The Ministry minimises the risk of this estimation uncertainty by physical inspection of property, plant and equipment, and technological changes.

Breakdown of property, plant, and equipment and further information

Movements for each class of property, plant, and equipment are as follows:

	Computer Hardware $000	Furniture and Fittings $000	Leasehold Improvements $000	Total $000
Cost or valuation				
Balance as at 30 June 2024	**1,434**	**981**	**4,495**	**6,910**
Additions	-	-	-	-
Balance as at 30 June 2025	**1,434**	**981**	**4,495**	**6,910**
Additions	-	-	-	-
Balance as at 30 June 2026	**1,434**	**981**	**4,495**	**6,910**
Accumulated depreciation				
Balance as at 30 June 2024	1,341	687	1,179	3,207
Depreciation charge for the year	16	194	1,899	2,109

Impairment charge for the year	-	-	-	-
Balance as at 30 June 2025	**1,357**	**881**	**3,078**	**5,316**
Depreciation charge for the year	9	79	738	826
Impairment charge for the year	-	-	-	-
Balance as at 30 June 2026	**1,366**	**960**	**3,816**	**6,142**
Carrying amounts				
As at 30 June 2025	**77**	**100**	**1,417**	**1,594**
As at 30 June 2026	**68**	**21**	**679**	**768**

Work in progress

There was no work in progress at 30 June 2026 (2025: $nil).

Change in useful life of leasehold improvements

At 30 June 2026, the Ministry recorded additional depreciation on leasehold improvements of $99,650 to reflect a decrease in the useful life of these assets. (2025: $1,899,000).

8. Intangible assets

Accounting policy

Software acquisition and development

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the costs of services, software development employee costs, and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs of software updates or upgrades are capitalised only when they increase the usefulness or value of the software.

Costs associated with development and maintenance of the Ministry's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each financial year is recognised in surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Type of asset	Estimated life (years)	Depreciation Rate
Acquired computer software	3 years	33.3% to 42.6%
Internally developed computer software	7 years	14.29%

Critical accounting estimates and assumptions

Useful lives of software

The useful life of software is determined at the time the software is acquired and brought into use and is reviewed at each reporting date for appropriateness. For computer software licences, the useful life represents management's view of the expected period that the Ministry will receive benefits from the software for, not exceeding the licence term. For internally generated software that the Ministry developed, the useful life is based on historical experience with similar systems as well as anticipation of future events that might affect the useful life, such as changes in technology.

Breakdown of intangible assets and further information

Movements in the carrying value for each class of intangible asset are as follows:

	Internally Generated
	$000
Cost or valuation	
Balance as at 30 June 2024	**3,750**
Additions	-
Impairment charge for the year	
Balance as at 30 June 2025	**3,750**
Additions	
Impairment charge for the year	-
Balance as at 30 June 2026	**3,750**
Accumulated amortisation	
Balance as at 30 June 2024	**307**
Amortisation charge for the year	519
Balance as at 30 June 2025	**826**
Amortisation charge for the year	518
Balance as at 30 June 2026	**1,344**
Carrying amounts	
As at 30 June 2025	**2,924**
As at 30 June 2026	**2,406**

Restrictions

There are no restrictions over the title of the Ministry's intangible assets, nor are any pledged as security for liabilities.

Work in progress

There was no work in progress at 30 June 2026 (2025: $nil).

Impairment

There was no impairment at 30 June 2026 (2025: Nil).

9. Trade and other payables

Accounting policy

Short-term payables are measured at the amount payable. Payables are not discounted due to the short-term nature of the balance.

Breakdown of trade and other payables and further information

Actual 2025 $000		Actual 2026 $000
	Payables under exchange transactions	
532	Trade and accrued expenses	1,497
	Payables under non-exchange transactions	
678	GST, FBT and PAYE payable	487
1,210	**Total trade and other payables**	**1,984**

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

Short-term payables are measured at the amount payable.

10. Return of operating surplus

The return of any surplus to the Crown is required to be paid by 31 October of each year.

Actual 2025 $000		Actual 2026 $000
3,499	Net surplus	2,578
-	Less retention of underspends	-
3,499	**Total return of operating surplus**	**2,578**

11. Provisions

Accounting policy

A provision is recognised for future expenditure of an uncertain amount or timing when:

- there is a present obligation (either legal or constructive) as a result of a past event;

- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for net deficits from future operating activities.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pretax discount rate based on market yields on government bonds at balance date with terms to maturity that match, as closely as possible, the estimated timing of the future cash outflows. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".
A provision for restructuring is recognised when an approved detailed formal plan for the restructuring has been announced publicly to those affected or implementation has already begun.

Breakdown of provisions and further information

Actual 2025 $000		Restructuring $000	Make-Good $000	Actual 2026 $000
	Current			
1,300	Balance at 1 July	49	115	164
1,405	Provision made during the year	-	741	741
(2,656)	Provision used during the year	(49)		(49)
49	**Total current provisions**	**-**	856	856
	Non-current			
106	Balance at 1 July	-	-	-
9	Provision made during the year	-	-	-
-	Provision used during the year	**-**	-	-
115	**Total non-current provisions**	**-**	-	-
164	**Total provisions**	**-**	856	856

Lease make-good provision

In respect of the lease of 7 Waterloo Quay, the Ministry is required at the expiry of the lease term to make-good any damage caused to the premises and to remove any fixtures or fittings installed by the Ministry. The Ministry has assumed that the option to renew its leases will not be exercised in measuring the provision as it is anticipated to relocate from 7 Waterloo Quay by December 2026 (see Operating Commitments note). An additional provision has been recognised in the current year for payments anticipated from lease-related changes associated with the transfer to MCERT. The provision is now classified as short term and no discounted rate has been applied.

12. Employee entitlements

Accounting policy
Short-term employee entitlements

Employee entitlements that are expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in are measured based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to but not yet taken at balance date, and sick leave.

The Ministry recognises a liability for sick leave to the extent absences in the coming year are expected to be greater than sick leave entitlements earned in the coming year. The amount is calculated based on unused sick leave entitlements that can be carried forward at balance date, to the extent the Ministry anticipates they will be used by staff to cover future absences.

Long-term employee entitlements

Employee entitlements that are not expected to be settled wholly before 12 months after the end of the reporting period that the employees provide the related service in, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on;

- likely future entitlements accruing to employees, based on years of service, years to entitlement, the likelihood that employees will reach the point of entitlement, and contractual entitlements information; and
- the present value of the estimated future cash flows.

Presentation of employee entitlements

Sick leave, annual leave, vested and non-vested long service leave expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

Breakdown of employee entitlements

Actual 2025 $000		Actual 2026 $000
	Current portion	
1,337	Salary and wages	-
2,425	Annual leave	2,626
172	Long service leave	195
119	Sick leave	56
4,053	**Total current employee benefits**	**2,877**
	Non-current portion	
406	Long service leave	416
406	**Total non-current employee benefits**	**416**
4,459	**Total employee entitlements**	**3,293**

13. Equity

Accounting policy

Equity is the Crown's investment in the Ministry and is measured as the difference between total assets and total liabilities. Equity is classified as taxpayers' funds.

Breakdown of equity and further information

Actual 2025 $000		Actual 2026 $000
	Taxpayers' funds	
12,436	Opening balance	12,436
3,499	Net surplus	2,578
-	Capital injections	-
(3,499)	Return of operating surplus to the Crown	**(2,578)**
12,436	**Total equity as at 30 June**	**12,436**

Capital management

The Ministry's capital is its equity, which comprise of taxpayers' funds. Equity is represented by net assets.

The Ministry manages its revenues, expenses, assets, liabilities, and general financial dealings prudently. The Ministry's equity is largely managed as a by-product of managing revenue, expenses, assets, liabilities, and compliance with government budget processes, Treasury instructions and the *Public Finance Act 1989*.

The objective of managing the Ministry's equity is to ensure the Ministry effectively achieves the goals and objectives for which it has been established.

14. Related party transactions

The Ministry is a wholly owned entity of the Crown.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those that it is reasonable to expect the Ministry would have adopted in dealing with the party at arm's length in the same circumstances. Further, transactions with other government agencies (for example, government departments and Crown entities) are not disclosed as related party transactions when they are consistent with the normal operating arrangements between government agencies and undertaken on the normal terms and conditions for such transactions.

Key management personnel compensation

Actual 2025 $		Actual 2026 $
2,081,833	Salaries and other short-term employee benefits	2,203,556
5.4	Full-time equivalent members	5.95

The key management personnel remuneration disclosure includes the Chief Executive and five other members of the Senior Leadership Team (SLT) and those formally acting in these positions during the financial year on a full-time equivalent basis, including contractors.
The above key management personnel disclosure excludes the Minister of Housing. The Minister's remuneration and other benefits are not received only for his role as a member of key management personnel of the Ministry. The Remuneration Authority sets the Minister's remuneration and other benefits under the *Members of Parliament (Remuneration and Services) Act 2013*, and they are paid under permanent legislative authority on behalf of the Crown by the Department of Internal Affairs, not by the Ministry.

15. Events after balance date

On 1 July 2026, the Ministry was disestablished pursuant to legislation establishing the Ministry for Cities, Environment, Regions and Transport (MCERT). The Ministry's functions, powers, responsibilities, assets, liabilities, appropriations, commitments, and contingent liabilities transferred to MCERT on that date.

As a consequence of the disestablishment, these financial statements represent the Ministry's final annual report. The Ministry's activities will continue to be undertaken by MCERT from 1 July 2026. The disestablishment does not affect the financial results or financial position reported as at 30 June 2026.

No other events have occurred after the reporting date that would require adjustment to, or disclosure in, these financial statements.

16. Financial instruments

16A. Financial instruments categories

The carrying amounts of financial assets and financial liabilities in each of the PBE IPSAS 41 *Financial Instruments* categories are as follows:

Actual 2025 $000		Notes	Actual 2026 $000
	Financial assets measured at amortised cost		
12,677	Cash and cash equivalents		8,750
4,136	Debtor Crown		8,436
134	Receivables	6	360

16,947	**Total**		**17,546**
	Financial liabilities measured at amortised cost		
532	Payables	9	1,497
532	**Total**		**1,497**

16B. Financial instrument risks

The Ministry's activities expose it to a variety of financial instrument risks, including market risk, credit risk, and liquidity risk. The Ministry has policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow it to enter into any transactions that are speculative in nature.

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Ministry has no assets or liabilities that are denominated in foreign currency at balance date.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument or the cash flows from a financial instrument will fluctuate due to changes in market interest rates.

The Ministry has no exposure to interest rate risk because it has no interest-bearing financial instruments.

Credit risk

Credit risk is the risk that a third party will default on its obligations causing the Ministry to incur a loss.

In the normal course of our business, the Ministry incurs credit risk from trade debtors and transactions with financial institutions.

These entities have high credit ratings. For its other financial instruments, the Ministry does not have significant concentrations of credit risk.

The Ministry's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments.

Although cash and cash equivalents as at 30 June 2026 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

The Ministry is permitted to deposit funds only with Westpac (which has Standard & Poor's credit rating of AA-), a registered bank. This entity has a high credit rating.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that the Ministry will encounter difficulty raising liquid funds to meet commitments as they fall due.

As part of meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office. The Ministry maintains a target level of available cash to meet liquidity requirements.

Contractual maturity analysis of financial assets and financial liabilities

The table below analyses the Ministry's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years
2025				
Receivables (see Note 6)	134	-	-	-
Debtor Crown	4,136			
Payables (see Note 9)	532	-	-	-
2026				
Receivables (see Note 6)	360	-	-	-
Debtor Crown	8,436			
Payables (see Note 9)	1,497	-	-	-

16C Reconciliation of assets and liabilities arising from financing activities

The table below provides a reconciliation between the opening and closing balances of the repayment of surplus provision at balance date.

Repayment of surplus provision	$000
Balance as at 30 June 2024	**4,095**
Cash flows	
- Surplus repayment	(4,095)
Provision for repayment current year	3,499
Balance as at 30 June 2025	**3,499**
Cash flows	
- Surplus repayment	(3,499)
Provision for repayment current year	2,578
Balance as at 30 June 2026	**2,578**

17. Explanation of major variances against budget

Explanations for major variances from the departmental (original) budget figures are as follows:

Statement of Financial Position

Return of Operating Surplus

Return of operating surplus is $2.6 million higher than budget, as operating surpluses are not budgeted. Any underspends are required to be returned to the Crown.

Current Assets

Total current assets exceeded the Budget by $4.6 million due to larger debtor Crown balances than expected, due to the timing of the repayment of surplus and anticipated asset purchases not being made.

Property Plant and Equipment

Property, Plant, and Equipment is $4.6 million below budget, due to the combined impact of planned capital projects not commencing and a useful life assessment late in 2025 that resulted in accelerated depreciation for the Ministry's leasehold improvements.

Statement of Cash Flows

Payments to suppliers

Payments to suppliers were $1.8 million lower than Budget reflecting lower than Budget operating costs paid primarily due to reduced property inventory sales activity which resulted in reduced consultancy spend, in addition to a higher payables balance at year end.

Payments to employees

Payments to employees were $2.3 million higher than Budget primarily due to prior-year accrued amounts being paid during 2025/26, in addition to all employee-related amounts arising in the current year.

Purchase of intangible assets

Purchase of intangible assets were underspent by $1.1 million due to Enabling Organisation Support Services related system enhancements not happening as planned whilst awaiting the delivery of the Property Provider Management software.

Purchase of property, plant and equipment

Purchase of property, plant and equipment is under budget by $1.4 million, due to forecasted capital works not being required.

Repayment of surplus to the Crown

Repayment of surplus to the Crown was over budget by $3.5 million, as the Ministry does not budget for a surplus at each year end.

Non-departmental statements and schedules

Ngā tauākī pūtea, ngā āpiti anō hoki o tari kē

For the year ended 30 June 2026

The following non-departmental statements and schedules record the revenue, capital receipts, expenses, assets, liabilities, commitments, contingent liabilities and contingent assets that the Ministry manages on behalf of the Crown.

Schedule of Non-Departmental Revenue

For the year ended 30 June 2026

Actual 2025 $000		Actual 2026 $000	Unaudited Budget* 2026 $000
10,904	Land for Housing property sales	34,275	114,453
21,202	Sale of Development Underwritten	-	24,633
2,783	Other revenue	2,006	200
34,889	**Total non-departmental revenue**	**36,281**	**139,286**

Schedule of Non-Departmental Expenses

For the year ended 30 June 2026

Actual 2025 $000		Actual 2026 $000	Unaudited Budget* 2026 $000
1,950,358	Social Housing (see Note 1)	2,192,435	2,192,466
354,178	Transitional housing (see Note 1)	328,924	365,174
35,460	Land for Housing expenses	22,057	125,228
11,243	First Home Grants	-	-
26,760	Shovel-ready projects	9,778	19,740
157,123	Housing Acceleration Fund	172,780	1,048,704
31,852	Māori housing supply	48,099	49,545
1,336	Progressive Home Ownership grants	998	2,000
78,418	Buying off the Plans expenses	46,311	57,114
(49,393)	Loan concession unwind	(74,581)	(66,254)
140,913	Other operating expenses	61,115	450,275
120,633	GST input expense	106,597	142,836
2,858,881	**Total non-departmental operating expenses**	**2,914,513**	**4,386,828**

Note 1 – Refer to other sections in this document: **Our Progress and Statement of Performance**.

*The Statement of Accounting Policies provides explanations of these figures, which are not subject to audit.

Explanations of significant variances against budget are detailed in Note 11. For a complete understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.
The accompanying notes form part of the non-departmental schedules.

Schedule of Non-Departmental Assets

As at 30 June 2026

Actual 2025 $000		Notes	Actual 2026 $000	Unaudited Budget* 2026 $000
	Current assets			
167,757	Cash and cash equivalents		233,950	488,785
27,353	Prepayments	2	53,884	21,650
4,644	Trade and other receivables	3	3,429	78,520
537,132	Inventory	4	612,786	820,889
3,788	Loans receivable	5	13,685	-
740,674	**Total current assets**		**917,734**	**1,409,844**
	Non-current assets			
25,918	Loans receivable	5	16,021	46,375
428,541	Prepayments	2	612,976	772,355
39,000	Property, plant and equipment	6	39,000	129,893
1,074,681	Investment in Crown entity		1,386,699	1,483,499
1,568,140	**Total non-current assets**		**2,054,696**	**2,432,122**
2,308,814	**Total non-departmental assets**		**2,972,430**	**3,841,966**

*The Statement of Accounting Policies provides explanations of these figures which are not subject to audit.

The Ministry monitors two Crown entities:

- **Kāinga Ora – Homes and Communities** (previously known as Housing New Zealand Corporation). The Crown's investment in the entity is consolidated in the Financial Statements of the Government on a line-by-line basis. The net investment in this entity is included in this schedule
- **Tāmaki Regeneration Company.** The Crown's investment in the entity is consolidated in the Financial Statements of the Government on a line-by-line basis. Previously the appropriation for equity injections to Tāmaki Regeneration Company was administered by Vote Finance. From 1 July 2023, the equity injections to the Tāmaki Regeneration Company are administered by Vote Housing and Urban Development, and a new appropriation within this Vote was set up accordingly. The net investment in this entity has been included in this schedule from 1 July 2023.

Explanations of significant variances against budget are provided in Note 11.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the

Government for the year ended 30 June 2026.

The accompanying notes form part of the non-departmental schedules.

Schedule of Non-Departmental Liabilities

As at 30 June 2026

Actual 2025 $000		Notes	Actual 2026 $000	Unaudited Budget* 2026 $000
	Current liabilities			
169,960	Trade and other payables	7	84,140	287,997
5,607	Deferred revenue		5,615	5,433
109	Loan commitments	8	109	-
175,676	**Total current liabilities**		**89,864**	**293,430**
	Non-current liabilities			
146,613	Loan commitments	8	72,032	62,848
146,613	**Total non-current liabilities**		**72,032**	**62,848**
322,289	**Total non-departmental liabilities**		**161,896**	**356,278**

*The Statement of Accounting Policies provides explanations of these figures which are not subject to audit.

Explanations of significant variances against budget are provided in Note 11.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.

The accompanying notes form part of the non-departmental schedules.

Schedule of Non-Departmental Commitments

As at 30 June 2026

The Ministry, on behalf of the Crown, has the following operating lease commitments:

Actual 2025 $000		Actual 2026 $000
	Non-cancellable operating lease commitments	
2,226	Not later than one year	-
-	Later than one year and not later than five years	-
-	Later than five years	-
2,226	**Total non-cancellable operating lease commitments**	**-**

Capital commitments

The Ministry, on behalf of the Crown, has no non-cancellable capital commitments as at 30 June 2026 (2025: $nil).

Contingent rents

During the 2025/26 year, the Ministry on behalf of the Crown paid $301 million in contingent rents relating to contractual arrangements with social housing providers to provide Income Related Rent Subsidies (2025: $270 million). These are considered contingent rents on the basis that there are many uncertain factors that affect the amount of subsidy that the Crown contributes, and these factors depend on the tenant's personal situation at any point in time including their income, employment and living situation.

The Ministry on behalf of the Crown has right to renewal in its social housing contracts up to the terms dictated in the contract. At this time, if a new contract/extension is not entered into, then the services are no longer to be provided and payments will cease.

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.

The accompanying notes form part of these non-departmental schedules.

Schedule of Non-Departmental Contingent Liabilities and Contingent Assets

As at 30 June 2026

Unquantified contingent liabilities

The Ministry, on behalf of the Crown, has no unquantifiable contingent liabilities (2025: $nil).

Contingent liabilities

The Ministry, on behalf of the Crown, has no quantifiable contingent liabilities (2025: $nil).

Contingent assets

The Ministry, on behalf of the Crown, has no contingent assets (2025: $nil).

For a full understanding of the Crown's financial position and the results of its operations for the year, refer to the consolidated Financial Statements of the Government for the year ended 30 June 2026.

The accompanying notes form part of these non-departmental schedules.

Notes to the Non-Departmental Schedules

For the year ended 30 June 2026

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1. Statement of Accounting Policies

Reporting entity

These non-departmental schedules and statements present financial information on public funds that the Ministry manages on behalf of the Crown.

These non-departmental balances are consolidated into the Financial Statements of the Government for the year ended 30 June 2026. For a full understanding of the Crown's financial position, results of operations, and cash flows for the year, reference should also be made to the Financial Statements of the Government for the year ended 30 June 2026.

Basis of preparation

The non-departmental statements and schedules have been prepared in accordance with the accounting policies of the consolidated Financial Statements of the Government, Treasury Instructions, and Treasury Circulars.

Measurement and recognition rules applied in the preparation of these non-departmental statements and schedules are consistent with generally accepted accounting principles (Public Benefit Entity Accounting Standards) as appropriate for public benefit entities.

Presentation currency and rounding

The non-departmental statements and schedules are presented in New Zealand dollars (NZ dollars) and all values are rounded to the nearest thousand dollars ($000) unless otherwise stated. The functional currency of the Ministry of Housing and Urban Development is New Zealand dollars.

New or amended standards adopted

Standards and amendments issued but not yet effective and not early adopted are:

- **2024 Omnibus Amendments to PBE Standards – Part C**
  This amendment clarifies the principles for classifying a liability as current or non-current, particularly in relation to loan covenants. The amendment is effective for the year ended 30 June 2027.
  The Ministry has not yet assessed in detail the impact of this standard.
- **Other changes in accounting policies**
  There have been no other changes in the Ministry's accounting policies since the date of the last audited financial statements.
- **Summary of significant accounting policies**
  Significant accounting policies are included in the notes that they relate to.
- Significant accounting policies that do not relate to a specific note are outlined below.

Revenue

Revenue from sales of land not designated for First Home Buyers

Revenue is measured at the fair value of consideration received and receivable. Exchange revenue is comprised mainly of sales of KiwiBuild properties designated for

first home buyers. It is recognised at the point where all the conditions of the sale have been satisfied.

For land not designated for KiwiBuild first home buyers, revenue is recognised at the time the title transfers to the developer as this is when all conditions have been met.

Revenue from sales of land and dwellings designated for KiwiBuild properties

Revenue is measured at the fair value of consideration received and receivable. Exchange revenue is comprised mainly of KiwiBuild land and dwellings, which are recognised at the point where all the conditions of the sale have been satisfied.

For land designated for KiwiBuild properties, the final condition is the act of on selling a KiwiBuild property to a first home buyer, only then can the land be recognised as revenue.

Revenue from sales of Developments Underwritten

Revenue from sales of developments underwritten is recognised when the significant risks and rewards of ownership have transferred to the purchaser, which is typically at the point of settlement. These transactions arise where the Ministry underwrites residential developments to support housing supply and market confidence.

Revenue is measured at the fair value of the consideration received or receivable. The Ministry assesses whether the transaction meets the definition of an exchange transaction under PBE IPSAS 9. Where the Ministry takes title to a dwelling under an underwrite agreement and subsequently sells the property, revenue is recognised upon the sale to the end purchaser, provided all conditions of sale have been satisfied.

Where the Ministry does not take title but instead provides a financial guarantee or shortfall payment to the developer, no revenue is recognised. Instead, any payments made are treated as expenses in accordance with the terms of the underwrite agreement.

Inventories held for sale under these arrangements are measured at the lower of cost and net realisable value. Any write-downs to net realisable value are recognised in the surplus or deficit in the period in which they occur.

Interest unwind

The interest unwind reflects the increase in the present value of loans and other receivables as the period to expected repayment reduces. The interest unwind is calculated using the discount rate at the start of the financial year.

Grant expenditure

Non-discretionary grants

These grants are awarded if the grant application meets the specified criteria. They are recognised as an expense when an application that meets the specified criteria for the grant has been received. The Ministry's non-discretionary grants have no substantive conditions (that is, use for restricted purposes or repay).

Discretionary grants

These are grants where the Ministry has no obligation to award on receipt of the grant application.

For discretionary grants without substantive conditions, the total committed funding over the life of the funding agreement is recognised as an expense when the grant is approved and the approval has been communicated to the applicant.

Grants with substantive conditions are recognised as an expense at the earlier of the grant payment date or when the grant conditions have been satisfied.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash in transit, and funds held in bank accounts administered by the Ministry. All cash held in bank accounts is held in on demand accounts and no interest is payable to the Ministry.

Commitments

As part of delivering Social Housing activity, the Crown enters into arrangements with Community Housing Providers (CHPs) for long term arrangements to use properties for Social Housing purposes and these are deemed to be operating leases under PBE IPSAS 13 Leases as they are cancellable and contingent on future events.

The payment to CHPs is made up of Income Related Rent Subsidy, which have been deemed to be contingent rents as the future obligating event is the property being occupied by a suitable tenant and therefore these are not included in the calculation of the minimum lease payments within PBE IPSAS 13.

Future expenses and liabilities to be incurred on non-cancellable contracts that have been entered into at balance date are disclosed as commitments to the extent there are equally unperformed obligations.

In addition, the contracts do not include any right to purchase the properties upon completion of the contract terms.

The upfront development contributions paid to the CHP in certain circumstances have been recognised as prepayments and are to be amortised over the life of the contract, beginning on the date the property is first tenanted.

Goods and Services Tax (GST)

All items in the non-departmental statements and schedules, including Appropriation Statements, are stated exclusive of GST, except for receivables and payables, which are stated on a GST-inclusive basis. GST is returned on revenue received on behalf of the Crown, where applicable. However, an input tax deduction is not claimed on non-departmental expenditure. Instead, the amount of GST applicable to non-departmental expenditure is recognised as a separate expense in the Schedule of Non-Departmental Expenses and is eliminated against GST revenue on consolidation of the Financial Statements of Government.

Critical judgements in applying accounting policies

Management has exercised the following critical judgements in applying accounting policies:

- Loans receivables – Land for Housing Loans and Community Housing Providers Loans (see Note 5).

Budget figures

The 2026 budget figures are for the year ending 30 June 2026 and are consistent with the best estimate financial information submitted to the Treasury for the BEFU for the year ending 30 June 2026.

2. Prepayments

Accounting policy

Prepayments are recorded at the amount paid by the Ministry to service providers, recognising that such payments convey obligations that span up to 25 years. The prepayments are amortised over the term of the obligations.

Breakdown of prepayments and further information

Actual 2025 $000		Actual 2026 $000
4,078	Social Housing prepayments – current	3,950
72,360	Social Housing prepayments – non-current	66,890
20,467	Upfront payments – current	49,933
358,989	Upfront payments – non-current	546,087
455,894	**Total prepayments**	**666,860**

3. Trade and other receivables

Accounting policy

Short-term receivables are recorded at the amount due, less an allowance for credit losses. The Ministry applies the simplified expected credit loss model of recognising lifetime expected credit losses for receivables. Impairment of a receivable is established where there is objective evidence that the Crown will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into insolvency, bankruptcy, receivership, or liquidation, and default in payments are considered indicators that the receivable is impaired. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted using the Treasury discount rates. The carrying amount is reduced through the use of a provision for doubtful debts account, and the amount of the loss is recognised in the Schedule of Non-Departmental Expenses.

When a debt is uncollectable, it is written off against the provision for doubtful debts. Overdue receivables that are renegotiated are reclassified as current (i.e., not past due).

The carrying value of debtors and other receivables approximates their fair value.

Breakdown of trade receivables and further information

Actual 2025 $000		Actual 2026 $000
-	Debtor balances due from related parties	3,422
4,644	Debtors from non-related parties	7
4,644	**Total trade and other receivables**	**3,429**

4. Inventory

Accounting policy

These parcels of land are deemed current assets on the basis that they are intended to be bought and sold within 12 months. Land is usually held as property, plant and equipment until the land is able to be sold, then it is transferred to inventory. Inventories are measured at the lower of cost and net realisable value.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

The amount of any write-down for the loss of service potential or from cost to net realisable value is recognised in the surplus or deficit in the year of the write-down.

Revaluations

The Ministry reviews the carrying amount of its inventory annually, to ensure that it does not differ materially from its net realisable value. If there is a material difference, then its carrying amount is adjusted accordingly.

Land, which is subject to a signed development agreement, is not reassessed as its purchase price is deemed its fair value. Additions between revaluations are initially recorded at cost.

The frequency of valuations, unless indicators suggest there has been significant movement in the market, are largely driven by the last valuation date:

- if the last valuation was performed 12 months or less, no valuation is required
- if the last valuation performed was between 13-35 months, a desktop valuation is required
- a valuation is required if the last valuation date was 36 months or more.

However, if market indicators suggest the market has moved significantly then the Ministry on behalf of the Crown will perform an out of cycle revaluation.

Breakdown of inventories and further information

Actual 2025 $000		Actual 2026 $000
509,019	Land intended for sale	566,849
28,113	Dwellings held for sale	45,937
537,132	**Total inventory**	612,786

The Ministry has acquired development sites, all of which have been gazetted under section 2A of the Housing Act 1955 for the relevant financial year. No inventories are pledged as security for liabilities.

KiwiBuild inventories with carrying value of $76.4 million were transferred to the Ministry from Kāinga Ora on 1 July 2025.

There were write-downs of inventories of $7.4 million during the period (2025: $20.1) and there were no reversals of write-downs/adjustments (2025: $2.6 million).

The total amount of inventories recognised as an expense during the period was $18.5 million, including the write-down above (2025: $47.9 million).

As at 30 June 2026, no inventories are pledged as security for liabilities (2025: $nil).

5. Loans receivable

Accounting policy

Loans offered at nil, or below-market, interest rates are initially recognised at the present value of their expected future cash flows, discounted using a rate for loans of a similar term and credit risk.

They are subsequently measured at fair value through the profit and loss.

Critical judgements in applying accounting policies

The measurement of these loans requires significant estimates of when the loan proceeds are expected to be collected, the amount that will be collected, and the discount rate to apply to the initial measurement of the receivable. The Ministry considers the contractual terms of the loans and past collection experience in estimating the recoverability of the loans.

Breakdown of loans receivable and further information

Actual 2025 $000		Actual 2026 $000
30,825	Nominal value	29,706
(1,119)	Write-down on initial recognition, impairment, and other fair value changes	-
29,706	**Total loans**	**29,706**
	By maturity	
3,788	Expected to be repaid within one year	13,685
25,918	Expected to be outstanding for more than one year	16,021
29,706	**Total loans**	**29,706**
	Movement during the year	
30,825	Opening balance	29,706
-	Initial write-down to fair value	-
-	Repayments	-

-	Interest unwind	-
(1,119)	Adjustment to face value of drawdowns	-
29,706	**Closing balance loans**	29,706

The Crown lends funds to iwi and private developers to facilitate the first stages of land development under the Land for Housing Programme.

At 30 June 2026, there were three signed loan agreements against two Auckland-based developments at Kerrs Road, Wirihana, and Hospital Road, and one Wellington-based development at Victoria Quarter.

These Land for Housing loans are offered at interest-free terms between five and nine years. Upon settlement, the loans will be repaid in full through the sales price of the land.

On day one, when both parties sign the loan agreements, these loans are immediately written down to their fair value. They are subsequently measured at fair value through profit and loss.

Fair value is the amount for which the loans could be exchanged between knowledgeable, willing parties on an arm's-length basis.

Fair value on initial recognition of these loans is determined by projecting forward estimated repayments from borrowers under the scheme and discounting them back at an appropriate discount rate.

Sensitivity analysis

The following table outlines the sensitivity of loans fair value of loans to discount rates:

Actual 2025 $000		Actual 2026 $000
(752)	Impact on fair value of a 1% increase in discount rate	(1,332)
574	Impact on fair value of a 1% decrease in discount rate	1,177

6. Property, plant, and equipment

Accounting policy

Property, plant, and equipment consists entirely of land held by the Crown that is not intended for immediate sale as inventory. Land is measured at fair value, which includes all incumbrances over land that the Crown holds.

Individual assets or groups of assets are capitalised if their cost is greater than $5,000.

Revaluations

Land is revalued with sufficient regularity to ensure that the carrying amount does not differ materially from fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from fair value. If there is a material difference, then the off-cycle asset classes are revalued. For land, fair value is determined on a class of asset basis.

Additions between revaluations are initially recorded at cost.

If market indicators suggest the market has moved significantly, then the Ministry, on behalf of the Crown, will perform an out-of-cycle revaluation.

The net revaluation results are accumulated to an asset revaluation reserve in equity for that class of asset.

Additions

The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Crown and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the disposal proceeds with the carrying amount of the asset. Gains and losses on disposals are included in surplus or deficit. When a revalued asset is sold, the amount included in the property revaluation reserve in respect of the disposed asset is transferred to the taxpayers' funds.

Depreciation

There is currently no depreciation charged on property, plant, and equipment as the entire balance consists of land.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Ministry and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant, and equipment are recognised in surplus or deficit as they are incurred.

Impairment

Property, plant, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable service amount. The recoverable service amount is the higher of an asset's fair value less costs to sell and value in use.

For revalued assets, the impairment loss is recognised in the Schedule of Non-Departmental Expenses and decreases the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in surplus or deficit. For assets not carried at a revalued amount, the total impairment loss is recognised in surplus or deficit.

The reversal of an impairment loss on a revalued asset is recognised in the Schedule of Non-Departmental Revenue and increases the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of an impairment loss is also recognised in surplus or deficit.

For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in surplus or deficit

Breakdown of property, plant and equipment and further information

	Land $000	Actual $000
Cost or valuation		
Balance as at 30 June 2024	**39,000**	**39,000**
Additions	-	-
Disposals	-	-
Revaluation		
Balance as at 30 June 2025	**39,000**	**39,000**
Additions	-	-
Disposals	-	-
Revaluation	-	-
Balance as at 30 June 2026	**39,000**	**39,000**
Accumulated depreciation		
Balance as at 1 July 2024	-	-
Depreciation charge for the year	-	-
Eliminate on disposal	-	-
Balance as at 30 June 2025	**-**	**-**
Depreciation charge for the year	**-**	**-**
Eliminate on disposal	-	-
Balance as at 30 June 2026	-	-
Carrying amounts		
As at 30 June 2025	39,000	39,000
As at 30 June 2026	**39,000**	**39,000**

The sole item of property, plant and equipment is the land at 545-561 Oruarangi Road, Mangere, Auckland (Ihumātao).

Impairment

There has been no impairment to property, plant and equipment during the financial year.

The most recent valuation of land and buildings was performed by an independent registered valuer, Extensor Advisory Ltd. The valuation is effective as at 30 June 2026. Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the "unencumbered" land value where there is a designation against the land, or the use of the land is restricted because of reserve or endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely. Restrictions on the Ministry's ability to sell land would normally not impair the value of the land because the Ministry has operational

use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

7. Trade and other payables

Accounting policy

Short-term payables are measured at the amount payable. Payables are not discounted due to the short-term nature of the balance.

Breakdown of trade and other payables

Actual 2025 $000		Actual 2026 $000
	Payables under exchange transactions	
1,609	Trade payables	15,364
168,278	Accrued expenses	68,319
	Payables under non-exchange transactions	
73	GST payable	457
169,960	**Total payables**	**84,140**

Trade payables and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of trade and other payables approximates their fair value.

8. Loan commitments

Accounting policy

Loan commitments relate to the initial write-down of the Ministry's interest concession. These commitments are initially measured at fair value when the contractual terms of the lending facility are agreed.

The Ministry exercises judgement in determining the timing of recognition for loan commitment liabilities and associated concessionary expenses. These are recognised upon signing of the loan agreement, as the Ministry considers there are no substantive preconditions to be met by the borrower prior to drawdown.

Fair value is determined by discounting expected future cash flows using a market rate of interest for a comparable loan without concessionary terms.

Subsequently, loan commitments are measured at the higher of:

- the loss allowance determined in accordance with applicable impairment requirements
- the amount initially recognised, less cumulative amortisation in accordance with PBE IPSAS 9.

The Ministry measures the loss allowance for these commitments at an amount equal to the 12-month expected credit losses, provided there has not been a significant

increase in credit risk since initial recognition. If credit risk has increased significantly, the loss allowance is measured based on lifetime expected credit losses.

For the year ended 30 June 2026, the Ministry assessed that there has been no significant increase in credit risk for its loan commitments. Accordingly, no loss allowance has been recognised (2025: Nil). This assessment is based on the absence of historical defaults and no material changes in the credit profile of borrowers.

While the Ministry recognises loan commitments for Progressive Home Ownership (PHO) and Housing Infrastructure Fund (HIF) loans in its non-departmental schedules, the corresponding loan assets are not recognised by the Ministry.

These loans are disbursed directly by the New Zealand Debt Management Office (NZDMO) and are recorded in the Treasury's non-departmental financial statements, reflecting the appropriation structure under which Treasury holds the appropriation for the loans.

Upon drawdown, the Ministry derecognises the corresponding portion of the loan commitment liability. As the loan asset is not recognised by the Ministry, derecognition is accounted for through a pro-rata reversal of the initial expense and liability. The Ministry does not recognise the loan asset or related cash flows, as these are managed and recorded by NZDMO.

Breakdown of loan commitments

Actual 2025 $000		Actual 2026 $000
86,219	Progressive Home Ownership loans	64,238
109	Land for Housing loans	109
60,394	Housing Infrastructure Fund loans	7,794
146,722	**Total loan commitments**	**72,141**

9. Events after balance date

On 1 July 2026, responsibility for administering the Crown activities and appropriations reported in these non-departmental schedules transferred from the Ministry of Housing and Urban Development to the Ministry for Cities, Environment, Regions and Transport (MCERT) following the establishment of MCERT and the disestablishment of the Ministry.

10. Financial instruments

10A. Financial instrument categories

The carrying amounts of financial assets and financial liabilities in each of the PBE IPSAS 41 categories are as follows:

Actual 2025 $000		Notes	Actual 2026 $000
	Financial assets measured at amortised cost		
167,757	Cash and cash equivalents		233,950
4,644	Trade and other receivables	3	3,429
29,706	Loans receivables	5	29,706
202,107	**Total**		**267,085**
	Financial liabilities measured at amortised cost		
169,887	Trade and other payables	7	83,683
169,887	**Total**		**83,683**

10B. Fair value hierarchy

For those instruments recognised at fair value in the Statement of Financial Position, fair values are determined according to the following hierarchy:

- quoted market price (level 1) – financial instruments with quoted prices for identical instruments in active markets
- valuation technique using observable inputs (level 2) – financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where significant inputs are observable
- valuation techniques with significant non-observable inputs (level 3) – financial instruments valued using models where one or more significant inputs are not observable.

There were no transfers between the different levels of the fair value hierarchy.

In the year ending 30 June 2026, loan commitments are not required to be disclosed, as such loan commitments have been removed from the financial instrument categories.

10C. Financial instruments risks

Market risk

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Ministry has no assets or liabilities that are denominated in foreign currency at balance date.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument or the cash flows from a financial instrument will fluctuate due to changes in market interest rates.

The Ministry has no exposure to interest rate risk because it has no interest-bearing financial instruments.

Credit risk

Credit risk is the risk that a third party will default on its obligations causing the Ministry to incur a loss.

In the normal course of our business, the Ministry incurs credit risk from trade debtors and transactions with financial institutions.

These entities have high credit ratings. For its other financial instruments, the Ministry does not have significant concentrations of credit risk.

The Ministry's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents and receivables. There is no collateral held as security against these financial instruments.

The Ministry does not consider credit risk to be relevant for loan commitments, as the actual loan assets are recorded by the Treasury in its non-departmental schedules. Refer to note 8 for more details

Although cash and cash equivalents as at 30 June 2026 are subject to the expected credit loss requirements of PBE IPSAS 41, no loss allowance has been recognised because the estimated loss allowance for credit losses is trivial.

The Ministry is permitted to deposit funds only with Westpac (a Standard & Poor's credit rating of AA-), a registered bank. This entity has a high credit rating.

Liquidity risk

Management of liquidity risk

Liquidity risk is the risk that the Ministry will encounter difficulty raising liquid funds to meet commitments as they fall due.

As part of meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from the New Zealand Debt Management Office (NZDMO). The Ministry maintains a target level of available cash to meet liquidity requirements.

Liquidity risk associated with loan commitments is considered a wider Crown exposure, as the loans are distributed by NZDMO. The Ministry does not manage the liquidity for these disbursements directly.

Contractual maturity analysis of financial assets and liabilities

The table below analyses the Ministry's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years	Over 5 years
2025				
Trade and other receivables (see Note 3)	4,644	-	-	-
Loans receivable (see Note 5)	-	3,788	15,513	10,404
Trade and other payables (see Note 7)	(169,887)	-	-	-
Loan Commitments (see note 8)		(109)		(146,613)
2026				
Trade and other receivables (see Note 3)	3,429	-	-	-
Loans receivable (see Note 5)	-	13,685	16,021	-
Trade and other payables (see Note 7)	(83,683)	-	-	-
Loan Commitments (see note 8)	-	(109)	-	(72,032)

11. Explanation of major variances to budget

Explanations for major variances from the non-departmental budget figures are as follows:

Land for Housing Property Sales

Land for Housing Property Sales was under budget by $80 million reflecting lower than planned land sales under the Land for Housing programme due to depressed housing market conditions driven by slow house price growth.

Land for Housing Expenses

Was underspent by $103 million compared with Budget because lower than forecast sales resulted in slower inventory turnover and consequently, fewer inventory purchases than budgeted.

Housing Acceleration Fund

Was underspent by $875 million compared with budget. This is largely due to the Infrastructure Acceleration Fund component of the fund. Following decisions arising from the Independent Review of Kāinga Ora and the Turnaround Plan, Cabinet agreed to transfer administration of the fund from Kāinga Ora to National Infrastructure Funding and Financing Limited (NIFFCo). As part of the transition, NIFFCo completed a review of all IAF projects and revised the delivery pipeline. Payments will therefore be made in later years as the agreed project milestones are achieved.

Other operating expenses

Was underspent by $389 million due to Kāinga Ora Land programme underspend of $198 million following Government's decision to cancel the programme and a $114 million underspend in the KiwiBuild programme arising from delays programme delivery due to slower-than-anticipated progress on project milestones and property transactions.

Cash and Cash Equivalents

At 30 June 2026, cash and cash equivalents were $255 million less than budgeted, primarily because inventory purchases expected to be settled through deferred settlement arrangements did not occur during the year.

Inventory

At 30 June 2026, inventory was $208 million lower than budgeted, due to fewer inventory purchases than expected driven by low sales.

Trade and other payables

At 30 June 2026, trade and other payables were $204 million lower than budgeted reflecting both the Ministry's focus on achieving faster payment times to suppliers in line with the Government's directive to pay 90% of invoices within 10 working days and lower year-end outstanding balances resulting from the timing of social housing payment cycles.

Appropriation statements

He tauākī whiriwhiri

The following statements report information about the expenses and capital expenditure incurred against each appropriation that the Ministry administers for the year ended 30 June 2026. They are prepared on a GST-exclusive basis.

Statement of Cost Accounting Policies

The Ministry has determined the cost of outputs using the cost allocation system outlined below.

There have been no changes in cost accounting policies since the date of the last audited financial statements.

Departmental costs

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be attributed to a specific output in an economically feasible manner. Direct costs are those costs directly attributed to an output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on cost drivers and related activity or usage information. Depreciation and capital charge are charged on the basis of asset utilisation. Personnel costs are charged on the basis of actual time incurred. Property and other premises costs, such as maintenance, are charged on the basis of floor area occupied for the production of each output. Other indirect costs are assigned to outputs based on the proportion of direct staff costs for each output.

Non-departmental costs

All non-departmental costs are direct costs.

Statement of Budgeted and Actual Expenses and Capital Expenditure Incurred Against Appropriations

For the year ended 30 June 2026

Annual and permanent appropriations for the Ministry of Housing and Urban Development

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
	Vote Housing and Urban Development			
	Departmental multi-category expenses and capital expenditure			
64,861	***Managing the Housing and Urban Development Portfolio MCA***	**63,891**	**66,347**	Section B
32,647	- Policy Advice and Ministerial Servicing	40,691	34,459	Section B
26,868	- Management of Housing Provision and Services	21,160	28,963	Section B
5,346	- Facilitating the purchase and redevelopment of land for housing purposes	2,040	2,925	Section B
64,861	**Total departmental output expenses**	**63,891**	**66,347**	
	Departmental capital expenditure			
-	Capital expenditure PLA	-	2,551	Section B
-	**Total departmental capital expenditure PLA**	**-**	**2,551**	
	Non-departmental output expenses			
49,721	Kāinga Ora – Homes and Communities	6,956	20,904	Annual Report for Kāinga Ora – Homes and Communities
25,323	Contracted Emergency Housing accommodation and services	5,702	6,112	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
5,585	Local Innovations and Partnerships	2,688	4,803	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
1,336	Support Services to increase home ownership	998	5,500	Minister of Housing's Report on Vote

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
				Housing and Urban Development Non-Departmental Appropriations
8	Management of Crown Properties held under the Housing Act 1955	-	-	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
81,973	**Total non-departmental output expenses**	**16,344**	**37,319**	
	Benefits or related expenses			
11,243	First Home Grants	-	-	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
11,243	**Total benefits or related expenses**	**-**	**-**	
	Non-departmental other expenses			
120	Housing Assistance	227	789	Annual Report for Kāinga Ora – Homes and Communities
120	**Total non-departmental other expenses**	**227**	**789**	
	Non-departmental capital expenditure			
-	Refinancing of Crown loans to Kāinga Ora – Homes and Communities	284,717	284,717	Annual Report for Kāinga Ora – Homes and Communities
5,113	Land purchase within the Housing Agency Account	2,829	3,915	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
5,113	**Total non-departmental capital expenditure**	**287,546**	**288,632**	
	Non-departmental multi-category expenses and capital expenditure			

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
27,574	***Amortisation of Upfront Payments MCA***	**35,777**	**80,363**	Section B
	Non-departmental other expenses			
1,753	Amortisation of Upfront Payments – Affordable Housing Fund	5,487	15,139	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
670	Amortisation of Upfront Payments – Community Housing Providers – Early-Stage Operating Supplement	1,519	3,772	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
20,793	Amortisation of Upfront Payments – He Kūkū ki te Kāinga	23,410	52,152	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
280	Amortisation of Upfront Payments – Māori Infrastructure Fund	1,283	4,336	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
4,078	Amortisation of Upfront Payments – Social Housing Upfront Capital Payments	4,078	4,162	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
-	Amortisation of Upfront Payments – Transitional Housing Providers	-	802	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
28,336	***Housing Programme Fair Value Impairment Loss and Inventory Disposal MCA***	**11,546**	**209,704**	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
	Non-departmental other expenses			
21,202	Sale of Developments Underwritten – Costs	-	24,633	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
7,134	Sale of Land and Dwellings – Costs	11,546	49,251	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
	Non-departmental capital expenditure			
-	Land for Housing – Deferred Settlements	-	135,820	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
1,980,322	***Social Housing MCA***	**2,197,316**	**2,198,266**	Section B
	Non-departmental output expenses			
21,595	Community Group Housing Market Rent Top-Up	13,891	13,891	Section B
1,844,204	Purchase of Social Housing Provision	2,066,402	2,077,595	Section B
106,154	Services for People in Need of or at risk of Needing Social Housing	108,803	96,576	Section B
539	Services Related to the Provision of Social Housing	476	300	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
	Non-departmental other expenses			
3,306	Community Housing Rent Relief	2,863	4,104	Section B
	Non-departmental capital expenditure			
4,524	Acquisition and Improvement of Community Group Housing Properties	4,881	5,800	Section B

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
354,178	***Transitional Housing MCA***	**328,924**	**355,027**	Section B
	Non-departmental output expenses			
180,470	Provision of Transitional Housing Places	151,487	159,973	Section B
173,708	Transitional Housing Services	177,437	195,054	Section B
138,323	***Upfront Payments MCA***	**241,004**	**322,715**	Section B
	Non-departmental capital expenditure			
49,374	Affordable Housing Fund – Prepayment of Grants	45,012	58,900	Section B
9,638	Community Housing Providers – Early-Stage Operating Supplement	41,195	53,234	Section B
63,494	He Kūkū ki te Kāinga – Increasing Māori Housing Supply – Prepayment of Upfront Funds	96,528	170,547	Section B
15,817	Māori Infrastructure Projects – Prepayment of Upfront Funds	57,371	32,013	Section B
-	Transitional Housing Providers – Prepayment of Upfront Funds	898	8,021	Section B
2,528,733	**Total multi-category expense and capital expenditure**	**2,814,567**	**3,166,075**	
2,692,043	**Total annual and permanent appropriations**	**3,182,575**	**3,561,713**	

Details of Multi-Year Appropriations

Land for Housing Programme MYA

On 1 July 2022, a multi-year appropriation, Land for Housing Programme, was established in Vote Housing and Urban Development, non-departmental output expenses for the development of affordable homes through the acquisition and provision of land. This appropriation expires on 30 June 2027.

Appropriation for non-departmental output expense: Land for Housing Programme	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	294,218	294,218	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	116,081	116,081	
Adjusted total appropriation	**410,299**	**410,299**	
Cumulative actual expenditure at 1 July	74,335	74,335	
Current year actual expense	6,307	335,964	
Cumulative actual expenditure at 30 June	**80,642**	**410,299**	

Appropriation remaining at 30 June	**329,657**	**-**

Operating the Land for Housing Programme MYA

On 1 July 2022, a multi-year appropriation, Operating the Land for Housing Programme, was established in Vote Housing and Urban Development, non-departmental output expenses to cover holding costs incurred as a result of the land held during the development of affordable homes under the Land for Housing Programme. This appropriation expires on 30 June 2027.

Appropriation for non-departmental output expense: Operating the Land for Housing Programme	**Actual** **2026** **$000**	**Approved appropriation** **2026** **$000**	**Location of End-of-Year Performance Information**
Opening appropriation	7,000	7,000	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
Adjustment to appropriation	15,187	15,187	
Adjusted total appropriation	**22,187**	**22,187**	
Cumulative actual expenditure at 1 July	12,598	12,598	
Current year actual expense	4,007	5,836	
Cumulative actual expenditure at 30 June	**16,605**	**18,434**	
Appropriation remaining at 30 June	**5,582**	**3,753**	

Land for Housing Operations MYA

On 1 July 2021, a multi-year appropriation, Land for Housing Operations, was established in Vote Housing and Urban Development, non-departmental other expenses for operating expenditure incurred in the facilitation, acquisition, and development of land and residential properties, through the Land for Housing Programme. This appropriation expires on 30 June 2026, and a new appropriation has been set up effective 1 July 2026.

Appropriation for non-departmental other expenditure: Land for Housing Operations	**Actual** **2026** **$000**	**Approved appropriation** **2026** **$000**	**Location of End-of-Year Performance Information**
Opening appropriation	50,000	50,000	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
Adjustment to appropriation	55,877	55,877	
Adjusted total appropriation	**105,877**	**105,877**	
Cumulative actual expenditure at 1 July	84,817	84,817	
Current year actual expense	11,743	21,060	
Cumulative actual expenditure at 30 June	**96,560**	**105,877**	
Appropriation remaining at 30 June	**9,317**	**-**	

Land for Housing Programme – developers' loan payments MYA

On 1 September 2021, a multi-year appropriation, Land for Housing Programme – developers' loan payments, was established in Vote Housing and Urban Development, non-departmental capital expenditure to facilitate interest-free loans related to development payments to developers under the Land for Housing Programme. The initial appropriation expired 30 June 2025, and this funding continues from 1 July 2025 to 30 June 2030.

Appropriation for non-departmental capital expenditure: Land for Housing Programme – developers' loan payments	**Actual** **2026** **$000**	**Approved appropriation** **2026** **$000**	**Location of End-of-Year Performance Information**
Opening appropriation	17,400	17,400	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
Adjustment to appropriation	-	-	
Adjusted total appropriation	**17,400**	**17,400**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	-	13,300	
Cumulative actual expenditure at 30 June	**-**	**13,300**	
Appropriation remaining at 30 June	**17,400**	**4,100**	

Buying off the Plans Programme MYA

On 1 July 2022, a multi-year appropriation, Buying off the Plans Programme, was established in Vote Housing and Urban Development, non-departmental output expenses for the development of affordable homes. This appropriation expires on 30 June 2027.

Appropriation for non-departmental output expense: Buying off the Plans Programme	**Actual** **2026** **$000**	**Approved appropriation** **2026** **$000**	**Location of End-of-Year Performance Information**
Opening appropriation	271,500	271,500	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	(51,700)	(51,700)	
Adjusted total appropriation	**219,800**	**219,800**	
Cumulative actual expenditure at 1 July	79,637	79,637	
Current year actual expense	37,783	45,020	
Cumulative actual expenditure at 30 June	**117,420**	**124,657**	
Appropriation remaining at 30 June	**102,380**	**95,143**	

Operating the Buying off the Plans Programme MYA

On 1 July 2022, a multi-year appropriation, Operating the Buying off the Plans Programme, was established in Vote Housing and Urban Development, non-departmental output expenses to facilitate the development of affordable homes. This appropriation expires on 30 June 2027.

Appropriation for non-departmental output expense: Operating the Buying off the Plans Programme	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	**3,000**	**3,000**	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	19,700	19,700	
Adjusted total appropriation	**22,700**	**22,700**	
Cumulative actual expenditure at 1 July	1,893	1,893	
Current year actual expense	8,528	7,482	
Cumulative actual expenditure at 30 June	**10,421**	**9,375**	
Appropriation remaining at 30 June	**12,279**	**13,325**	

Affordable Housing Fund MYA

On 1 July 2022, a multi-year appropriation, Affordable Housing Fund, was established in Vote Housing and Urban Development, non-departmental output expenses to achieve the provision of affordable housing. This appropriation expires on 30 June 2027.

Appropriation for non-departmental output expense: Affordable Housing Fund	Actual 2026 $000	Approved appropriation 2026 $000	
Opening appropriation	**294,000**	**294,000**	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	(182,674)	(182,674)	
Adjusted total appropriation	**111,326**	**111,326**	
Cumulative actual expenditure at 1 July	51,346	51,346	
Current year actual expense	18,378	58,981	
Cumulative actual expenditure at 30 June	**69,724**	**110,327**	
Appropriation remaining at 30 June	**41,602**	**999**	

He Kūkū ki te Kāinga – Increasing Māori Housing Supply MYA

On 1 July 2022 a multi-year appropriation, He Kūkū ki te Kāinga – Increasing Māori Housing Supply, was established in Vote Housing and Urban Development, non-departmental output expenses for increasing the housing supply provided by Māori service providers. This appropriation expires on 30 June 2026, and a new appropriation has been set up effective 1 July 2026.

Appropriation for non-departmental output expense: He Kūkū ki te Kāinga – Increasing Māori Housing Supply	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	**112,653**	**112,653**	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	7,927	7,927	
Adjusted total appropriation	**120,580**	**120,580**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	48,099	57,492	
Cumulative actual expenditure at 30 June	**48,099**	**57,492**	
Appropriation remaining at 30 June	**72,481**	**63,088**	

Progressing the Pipeline of Māori Housing

On 1 July 2022 a multi-year appropriation, Progressing the Pipeline of Māori Housing, was established in Vote Housing and Urban Development, non-departmental output expenses to increase the capability and capacity of Māori housing providers to deliver targeted Māori housing solutions and contribute to homelessness prevention. The initial appropriation expired 30 June 2025 and this funding continues from 1 July 2025 to 30 June 2030.

Appropriation for non-departmental output expense: Progressing the Pipeline of Māori Housing	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	1,032	1,032	Section B– Not applicable as no expenditure.
Adjustment to appropriation	-	-	
Adjusted total appropriation	**1,032**	**1,032**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	-	1,032	
Cumulative actual expenditure at 30 June	**-**	**1,032**	
Appropriation remaining at 30 June	**1,032**	**-**	

Housing Infrastructure Fund Loans MYA

On 1 October 2018, a multi-year appropriation, Housing Infrastructure Fund Loans, was established in Vote Housing and Urban Development, non-departmental capital expenditure for interest-free loans of a duration of 10 years (or less) to Territorial Local Authorities to finance the infrastructure needed to unlock residential development. The original appropriation expired on 30 June 2023, and the remaining funds were transferred to this multi-year appropriation effective from 1 July 2023, which expires on 30 June 2028.

Appropriation for non-departmental capital expenditure: Housing Infrastructure Fund Loans	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	215,301	215,301	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	(69,850)	(69,850)	
Adjusted total appropriation	**145,451**	**145,451**	
Cumulative actual expenditure at 1 July	93,767	93,767	
Current year actual expense	39,311	33,620	
Cumulative actual expenditure at 30 June	**133,078**	**127,387**	
Appropriation remaining at 30 June	**12,373**	**18,064**	

Progressive Home Ownership Fund MYA

On 1 February 2020, a multi-year appropriation, Progressive Home Ownership Fund, was established in Vote Housing and Urban Development, non-departmental capital expenditure to assist access to home ownership through progressive home ownership schemes. This MYA expires on 30 June 2029.

Appropriation for non-departmental capital expenditure: Progressive Home Ownership Fund	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	162,381	162,381	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	30,867	30,867	
Adjusted total appropriation	**193,248**	**193,248**	
Cumulative actual expenditure at 1 July	51,991	51,991	
Current year actual expense	33,132	108,354	
Cumulative actual expenditure at 30 June	**85,123**	**160,345**	
Appropriation remaining at 30 June	**108,125**	**32,903**	

Infrastructure Investment to Progress Urban Development MYA

On 1 August 2020, a multi-year appropriation, Infrastructure Investment to Progress Urban Development, was established in Vote Housing and Urban Development, non-departmental output expenses for investment into shovel-ready housing and infrastructure projects to enable urban development, regeneration and housing outcomes. This MYA expires on 30 June 2029.

Appropriation for non-departmental output expense: Infrastructure Investment to Progress Urban Development	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	68,010	68,010	Minister of Housing's Report on Vote Housing and Urban Development Non-Departmental Appropriations
Adjustment to appropriation	18,840	18,840	
Adjusted total appropriation	**86,850**	**86,850**	
Cumulative actual expenditure at 1 July	57,925	57,925	
Current year actual expense	17,123	21,123	
Cumulative actual expenditure at 30 June	**75,048**	**79,048**	
Appropriation remaining at 30 June	**11,802**	**7,802**	

Infrastructure Acceleration Fund - Administration Funding 2025-2028 MYA

On 1 July 2025, a multi-year appropriation, Infrastructure Acceleration Fund - Administration Funding, was established in Vote Housing and Urban Development, non-departmental output expenses for investment into the delivery of services by a Crown infrastructure finance agency that contribute to the administration of the Infrastructure Acceleration Funds. This MYA expires on 30 June 2028.

Appropriation for non-departmental output expense: Infrastructure Acceleration Fund - Administration Funding	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	5,580	5,580	National Infrastructure Funding and Financing Limited Annual Report
Adjustment to appropriation	-	-	
Adjusted total appropriation	**5,580**	**5,580**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	1,489	1,860	
Cumulative actual expenditure at 30 June	**1,489**	**1,860**	
Appropriation remaining at 30 June	**4,091**	**3,720**	

Kāinga Ora – Land Programme MYA

On 1 July 2021, a multi-year appropriation, Kāinga Ora Land programme, was established in Vote Housing and Urban Development, non-departmental other expenditure to provide write downs incurred in the facilitation, acquisition, and development of land and residential properties through Kāinga Ora. This appropriation expires on 30 June 2026.

Appropriation for non-departmental other expenditure: Kāinga Ora – Land Programme MYA	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	230,000	230,000	Kāinga Ora – Homes and Communities Annual Report
Adjustment to appropriation	**(5,000)**	**(5,000)**	
Adjusted total appropriation	**225,000**	**225,000**	
Cumulative actual expenditure at 1 July	14,436	14,436	
Current year actual expense	12,116	210,564	
Cumulative actual expenditure at 30 June	**26,552**	**225,000**	
Appropriation remaining at 30 June	**198,448**	**-**	

Kāinga Ora – Homes and Communities Crown Lending Facility MYA

On 1 October 2022, a multi-year appropriation, Kāinga Ora – Homes and Communities Crown Lending Facility, was established in Vote Housing and Urban Development, non-departmental capital expenditure to provide lending to Kāinga Ora – Homes and Communities (and any of its subsidiaries) to meet its cashflow requirements to deliver its share of the government's housing commitments. This appropriation expires on 30 June 2027.

Appropriation for non-departmental capital expenditure: Kāinga Ora – Homes and Communities Crown Lending Facility	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	12,724,000	12,724,000	Kāinga Ora – Homes and Communities Annual Report
Adjustment to appropriation	**-**	**-**	
Adjusted total appropriation	**12,724,000**	**12,724,000**	
Cumulative actual expenditure at 1 July	7,700,000	7,700,000	
Current year actual expense	100,000	257,000	
Cumulative actual expenditure at 30 June	**7,800,000**	**7,957,000**	
Appropriation remaining at 30 June	**4,924,000**	**4,767,000**	

Kāinga Ora – Homes and Communities Private Debt Refinancing Facility MYA

On 1 October 2022, a multi-year appropriation, Kāinga Ora – Homes and Communities Private Debt Refinancing Facility, was established in Vote Housing and Urban Development, non-departmental capital expenditure to enable Kāinga Ora – Homes and Communities (and any of its subsidiaries) to meet its refinancing commitments of bonds on issue. This appropriation expires on 30 June 2027.

Appropriation for non-departmental capital expenditure: Kāinga Ora – Homes and Communities Private Debt Refinancing Facility	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	450,000	450,000	Kāinga Ora – Homes and Communities Annual Report
Adjustment to appropriation	3,165,000	3,165,000	
Adjusted total appropriation	**3,615,000**	**3,615,000**	
Cumulative actual expenditure at 1 July	2,375,000	2,375,000	
Current year actual expense	-	-	
Cumulative actual expenditure at 30 June	**2,375,000**	**2,375,000**	
Appropriation remaining at 30 June	**1,240,000**	**1,240,000**	

Transfer of Infrastructure assets to Councils and other Stakeholders MYA

On 1 July 2024, a multi-year appropriation, Transfer of infrastructure assets to Councils was established in Vote Housing and Urban Development, non-departmental other expenditure incurred when transferring infrastructure assets to Councils. This appropriation expires on 30 June 2029.

Appropriation for non-departmental other expenditure: Transfer of Infrastructure assets to Councils and other Stakeholders	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	75,000	75,000	An exemption from year end performance reporting was granted in terms of section 15D of the Public Finance Act 1989
Adjustment to appropriation	8,100	8,100	
Adjusted total appropriation	**83,100**	**83,100**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	-	83,100	
Cumulative actual expenditure at 30 June	**-**	**83,100**	
Appropriation remaining at 30 June	**83,100**	**-**	

Tāmaki Regeneration Company Limited – Equity Injection MYA

On 1 July 2023, a multi-year appropriation, Tāmaki Regeneration Company Limited – Equity Injection, was established in Vote Housing and Urban Development, non-departmental capital expenditure to provide for equity injections to Tāmaki Regeneration Company. This appropriation expires on 30 June 2027.

Appropriation for non-departmental capital expenditure: Tāmaki Regeneration Company Limited – Equity Injection	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Opening appropriation	870,000	870,000	Tāmaki Regeneration Company Limited Annual Report
Adjustment to appropriation	(410,000)	(410,000)	
Adjusted total appropriation	**460,000**	**460,000**	
Cumulative actual expenditure at 1 July	160,000	160,000	
Current year actual expense	300,000	300,000	
Cumulative actual expenditure at 30 June	**460,000**	**460,000**	
Appropriation remaining at 30 June	**-**	**-**	

Details of multi-year multi-category appropriations

Housing Acceleration Fund

On 1 July 2022, a multi-year multi-category appropriation, Housing Acceleration Fund, was established in Vote Housing and Urban Development, to achieve the outcome of advancing housing supply through the provision of infrastructure investment. This appropriation expires on 30 June 2026, and a new appropriation has been set up effective 1 July 2026.

There are two categories in this appropriation:

- Investment in Crown-owned Entities to Advance Development-Ready Land (non-departmental capital expenditure) for investments in Crown-owned entities to increase the amount of development-ready land
- Investment in Infrastructure to Advance Development-Ready Land (non-departmental other expenses) for contributions for infrastructure projects to advance development-ready land.

Housing Acceleration Fund	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Non-departmental capital expenditure			
Investment in Crown-owned Entities to Advance Development-Ready Land			
Opening appropriation	1,682,000	1,682,000	
Adjustment to appropriation	(531,519)	(531,519)	Section B
Adjusted total appropriation	**1,150,481**	**1,150,481**	
Cumulative actual expenditure at 1 July	886,591	886,591	
Current year actual expense	8,211	263,890	
Cumulative actual expenditure at 30 June	**894,802**	**1,150,481**	

Appropriation remaining at 30 June	**255,679**	**-**	
Non-departmental other expense			
Investment in Infrastructure to Advance Development-Ready Land			
Opening appropriation	2,047,000	2,047,000	
Adjustment to appropriation	(1,630,481)	(1,630,481)	
Adjusted total appropriation	**416,519**	**416,519**	Section B
Cumulative actual expenditure at 1 July	286,357	286,357	
Current year actual expense	172,780	130,162	
Cumulative actual expenditure at 30 June	**459,137**	**416,519**	
Appropriation remaining at 30 June[7]	**-**	**-**	
Total MYAMCA			
Opening Appropriation	3,729,000	3,729,000	Section B
Adjustment to appropriation	(2,162,000)	(2,162,000)	
Adjusted total appropriation	**1,567,000**	**1,567,000**	
Cumulative actual expenditure at 1 July	1,172,948	1,172,948	
Current year actual expense	180,991	394,052	
Cumulative actual expenditure at 30 June	1,353,939	1,567,000	
Appropriation remaining at 30 June	**213,061**	**-**	

Residential Development Underwrite

On 1 October 2024, a multi-year multi-category appropriation, Residential Development Underwrite, was established in Vote Housing and Urban Development, to help maintain capacity in the construction sector and support housing supply. This appropriation expires on 30 June 2029.

There are two categories in this appropriation:

- Residential Development Underwrite Purchase (non-departmental output expenditure) This category is limited to expenses incurred in the provision of purchasing homes under the Residential Development Underwrite.
- Operating for the Residential Development Underwrite Investment (non-departmental output expenses). This category is limited to expenses incurred in relation to the facilitation, acquisition and subsequent on-sale of homes or developments in the Residential Development Underwrite.

[7] Cumulative expenditure at 30 June 2026 exceeded the adjusted appropriation profile for this category by $42.618 million. Accordingly, the appropriation remaining against this category at 30 June 2026 is reported as nil.

Residential Development Underwrite	Actual 2026 $000	Approved appropriation 2026 $000	Location of End-of-Year Performance Information
Non-departmental Output expense			
Residential Development Underwrite Purchase			
Opening appropriation	124,826	124,826	
Adjustment to appropriation	-	-	Section B
Adjusted total appropriation	**124,826**	**124,826**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense[10]	-	-	
Cumulative actual expenditure at 30 June	**-**	**-**	
Appropriation remaining at 30 June	**124,826**	**124,826**	
Non-departmental Output expense			
Operating the Residential Development Underwrite			
Opening appropriation	18,000	18,000	
Adjustment to appropriation	-	-	
Adjusted total appropriation	**18,000**	**18,000**	Section B
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense			
Cumulative actual expenditure at 30 June	**-**	**-**	
Appropriation remaining at 30 June	**18,000**	**18,000**	
Total			
Opening Appropriation	142,826	142,826	
Adjustment to appropriation	-	-	Section B
Adjusted total appropriation	**142,826**	**142,826**	
Cumulative actual expenditure at 1 July	-	-	
Current year actual expense	-	-	
Cumulative actual expenditure at 30 June	-	-	
Appropriation remaining at 30 June	**142,826**	**142,826**	

Vote Housing and Urban Development

	Actual 2026 $000	Approved appropriation 2026 $000
Total annual and permanent appropriations	**3,182,575**	**3,561,713**
Total multi-year appropriations	**819,007**	**1,955,840**
Total Vote Housing and Urban Development	**4,001,582**	**5,517,553**

Statement of Expenses and Capital Expenditure Incurred Without, or In Excess Of, Appropriation or Other Authority

For the year ended 30 June 2026

Departmental expenditure

There was no unappropriated departmental expenditure incurred during the year.

Non-departmental expenditure

There was no unappropriated non-departmental expenditure incurred during the year.

Statement of Departmental Capital Injections

For the year ended 30 June 2026

Actual 2025 $000		Actual 2026 $000	Approved appropriation 2026 $000
	Vote Housing and Urban Development		
-	Ministry of Housing and Urban Development – Capital Injection	**-**	3,451

Statement of Departmental Capital Injections Without, or in Excess Of, Authority

For the year ended 30 June 2026

The Ministry has not received any capital injections during the year without, or in excess of, authority.

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Ministry of Housing and Urban Development's annual report for the year ended 30 June 2026

The Auditor-General is the auditor of Ministry of Housing and Urban Development (the "Ministry"). The Auditor-General has appointed me, Fiona Elkington, using the staff and resources of The Audit Office, to carry out the audit of the information required to be audited on his behalf.

Opinion

We have audited:

- The financial statements of the Ministry that comprise the statement of financial position, statement of commitments, and statement of contingent assets and contingent liabilities as at 30 June 2026, the statement of comprehensive revenue and expenses, statement of changes in equity, and statement of cash flows for the year ended on that date, and the notes to the financial statements that include accounting policies and other explanatory information on pages 75-100

- The end-of-year performance information for appropriations of the Ministry for the year ended 30 June 2026 on pages 47-59.

- The statements of expenses and capital expenditure of the ministry for the year ended 30 June 2026 on pages 120–136

- The schedules of non-departmental activities managed by the Ministry on behalf of the Crown, that comprises the schedules of assets, liabilities, commitments, contingent assets, and contingent liabilities as at 30 June 2026, the schedules of expenses and revenue for the year ended 30 June 2026, and the notes to the schedules that include accounting policies and other explanatory information on pages 100–119.

In our opinion:

- The financial statements of the Ministry present fairly, in all material respects, its financial position as at 30 June 2026, and its financial performance and cash flows for the year then ended, in accordance with Public Benefit Entity Reporting Standards.

- The end-of-year performance information for each appropriation for the year ended 30 June 2026 is appropriate and meaningful and prepared in accordance with the Ministry's measurement bases or evaluation methods and Public Benefit Entity Reporting Standards, and presents fairly, in all material respects:
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred in relation to the appropriation as compared with the expenses or capital expenditure that were appropriated or forecast to be incurred.
- The statements of expenses and capital expenditure have been prepared, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- The schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown have been prepared, in all material respects, in accordance with the Treasury Instructions.

Emphasis of matter — Disestablishment of the Ministry

Without modifying our opinion, we draw attention to the disclosure in Note 1 on page 80 and 95 of the financial statements, which explains the disestablishment of the Ministry and the basis for the preparation of the financial statements. The note explains that the Ministry was disestablished and its existing functions, assets, liabilities and appropriations were transferred to and amalgamated into new Ministry for Cities, Environment, Regions and Transport (MCERT) on 1 July 2026.

While the Ministry ceased to exist as a separate legal entity from 1 July 2026, its operations and service delivery have continued without material change within MCERT. Accordingly, the accounting policies have been applied consistently throughout the year, and no changes have been made to the recognition and measurement, or presentation of assets and liabilities in the Ministry's financial statements for the year ended 30 June 2026, as these are expected to be realised or settled in the normal course of operations within MCERT.

Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the information to be audited* section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of the Chief Executive for the information to be audited

The Chief Executive is responsible on behalf of the Ministry for preparing financial statements and end-of-year performance information for appropriations that are fairly presented and comply with Public Benefit Entity Reporting Standards and legislative requirements.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of end of year performance information for an appropriation that is appropriate and meaningful; and

- the preparation of end-of-year performance information for an appropriation in accordance with the Ministry's measurement bases or evaluation methods and Public Benefit Entity Reporting Standards and legislative requirements.

The Chief Executive is responsible on behalf of the Ministry for preparing Statements of expenses and capital expenditure, schedules of non-departmental activities managed by the Ministry on behalf of the Crown in accordance with the Public Finance Act 1989 and Treasury Instructions.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern, including that the Ministry ceased to exist as a separate legal entity from 1 July 2026.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audit, our procedures are limited to checking that the information agrees to the Estimates of Appropriations for the Government of New Zealand for the Year Ending 30 June 2026. For performance information for appropriations, we agree any changes from the performance measures and standards in the Estimates to the Supplementary Estimates.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.

- In respect of the end-of-year performance information for appropriations, we:

    - obtain an understanding of the process applied by the Ministry to select its elements/aspects of service performance, performance measures and/or descriptions and the measurement bases or evaluation methods and evaluate whether these present an appropriate and meaningful assessment of the Ministry's service performance; and

    - evaluate whether the end-of-year performance information for appropriations is prepared in accordance with the Ministry's measurement bases or evaluation methods, in accordance with Public Benefit Entity Reporting Standards.

- We evaluate whether the statements of expenses and capital expenditure, schedules of non-departmental activities, have been prepared in accordance with legislative requirements.

- We conclude on the appropriateness of the basis of preparation adopted by the Chief Executive. As described in the *Emphasis of Matter — Disestablishment of the Ministry*, the Ministry ceased to exist as a separate legal entity from 1 July 2026.

- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other information

The Chief Executive is responsible for the other information. The other information comprises all of the information included in the annual report other than the information we audited and our auditor's report thereon.

Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the Ministry in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable for audits of public interest entities issued by the New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests, in the Ministry.

Fiona Elkington
The Audit Office
On behalf of the Auditor-General
Wellington, New Zealand
28 September 2026


Te Kāwanatanga o Aotearoa
New Zealand Government