

Briefing to the Incoming Minister

# **Social Development and Employment**

General Election BIM 2023

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# Introduction

We look forward to working with you over the coming term and discussing the most effective way we can support you to deliver on your priorities. To support you in your role, this briefing provides information on:

- roles and responsibilities
- the Ministry of Social Development
- upcoming key decisions
- key Ministry contacts.

We will provide you with any additional information and advice you require, or are interested in, regarding your portfolio.

## Scope and responsibilities

The Social Development and Employment portfolio includes the Ministry of Social Development – Te Manatū Whakahiato Ora. It also includes some functions delivered by the Ministry of Business, Innovation and Employment (MBIE) – Hīkina Whakatutuki and some appropriations within Vote Labour Market (administered by MBIE) and Vote Public Service. You are responsible to Parliament for the overall efficiency and effectiveness of the Ministry of Social Development.

The Ministry of Social Development is responsible for the oversight of New Zealand's social welfare system including the provision of employment services; income support for people with low or no income, students and superannuitants; housing support; community partnerships and programmes; and social policy and investment advice.

**Finances:** You are the Responsible Minister for Vote Social Development and for appropriations within Vote Labour Market and Vote Public Service.

Vote Social Development is one of the largest single votes within the Government's budget. The total Vote is \$43 billion in 2023/24 and includes provision for benefits and related expenses of over \$36 billion (this includes superannuation, benefits, accommodation assistance and disability support). (See Appendix 1 for further information on Vote Social Development).

Within Vote Labour Market in 2023/24, you are responsible for just over \$11 million for the operation of Regional Skills Leadership Groups. You are also responsible for just over \$3 million for the provision of employment policy advice.

Within Vote Public Service in 2023/24, you are responsible for appropriations covering a total of nearly \$7 million for the provision of strategic cross-system advice and support, creating insights, tools, and practices in order to implement the social wellbeing approach to support and further the long-term wellbeing of New Zealanders. The work funded by these appropriations is delivered by the Social Wellbeing Agency.

**Legislation:** There are 17 Acts (as at October 2023) that the Ministry manages and administers, or which you exercise a function or power under. The most significant are the Social Security Act 2018 and the New Zealand Superannuation and Retirement Income Act 2001. (The list of relevant statutes is included as Appendix 5).

**Wider Responsibilities:** You are responsible for three Crown entities. The Ministry of Social Development monitors these entities on your behalf, and supports you to make appointments to these entities.

The three Crown entities are:

- Children and Young People’s Commission – Mana Mokopuna (independent Crown entity)
- New Zealand Artificial Limb Service – Peke Waihanga (autonomous Crown entity)
- Social Workers Registration Board – Kāhui Whakamana Tauwhiro (Crown agent).

More information about these Crown entities is included in Appendix 6.

Crown agents must give effect to government policy when directed by the responsible minister; autonomous Crown entities must have regard to government policy when directed by the responsible minister; and independent Crown entities are generally independent of government policy.

Whaikaha – the Ministry of Disabled People is a departmental agency hosted by the Ministry of Social Development. The Minister for Disability Issues is responsible for Whaikaha.

As Minister, you also make or recommend appointments to three statutory tribunals:

- the Social Security Appeal Authority
- the Student Allowance Appeal Authority
- the Social Workers Complaints and Disciplinary Tribunal.

You are also responsible for appointing the Independent Chair of the Cabinet-mandated South Auckland Social Wellbeing Board, and appointments to the Extraordinary Care Fund Panel. More information about these tribunals, as well as the Board and Panel, is included in Appendix 7.

# Context

## Economic environment

New Zealand's economic output grew by 3.2 percent over the year ending June 2023. However, economic forecasts suggest that growth will be substantially lower over the next 18 months. Treasury has forecast the unemployment rate to increase to 5.4 percent in early 2025. The Ministry has forecast that working age benefit numbers will rise from around 351,700 in June 2023 and peak at around 382,900 in January 2025.

Unemployment is likely to increase hardship for many families and create demand for Ministry assistance. Increased demand for housing assistance is also likely, due to both lower incomes and disruption of tenancies associated with unemployment. Some of the possible consequences of the forecast economic slowdown could be compounded by the rising cost of living, which is discussed in the section below.

The timing and magnitude of a slowing in economic activity is difficult to predict, and sectors and regions may be affected in different ways. Ongoing monitoring of the labour market and of demand for the Ministry's services is therefore important.

The Ministry will continue to assess the need for further work to respond to changing economic conditions and will provide you with advice as required.

## Cost of living

Over the past two years, the cost of living has increased significantly for New Zealand households. Higher-than-usual inflation is expected to continue in the short-term before easing to below 3 percent by the end of 2024.

Higher inflation will mean some increasing pressure on client incomes. You will receive advice on a scheduled general adjustment in April 2024.

## Fiscal sustainability

As part of the Budget 2023 process the Ministry committed to a range of reprioritisation and savings options, including:

- \$87 million in departmental savings from 2023/24 onwards
- savings realised due to lower departmental spend than originally forecast (totalling \$24 million), and Flexi-Wage underspends (totalling \$117 million)
- cost pressures absorbed (totalling \$48.47 million).

Further savings were determined as part of the Treasury-led rapid savings exercise in August 2023 of \$36.79 million.

Near the end of August 2023, the previous Government required the public sector to make permanent savings, including:

- cutting back on contractors
- reducing future budget allowances
- trimming back programmes
- taking back underspends.

The previous Government agreed a Fiscal Sustainability Payment. For the Ministry, this equates to \$60.3 million per year from 2024/25 onwards.


We will engage with you on how we are going about this work, your priorities for managing within our fiscal constraints, and the expectations you have of future savings.

# Understanding our clients

The following infographics include some key statistics about our clients. As at 30 September 2023, 362,094 people were on a main benefit. More information is shown in the attached Benefit Fact Sheet at Appendix 3.


## Understanding our clients

### People at risk of long-term benefit receipt



Young people aged 16–24 with 3+ risk factors\* spend **3.9x longer on main benefits** on average in the future (compared with those with fewer than 3 risk factors).

\*These are experiences clients have had (across the benefit, health, justice and education systems) that are associated with poorer social outcomes.



**214,400** working-age people have been on a main benefit for 2 or more years. This makes up around **60%** of people on a main benefit.


### Non-beneficiaries

There are **74,000** people not on a main benefit receiving supplementary assistance (such as Accommodation Supplement, Disability Allowance and Temporary Additional Support).

### Youth

**56,800** young people (aged 16–24) make up **15.5%** of people on main benefits.

Young people aged 18–24 on Jobseeker Support– Work Ready had an average exit rate of **7.1%** per month into work in the year to Aug 2023, compared to those aged 25–64 who had a **4.1%** likelihood of exiting into work.




20–24 year-old Jobseeker Support or Sole Parent Support clients who entered the benefit system early\* are estimated to spend **1.5x** longer on main benefits than those who did not.

\*Who first entered the benefit system before age 20.

### Students


16–24 year-old clients\* are estimated to spend **21.3 more years** on main benefits on average.

\*On Jobseeker Support, Sole Parent Support, Supported Living Payment, Youth Payment, or Young Parent Payment.




Between Jan 2022 and Dec 2022, **51,400** students received support under the Student Allowance Scheme and **129,700** students borrowed under the Student Loan Scheme.

## Māori and Pacific Peoples




There are **133,900 Māori** and **40,300 Pacific Peoples** on a working-age main benefit.



**39%** of people on a main benefit identify as Māori, while only making up around **17%** of the New Zealand working-age population.\*

\* There are limitations with the comparability of population and benefit numbers due to the approach MSD uses to count benefit recipients.



Māori and Pacific Peoples have relatively high underutilisation in the labour market (with rates at **15.6%** and **13.1%** respectively) compared to the underutilisation rate for the general population (at **9.8%**).

## Disabled people and people living with health conditions



**1 in 4 (1.25M)**

New Zealanders experience disability.



At least **46%** of people on benefit have a health condition or disability.



The labour force participation rate for disabled people is **44.1%** which is lower than for non-disabled people at **84.7%**.

## Women and sole parents



The number of women on a main benefit is **198,100**, making up **55%** of people on a main benefit.



The proportion of women on Sole Parent Support is **91%** (around **67,900** people).



Women have a lower employment rate (**65.4%**) compared with men (**74.4%**).



**52.3%** of women who left a main benefit for employment remained in work after a year compared to **47.6%** of men.



Sole parents make up **42%** of households in emergency housing.

## Seniors



There are **889,400** people receiving New Zealand Superannuation\*.

\*This does not include people receiving Veteran's Pension.



At least **13% (90,000)** people aged over 65 experience disadvantage (or hardship) across more than one area of life.



The number of hardship grants going to people 65 or over has increased by **90.9%** in the last 5 years, or **20.4%** in the past year, which is higher than the increase across all age groups.



# The Ministry of Social Development

The Ministry is the lead agency for managing and delivering New Zealand's welfare system. The Ministry's purpose – *We help New Zealanders to be safe, strong and independent* | *Manaaki Tangata, Manaaki Whānau* – forms the basis for what we do.

The Ministry works to build successful individuals, and in turn build strong, healthy families and communities.

We work towards this by providing:

- support into employment as the public employment agency
- income support and New Zealand Superannuation
- funding to community service providers
- social policy and advice to government
- student allowances and loans
- housing support.

New Zealand's changing and ageing population, cost of living and broader environment is putting pressure on the welfare system. Demand for support from the Ministry is increasing, in part because of shortage of affordable housing and rising living costs, which affect other aspects of clients' lives. We are seeing increasing complexity in clients' needs, including mental health distress. This requires our staff to understand clients' situations to assess their eligibility for the right assistance.

The Ministry has a distributed network with 122 service centres and a presence in nearly every community. We have a regionalised structure with 13 Regional Commissioners who lead the Ministry's activities in the regions and work alongside other agency leaders. This structure supports us to work across regions, particularly in emergencies, and to engage with communities on employment, for example. The Regional Public Service Leadership model complements our Regional Commissioner structure, and of the 12 Regional Public Service Commissioners, seven are Ministry Regional Commissioners. More information about the Ministry as an organisation is on page 18.

## Key functions of the Ministry

More information about the services we provide is included in Appendix 2.

### Employment services and support

A core objective for the Ministry is to support people into work. We proactively support people at risk of long-term benefit receipt (for example Māori, Pacific and at-risk youth) to prepare for, find and retain suitable employment that improves their long-term wellbeing. As Minister, we will engage with you about your priorities for employment.

We provide a range of employment services to help get people into and stay in sustainable work:

- matching clients to employers and job opportunities
- upskilling clients through industry-based recruitment partnerships and employment programmes
- working with local employers and industry partners through our regional employment teams to intervene early and respond to local labour market conditions
- supporting disabled people and people with health conditions to overcome labour market barriers
- supporting rangatahi to gain the skills they need to work and have an independent future
- providing a range of financial assistance and subsidies to both people and employers.

We fund or provide a range of employment programmes, including:

- Mana in Mahi and Flexi-Wage
- Oranga Mahi
- He Poutama Rangatahi
- Māori Trades and Training Fund
- Driver Licencing Support (in conjunction with Waka Kotahi)
- Training Incentive Allowance
- Pacific Employment Action Plan Fund.

Your policy direction determines how we prioritise and target investment, including through the Ministry's Employment and Social Outcomes Investment Strategy (the Investment Strategy). The Investment Strategy is developed using data and evidence, and is used both at a national level and as part of the regional purchase planning process to inform decision-making on investment within the Improved Employment and Social Outcomes Support Multi-Category Appropriation (MCA). The MCA provides the Ministry with a degree of flexibility about how it invests. The Investment Strategy helps ensure that employment investment is allocated where the potential benefits are greatest, both in terms of the cohorts of people targeted and the programmes purchased.

## **Income support**

We administer a range of income support payments for:

- people with low or no income, disabled people, and people with health conditions through the provision of main benefits and supplementary assistance
- seniors, through the provision of New Zealand Superannuation and the Veteran's Pension
- students, through the provision of student allowances and student loans.

The Ministry administers the payment of student loans on behalf of the Minister of Revenue, and the payment of the Veteran's Pension on behalf of the Minister for Veterans. Policy responsibility for student allowances and student loans sits with the Ministry of Education. Policy responsibility for veteran's pensions sits with Veterans Affairs New Zealand. Income support is provided in line with legislation and policies agreed with the government.

## **Housing support**

A number of agencies are involved in the provision of housing support, including Ministry of Housing and Urban Development (HUD) – Te Tūāpapa Kura Kāinga, Kainga Ora and MBIE. HUD are the primary providers of housing policy advice.

The Ministry of Social Development:

- administers the Accommodation Supplement, a weekly payment which helps people with their rent, board or the cost of owning a home
- assesses people’s eligibility for, and assists them to access, emergency, transitional and public housing
- refers people to and manages the Public Housing Register
- provides a range of grants and recoverable assistance to help with housing costs.

## **Communities and partnerships**

Across the Ministry, we commission, fund, and contract 2,000 social sector providers to deliver programmes. This includes community-focused programmes such as:

- Building people’s financial capability and resilience
- Supporting victims, survivors and perpetrators of family violence and sexual violence
- Reducing the isolation, abuse, and neglect of older people
- Supporting disabled people to engage in the community
- Supporting community providers to develop their capability.

## **Policy and investment advice**

We provide policy and investment advice on the welfare system and on the wider social sector (for example on child poverty reduction, social housing, Working for Families), with the aim of achieving the best possible outcomes for New Zealanders from Ministry and related funding, and system settings.

## **Social Investment approach**

The Ministry has been operating the core elements of an investment approach (through a Social Investment or Wellbeing lens) since it was introduced through “an Investment Approach to Welfare” in 2011.

Today, cross-sector, administrative, actuarial and operational data and intelligence, backed by sophisticated tools such as the Social Outcomes Model, help to inform and target investments, and then monitor the impact on people’s lives.

We use data and tools such as these, alongside monitoring, evaluation and research to assess the effectiveness of interventions. This continues to evolve, particularly in the employment space, where we have the strongest evidence base.

Opportunities exist to build on, and embed, a Social Investment approach to more effectively target those in greatest need, intervene early, and deliver,

partner or commission evidence-based interventions to achieve better outcomes for them and, through long-term savings, New Zealand as a whole.

We would welcome the opportunity to discuss the Government's Social Investment priorities for the Social Development and Employment portfolio with you.

## **How we work with other agencies**

The Ministry works with agencies across government to support coordination and alignment across work programmes, reduce duplication and ensure interventions are effective for individuals and families, employers, businesses, and communities. Cross-sector initiatives include:

- working across multiple agencies at national and local level to provide advice about the impact of extreme weather events and providing a coordinated response to support the response and recovery in cyclone-affected regions that reduces the likelihood of duplication of effort or gaps in the response (noting that no single agency has responsibility for overseeing the workforce implications of rebuild projects)
- cross-sector initiatives in partnership with large businesses, training providers, local government, and Māori and Pacific businesses to minimise labour shortages and maximise job and career opportunities to increase productivity and keep people off benefit (add examples) – for example, the Mayors Taskforce for Jobs is a partnership between the Ministry and Local Government New Zealand to support regional and provincial councils to deliver programmes that support youth employment
- working with health agencies and local health service providers to integrate health and employment supports – for example, through the Oranga Mahi programme that provides employment supports for people experiencing mental health and addiction issues
- leading a cross-agency approach to increase access to driver licence support for people most in need and aligns provision of driver licence support programmes with broader changes to of the graduated driver licensing system.

The Ministry also provides second opinion advice to agencies where their work can impact our clients and services.

## **Emergency response**

The Ministry plays a major role in delivering welfare services to individuals, whānau and communities affected by emergencies, and also supports National Emergency Management Agency (NEMA) and Civil Defence Emergency Management (CDEM) Groups to meet their responsibilities under the Civil Defence Emergency Management Act 2002.

Welfare services may include Special Needs Grants, Recoverable Assistance Payments and Advance Payment of Benefits. Bespoke support measures may also be made available (including new or revised products) depending on size, scale, need, and identified priorities, to support partners in providing services to the community.

You have delegated authority to approve up to \$0.5 million per emergency event to activate an Enhanced Taskforce Green work programme. This is an employment focused programme aimed at providing farmers, growers and community agencies with support to help with clean up and recovery.

An Emergency Management Bill to replace the CDEM Act 2002 has recently been introduced and is currently at the Select Committee stage. We will provide further advice on this Bill.

## Other functions and administrative relationships

The Ministry has a wide range of responsibilities. In addition to core functions, the Ministry is responsible for a range of specialist business units and administrative relationships with other agencies.



## **Office for Seniors**

The Office for Seniors is a business unit within the Ministry. It acts as a focal point within government for information and advice on issues affecting older people and their wellbeing, based on sector engagement and good practice. The Minister for Seniors is supported by the Office for Seniors and is responsible for the appropriation that funds the Office for Seniors.

The Office supports the implementation of the current strategy *Better Later Life – He Oranga Kaumātua 2019 to 2034*, which provides a roadmap on how to support older people over the next 11 years. The Office works closely with the Ministry's Older Peoples Policy team (subject to your agreement), which is responsible for the development of policies on income support and social issues relevant to older people.

## **Ministry of Youth Development**

The Ministry of Youth Development (MYD) – Te Manatū Whakahiato Taiohi is a business unit within the Ministry. MYD encourages and supports young people (between 12 and 24 years old) to develop and use knowledge, skills and experiences to participate confidently in their communities. The Minister for Youth is responsible for the Partnering for Youth Development Multi-Category Appropriation (MCA) within Vote Social Development.

In 2023/24, MYD will invest approximately \$17 million into the Youth Development Sector to deliver a range of youth development and youth enterprise initiatives across New Zealand. MYD supports the Minister for Youth in their portfolio and works closely alongside the Ministry's Child and Youth Policy team, subject to your agreement.

## **Historic Claims**

The Historic Claims team provides an alternative disputes resolution process for people who were abused or neglected in the care, custody, or guardianship of, or who had come to the notice of, Child, Youth and Family or its predecessors, before 1 April 2017. Claims arising after this date are the responsibility of Oranga Tamariki.

## **Te Kāhui Kāhu (the Social Service Accreditation Service)**

Te Kāhui Kāhu (the Social Service Accreditation Service) is a business unit within the Ministry, funded jointly with other agencies. It provides the Government and communities with independent assurance that social service providers can deliver safe, quality services to New Zealanders. This includes accrediting social service providers contracted by partner agencies, managing Core Worker Exemptions and Social Worker Registration non-compliance.

## **Shared corporate services**

The Ministry provides shared corporate services to other agencies, including a range of services to Whaikaha, the Social Wellbeing Agency and Children and Young People's Commission – Mana Mokopuna.

We provide ongoing technology support services to HUD relating to shared clients. These services are evolving into secure technology-driven information sharing protocols meeting IT security and privacy standards.

Our transitional shared services arrangement with Oranga Tamariki has reduced to a range of data warehousing activities which will be completed in 2024.

## **Whaikaha – Ministry of Disabled People**

Whaikaha was established on 1 July 2022 and is a departmental agency hosted by the Ministry. The role of Whaikaha is to fund a range of disability support services and to lead the transformation of the government system for disability issues.

Whaikaha is hosted by the Ministry. It has its own Chief Executive who is responsible for leading the organisation, and the Ministry of Social Development is responsible for providing corporate services (e.g. health and safety, finance) to Whaikaha.

## **Other core responsibilities**

The Ministry administers a series of statutes that ensure access to the welfare system for all New Zealanders. The most significant of these are the Social Security Act 2018, and the New Zealand Superannuation and Retirement Income Act 2001.

The Ministry also regularly produces and publishes data and evidence reports to inform our work, including:

- regular reporting about the benefit system
- research on a range of topics including household incomes, and family and whānau wellbeing
- evaluations of services, programmes, pilots and trials.

We work with others to deliver effective welfare services and other social service functions – for example, working with Te Tari Taake Inland Revenue to deliver Working for Families tax credits to people on benefits.

We also participate in cross-government initiatives, including:

- working with hapū and iwi towards improving outcomes for Māori
- supporting the Child and Youth Wellbeing Strategy and Oranga Tamariki Action Plan
- contributing as a member of several cross-agency groups, including the Social Wellbeing Board, the Digital Government Leadership Group, the Government Health and Safety Lead, and Te Puna Aonui (the Joint Venture for Family Violence and Sexual Violence, an Interdepartmental Executive Board under the Public Service Act 2020)
- leading across government on improving social sector commissioning and hosting the Social Sector Commissioning Hub
- developing long-term insights briefings.



The Ministry is currently responding to three significant inquiries:

- the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions, with the report due March 2024
- the Government Inquiry into the Response to the North Island Severe Weather Events, with the interim findings due by 7 December 2023 and the final report by 26 March 2024
- the Royal Commission of Inquiry into COVID-19 Lessons Learned, with the report due June 2024.

The Ministry is also a support agency for several kaupapa inquiries, led by the Waitangi Tribunal. The Waitangi Tribunal has also indicated that there will be a Social Services and Social Development inquiry in the future, for which the Ministry will be the lead Crown agency.

## The organisation

The Ministry has a large regional and community presence with more than 160 sites in towns and cities throughout the country, including 122 Service Centres, Heartland Service centres, contact centres, Integrity Intervention centres and Centralised Service centres.

Our regional network positions us well to work with clients, whānau, service providers and other local and central government agencies to identify needs and deliver support at a regional and community level, including responding to emergencies. This can be especially important for small communities, as the Ministry is often the only public service agency with a presence in the region and available to provide support. We also lead the Regional Public Service Commissioner network, who have a mandate to convene, coordinate and escalate cross-agency issues at a local level.

Over the last few years, we have continued to improve the way we work with clients so they can access services they are eligible for and make it easy for them to meet obligations (including getting into work). Among the changes we have made are:

- making it easier for clients to access information and support that is right for them, and that they are eligible for
- making it more convenient to access our services by improving our online and phone services
- making service centres welcoming and safer for clients, partners and employers.

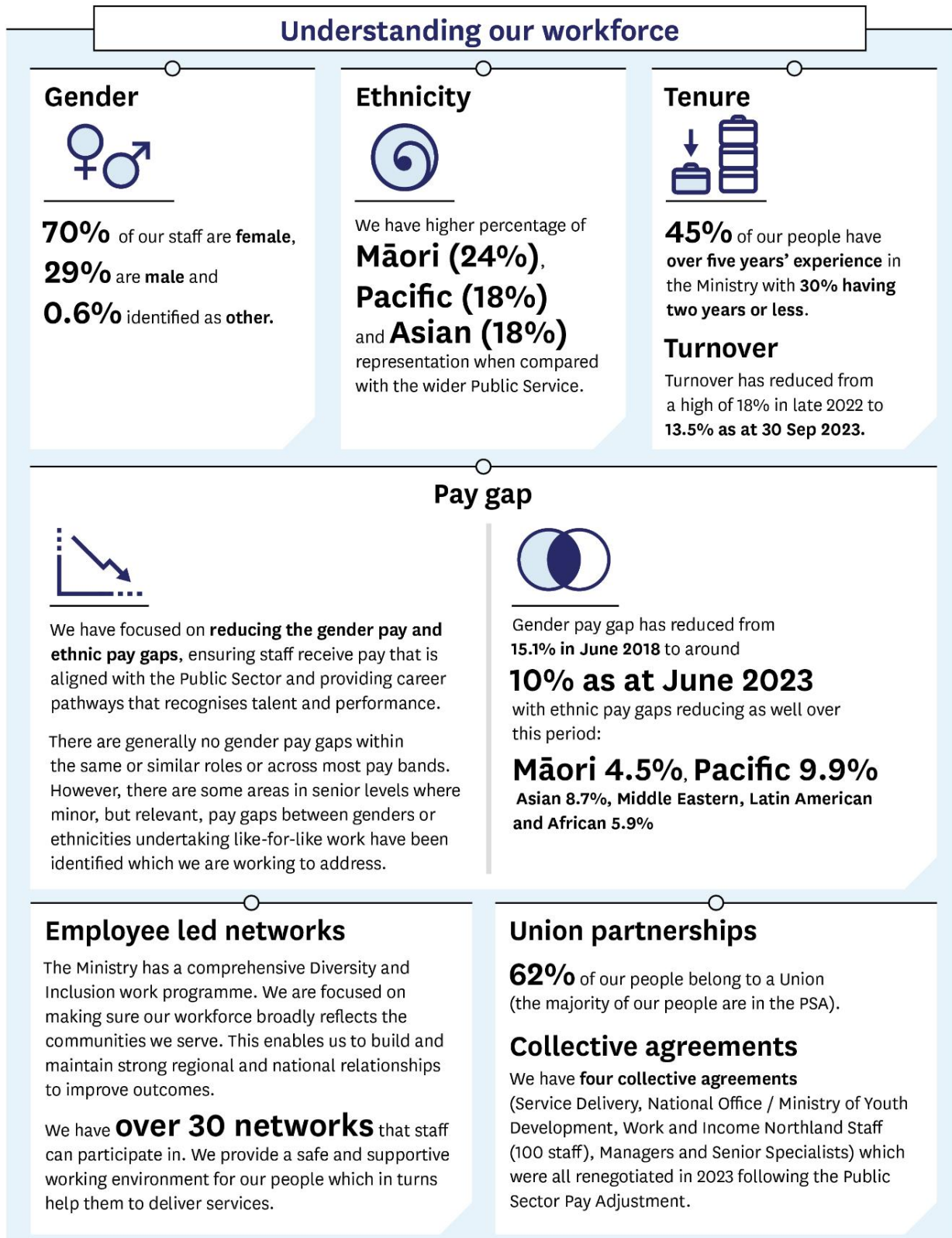
## Business groups

The Ministry comprises seven business groups, each with their own Deputy Chief Executive:

- Service Delivery
- Māori, Communities and Partnerships
- Policy
- Strategy and Insights
- Transformation
- Organisational Assurance and Communication
- People and Capability.

## Understanding our workforce

As at 30 September 2023, the Ministry had 9,224 permanent and fixed term full time equivalent (FTE) employees. The following infographic includes some key statistics about our workforce.



# Te Pae Tawhiti Transformation Programme

*Key contact: Tāmati Shepherd-Wipiiti*

Te Pae Tawhiti Programme is the Ministry's multi-year transformation programme to ensure the Ministry has the capability to serve New Zealanders now and for the coming decades. The Ministry has complex systems and business processes, which are old, outdated, hard to use and at risk of failure. Some of the core technology was built over 30 years ago, pre-internet. With out-of-date infrastructure, the Ministry's workforce has a heavy focus on processing transactions and has less time left for the case management needed to support clients to find or prepare for work, obtain suitable housing and address other needs. Policy changes are also difficult and expensive to make, restricting our ability to be as agile and responsive to changing direction as we would want to be.

In June 2023, Cabinet approved the Te Pae Tawhiti Horizon One Transformation Detailed Business Case, with \$100 million of new funding over two years in Budget 2023 and a contribution from the Ministry of \$83 million over two years. Without transformation, we estimate that the Ministry would need approximately \$1 billion over the next 10 years (mainly sought through future Budgets) just to keep the existing systems and processes functional.

We are redesigning the Ministry's service model and business processes for clients (students, working age clients and seniors), providers, and employers, enabled by modern digital technology. This is being delivered in three stages – or Horizons – of three years each. The first Horizon started in July 2023, and the Programme's approach is to start with services and cohorts that are lower complexity to implement, de-risking implementation and building delivery confidence. Current funding only allows for an initial portion of the change that is required, and you will have options about how to take this work forward.

The Programme will deliver in this first phase:

- By the end of Horizon One, students will be able to apply online through a modern system for a loan or student allowance. This will set the scene for working age clients in the next stage.
- A digital employment platform will transform the ability of job seekers to connect with employers and gain upskilling opportunities to help them get better jobs and sustainable employment.
- A new practice model will be designed to support Ministry staff to more effectively engage with clients.
- The Ministry will retire its old, at-risk contract management systems while implementing a new approach.

The first improvements will be in place in 2025.

## Key areas of focus

### Policy

*Key contact: Simon MacPherson*

### Income support

The Ministry provides policy advice to you on income support across the welfare system to ensure that it is fit for purpose and helps the Government achieve its objectives. For instance, this may include assessing the impact of adjusting main benefit rates on child poverty levels, taking into account trade-offs with competing objectives such as cost to government and incentives to work, examining additional supports to ensure that they are appropriate, reviewing obligations and sanctions in the welfare system, and maintaining policy settings to enable the Ministry to support in emergency response situations.

### Housing

The Ministry works jointly with HUD to provide advice on public housing, transitional housing and emergency housing. HUD is the lead agency on housing policy. The Ministry also provides advice on housing subsidies such as the Accommodation Supplement and housing-related hardship assistance.

Examples include advising on and developing assistance to help people in emergency housing obtain private market housing.

### Employment

The Ministry provides advice to you on improving employment outcomes for people who are at risk of long-term benefit receipt, and will incorporate your priorities into its Employment and Social Outcomes Investment Strategy. Consideration is given to the level of need people have for help to address barriers they experience in getting or keeping a job. This often coincides with how long they have been out of work.

Much of this work involves leading or contributing to cross-agency work programmes.

The Ministry regularly reviews policy settings for Ministry employment products and services and provides investment advice using evidence provided by the Research and Evaluation team and other insights. For example, investment in employment and work readiness interventions are evaluated using the Integrated Data Infrastructure (IDI), which enables an assessment of effectiveness on a range of outcomes i.e. employment, income, welfare, education and justice. Alongside this monitoring of effectiveness, the Ministry also undertakes more in-depth evaluations.

The Ministry works closely with MBIE, the department responsible for administering Vote Labour Market. MBIE provides advice and leadership across the portfolios that have an interest in and influence the labour market. This includes providing advice on issues relating to skills, employment, labour market performance and immigration. MBIE partners with the Ministry of Social Development and other agencies to deliver advice and services and promote coherence across the portfolios that have an interest and influence on the labour

market. We provide joint advice on the Equitable Transitions Strategy (joint lead), Review of Active Labour Market Programmes (joint lead), providing second-opinion advice on issues related to the immigration system (led by MBIE), regional employment impacts and outcomes (led by MBIE) and Aotearoa New Zealand's Employment Strategy including the employment action plans (led by MBIE).

## **Disabled people and carers**

The Ministry provides advice to you on how to best support disabled people across all aspects of the welfare system, through both universal and specialised services.

Following the establishment of Whaikaha, the Ministry is considering what its ongoing role should look like, particularly in the provision of supports for disabled people to participate in and be included in their communities.

The Ministry is also the lead agency for the 2008 New Zealand Carers' Strategy and Mahi Aroha Carers' Strategy Action Plan 2019 – 2023.

## **Children and young people**

The Ministry provides advice to you on issues relating to children and young people both within the welfare system and across government (and may, at your discretion, provide policy support for the Minister for Youth).

Within the welfare system, this includes providing advice as needed regarding the Youth Service and associated benefits, the Orphan's Benefit and Unsupported Child's Benefit and certain childcare assistance products. We also advise on the Ministry's role in progressing the Child and Youth Wellbeing Strategy and Oranga Tamariki Action Plan.

The Ministry coordinates cross-government reporting and progress about the United Nations Convention on the Rights of the Child (UNCRC). A cross-government work programme is under development to respond to the findings of New Zealand's last UNCRC examination. The Ministry also advises on legislation regarding the oversight of the Oranga Tamariki system.

## **Foundational aspects of the welfare system**

The Ministry provides policy advice to you on the foundational aspects of the welfare system, to maintain a system that enables the effective and efficient administration of the government's social supports consistent with the Government's priorities. This may include ensuring legislative settings remain fit for purpose in the context of evolving technology and broader social change.

## **Emissions Reduction and Equitable Transitions**

The Ministry's role in New Zealand's response to climate change is to ensure equity and distributional impacts of climate policies are considered when they are developed by other agencies, and that the welfare system is equipped to respond to the impact of those policies.

The Ministry is also committed to reducing its emissions and introducing more sustainable practices to support the Government's Carbon Neutral Government

Programme. We have set emissions reduction targets and developed an Emissions Reduction Plan for the Ministry.

## **Seniors**

The Ministry is responsible for policy advice to you on income and social supports for older people, including New Zealand Superannuation and Veteran's Pension settings, the implementation of the Residential Care Subsidy financial means assessment and eligibility for the SuperGold card.

The Ministry also has an interest in broader retirement income and social policy settings for older people who experience hardship. This includes supporting two actions under the Better Later Life – He Oranga Kaumātua Strategy in partnership with the Social Wellbeing Agency – Toi Hau Tāngata and Ministry of Health – Manatū Hauora, focused on how current supports and services are responding to the unique needs of older people experiencing hardship across five key areas of life (housing, health, finance, access and social connection).

The team also works closely with the Office for Seniors to support the Minister for Seniors on broader policy issues impacting older people.

## **International social security**

The Ministry advises you on the international settings of the social security system, negotiates and maintains social security agreements, and manages international social security relationships and obligations, including with the Organisation for Economic Co-operation and Development (OECD) and United Nations.

Recent work in this area has included alleviating and working towards future proofing against unintended consequences of the settings in exceptional circumstances such as COVID-19 and the war in Ukraine.

## **Social services workforce**

Social workers are a regulated profession in the social sector workforce. The Ministry is currently undertaking some initial scoping work to consider the quality and safety of the broader social sector workforce beyond social workers.

The Ministry is the steward of the Social Workers Registration Act 2003 (the SWR Act) which provides mechanisms to protect the public from unsafe social work practice. We work closely with Social Workers Registration Board – Kāhui Whakamana Tauwhiro (SWRB) to support this role.

The Ministry is leading two SWR Act-related amendments:

- The Social Workers Registration Legislation Amendment Bill 2023 currently seeks to delay the repeal of the experience pathway for social worker registration from February 2024 to February 2028. A decision on whether to progress this Bill through the House will be required in November/December 2023 as the Bill would need to be passed by 27 February 2024 to avoid a legislative gap.
- The Social Workers Registration Amendment Bill consists of 16 minor policy and technical amendments that respond to the recommendations of the last five-yearly review of the SWR Act in 2020. This Bill, which is

Category 4 on the 2023 Legislative Agenda, has been drafted and awaits Cabinet Legislation Committee (LEG) approval to introduce to the House.

## **Social Sector Commissioning**

*Key contact: Sacha O’Dea*

The Social Sector Commissioning work programme was established in response to the Productivity Commission’s inquiry into more effective social services, which was published in September 2015. The Government response to the inquiry was released in May 2017.

In 2021, Cabinet agreed that government agencies and Crown entities would formally adopt a relational approach to the commissioning of social services provided by non-government organisations (NGOs) and would align policy and practice with a set of seven commissioning principles.

The seven principles are:

1. Individuals, families, whānau and communities exercise choice.
2. Māori-Crown partnerships are at the heart of effective commissioning.
3. The sector works together locally, regionally and nationally.
4. The sector is sustainable.
5. Decisions and actions are taken transparently.
6. Commissioning is responsive to the equity of unique and diverse populations.
7. The sector is always learning and improving.

Work to operationalise these principles culminated in the Social Sector Commissioning Action Plan for 2022-2028, released in October 2022. The Social Sector Commissioning Hub works with social sector agencies and NGOs and is responsible for implementing the Action Plan. We look forward to understanding your priorities in this area.

## **Service Delivery**

*Key contact: Viv Rickard*

Service Delivery is the Ministry’s operational arm that delivers employment, housing, financial and support services in over 160 sites across New Zealand, with a team of 7000 people.

The Ministry’s Service Delivery business units include Work and Income, StudyLink, Services for Seniors, Integrity Services, and frontline Housing Support. Collectively, these business units are responsible for providing entitlements and services, designing and developing services, optimising channels, delivery of partnerships and programmes, developing the regions, and managing service integrity.

Service Delivery also supports emergency response and was the mechanism that was used by government to pay wage subsidies to support more than 1.8 million jobs during COVID-19 between March 2020 and December 2021, and 237,000 Civil Defence Payments during the 2023 severe weather events between 29 January 2023 to 15 April 2023.



As of September 2023, Service Delivery also made payments to over 890,000 seniors (including Veteran's Pension) and 362,094 people in receipt of a main benefit. 16,434 people exited benefit into work in the September 2023 quarter. Between January and June 2023, more than 118,000 students received student support.

Service Delivery also develops and maintains relationships with external stakeholders who have an interest in the Ministry's products, services, policies and processes. They provide information to external stakeholders and facilitate connections throughout the Ministry.

## **Alignment**

The Ministry has a broad range of products and services that are subject to regular iteration. While overall the Ministry's services and products deliver on policy intent and within legislative authority, from time to time the Ministry becomes aware of inconsistencies between legislation, policy and practice. These are referred to by the Ministry as Alignment issues.

There is a programme of work that looks at the identification and resolution of Alignment issues, considering both the impacts and the best course of action to resolve the issue, which may be a change to legislation, a change in policy or a change in practice.

## **Strategy and Insights**

*Key contact: Sacha O'Dea*

The Ministry's Strategy and Insights group uses data to generate insights about the current state of the welfare system that inform stakeholders, influence effective decision-making, and improve client outcomes. Administrative Ministry data and external information is used to produce insights, reports, and research (including from the IDI).

The Ministry reports regularly, with commentary, on income support and housing statistics. Regular published reports include the 'Benefit Fact Sheets', 'Social Housing Register', 'Benefit System Update', 'Total Incomes', and 'What happened to people after they left the benefit system?'

The Ministry also delivers long-term research and evaluates programmes to grow our understanding of what works to improve client outcomes. The Employment Assistance catalogue provides programme-level evidence about the effectiveness of employment programmes, which is used to support employment investment decisions.

The Ministry also maintains the Social Outcomes Model (SOM) in the IDI. The SOM is an actuarial model and provides a holistic and detailed view of the New Zealand adult population and estimates social outcomes over the rest of their lives. This information enables the Ministry to identify where policy and operational settings may need to change to better support different groups. This includes areas of interest to the Ministry, such as future benefit receipt, and outcomes that may also be relevant to other agencies such as public housing uptake, educational achievements, earned income/employment, acute hospitalisation, the proportion of people proceeded against by Police, and the use of mental health and addiction support services.

## **Māori, Communities and Partnerships**

*Key contact: Marama Edwards*

The Ministry's Māori, Communities and Partnership group works with 2,000 providers across the whole Ministry to commission, contract and fund the social sector to deliver programmes aligned with government priorities. We can also provide you with advice on supporting communities, and how to best partner with communities and the social sector to improve community resilience.

Examples of this include Food Secure Communities, Community Connectors, and family violence and sexual violence crisis support services. We also have a key role in responding to and supporting the recovery from adverse events by supporting the community response.

Māori, Communities and Partnership group also leads the Ministry's partnerships with Iwi and Māori. This includes being the host agency, on behalf of the Crown, for three post-settlement Accords:

- Te Hiku o Te Ika Iwi–Crown Social Development and Wellbeing Accord
- He Tapuae (Ngāi Tūhoe Service Management Plan)
- Koiora Accord with Waikato-Tainui.

## Upcoming decisions

The tables below highlight key topics on which we expect to provide you advice in the coming months, following discussions with you about these issues in the context of your priorities.

The first table outlines decisions for you that arise from existing requirements, including annual government processes and previous Cabinet decisions. The second table is a non-exhaustive list of selected priority topics on which we expect to provide you with advice for your consideration.

### External requirements

Decision to be made	Timing
s9(2)(f)(iv)	

s9(2)(f)(iv)

## Other priority advice

Decision to be made	Timing
s9(2)(f)(iv)	

# Key contacts

## Debbie Power

Chief Executive



s9(2)(a)

## Viv Rickard

Deputy Chief Executive  
Service Delivery



s9(2)(a)

Service Delivery leads the operational delivery of Ministry services to New Zealanders. The service includes income support, employment, employment programmes, housing, students, seniors, debt and integrity and support to non-beneficiaries.

## Sacha O’Dea

Deputy Chief Executive  
Strategy and Insights



s9(2)(a)

Strategy and Insights is responsible for providing data and insights for effective decision making. This includes developing benefit forecasts, monitoring reporting, data analytics, research and evaluation, the social sector commissioning hub, developing the Ministry’s accountability documents and performance reporting, supporting the budget process, and monitoring Crown entities.

**Melissa Gill**

Deputy Chief Executive  
Organisational Assurance and  
Communication



s9(2)(a)

Organisational Assurance and Communication is responsible for ensuring the overall integrity of the Ministry’s operations by making sure there is ongoing compliance with legislation and policy, communication with the public and stakeholders is effective, and Ministers are supported. OAC provides the following services: Ministerial and Executive Services, Communications and Engagement, Workplace Integrity, Legal Services, Health, Safety and Security and Information.

**Simon MacPherson**

Deputy Chief Executive  
Policy



s9(2)(a)

The Policy branch provides policy advice on welfare system change and wider social development, income, employment and housing support, regions and communities, issues faced by seniors and people with a disability, child and youth-related policy.

**Marama Edwards**

Deputy Chief Executive  
Māori, Communities and  
Partnerships



s9(2)(a)

Māori, Communities and Partnerships is responsible for commissioning, contracting and funding programmes such as building financial capability, preventing and responding to family violence and sexual violence, community capability, youth development and services for disabled people.

**Tāmati Shepherd-Wipiiti**

Deputy Chief Executive  
Transformation



s9(2)(a)

Transformation Group is responsible for the design and implementation of Te Pae Tawhiti Programme and our technology platforms.

**Nadine Kilmister**

Deputy Chief Executive  
People and Capability

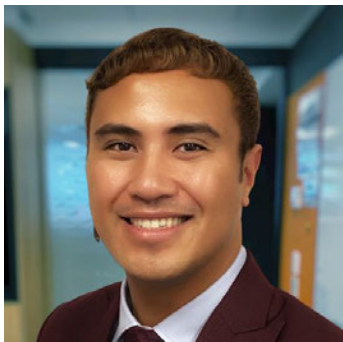


s9(2)(a)

People and Capability is responsible for providing corporate services to the Ministry such as human resource management and support, finance and account management, commercial procurement and property and facility management. Some corporate services are also provided to other government agencies. People and Capability also support resolution of claims of historic abuse and accredit social sector providers for the purpose of meeting accreditation framework and standards.

**Tele’a Andrews**

Director  
Office of the Chief Executive



s9(2)(a)

The Office of the Chief Executive provides high level strategic, organisational and operational advice, and manages key external relationships across the social sector as well as across the entire state sector.

# Appendix 1: Vote Social Development

Responsible for an appropriation in the Vote	Examples of expenditure	Departmental 2023/24 financial year	Non-departmental 2023/24 financial year
Minister for Social Development and Employment	New Zealand Superannuation, Jobseeker Support and Emergency Benefit, Supported Living Payment, Sole Parent Support, Student Allowances, Hardship Assistance, Winter Energy Payment	\$1.499 billion	\$34.834 billion
Minister for Youth	Youth development programmes	\$4.425 million	\$19.982 million
Minister of Revenue	Student Loans	\$23.257 million	\$1.572 billion
Minister for Disability Issues	Supporting tāngata whaikaha Māori and disabled people	\$57.981 million	\$2.187 billion
Minister for Veterans	Veteran's Pension	\$0.744 million	\$129.780 million
Minister for Seniors	Promoting Positive Outcomes for Seniors, enhancement and promotion of SuperGold Cards	\$4.368 million	\$0 million
Minister of Housing	Accommodation Assistance	\$88.002 million	\$2.630 billion
Totals		\$1.678 billion	\$41.373 billion
<b>Combined Vote total</b>		<b>\$43.051 billion</b>	



# Vote Social Development — Budget 2023–2024

## Vote Social Development

**\$43 billion**

(excludes departmental capital)

### NZ Superannuation

**\$21.6 billion**

### Student loans and MSD recoverable assistance

**\$2 billion**

### Other Benefits or Related Expenses (BoRE)

**\$14.4 billion**

Includes:

Jobseeker Support  
and Emergency Benefit:  
**\$4.1 billion**

Supported Living Payment:  
**\$2.5 billion**

Accommodation Assistance:  
**\$2.5 billion**

Sole Parent Support:  
**\$2.1 billion**

### Other non-departmental

**\$3.3 billion**

Includes:

Supporting Tāngata Whaikaha  
Māori and Disabled People MCA:  
**\$2.2 billion**

Community Support  
Services MCA:  
**\$364 million**

Housing Support Assistance:  
**\$153 million**

Apprentice Support Scheme:  
**\$113 million**

### Departmental

**\$1.7 billion**

Includes:

Operating costs and third party  
contracted services for the  
Improved Employment and  
Social Outcomes Support MCA:  
**\$1.2 billion**

### Whaikaha

Within the Vote Social  
Development funding outlined  
in this figure, Whaikaha is  
responsible for:

Other non-departmental:  
**\$2.2 billion**

Departmental:  
**\$58 million**

# Appendix 2: Services we provide

## **Income support, superannuation, student loans and allowances**

- Benefits
- Other financial support (for people in, or outside of, the benefit system)
- Retirement income (in particular, New Zealand Superannuation)
- Accommodation-related financial support
- Student financial support (via StudyLink)
- Child-related benefits.

## **Employment services and support**

- Connecting clients to employers and job opportunities
- Upskilling clients through industry-based recruitment partnerships
- Responding to local labour market conditions by working with local employers and industry partners through our regional employment teams
- Supporting rangatahi to gain the skills they need to work and have an independent future
- leading Connected, a central place for information from the New Zealand Government relating to employment, education and training.

## **Housing support services**

- Assessing people's eligibility for public housing and managing the Public Housing Register
- Determining eligibility for emergency housing and referrals to Transitional Housing providers and other support services
- Providing grants and recoverable assistance to help with housing costs
- Providing a Housing Brokerage Service.

## **Contracting and funding community services**

- Supporting victims, survivors and perpetrators of family violence and sexual violence
- Reducing the isolation, abuse, and neglect of older people
- Building people's financial capability and resilience
- Ensuring refugee and migrant communities can participate in local initiatives
- Supporting disabled people to engage in the community
- Supporting community providers to develop their capability.

## **Welfare system support**

We provide a range of services to the Government to support the welfare system, including:

- advice to Ministers on a wide range of social policy issues, income support, employment programmes, active labour market policies, housing-related social assistance, support for children and rangatahi, retirement income, social policy issues relevant to seniors and disabled

people, social sector policy initiatives, regional development and governance, and our international obligations

- protecting the integrity of the welfare system by minimising errors, client debt and fraud, and managing the collection of overpayments and recoverable assistance loans
- providing requested information and preparing for hearings of the 'Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions' and supporting the Crown Response Unit
- assessing and resolving claims of abuse and neglect for people who were under the supervision of, in the care, custody or guardianship of, or who had come to the notice of the State before April 2017
- responding to adverse and crisis events, such as floods, droughts, and earthquakes
- monitoring three Crown entities and providing advice to the responsible Minister.

### **Welfare services and other social service functions**

We work with others to deliver effective welfare services and other social service functions, including:

- working with Te Tari Taake Inland Revenue to deliver Working for Families tax credits to people on benefits and COVID-19 business supports to qualifying employers and self-employed people
- contributing to cross-government initiatives, including:
  - working with hapū and iwi towards improving outcomes for Māori
  - supporting the Child and Youth Wellbeing Strategy
  - contributing as a member of several cross-agency groups, including the Social Wellbeing Board, the Digital Government Leadership Group, the Government Health and Safety Lead, and the Joint Venture for Family Violence and Sexual Violence
  - sponsoring We Enable Us, an all-of-government disabled employee network in the public sector
  - leading across government on improving social sector commissioning and hosting the Social Sector Commissioning Hub
  - strengthening oversight of the Oranga Tamariki system, including independent monitoring
  - supporting place-based initiatives (including playing a lead role in the Tairāwhiti region)
- accrediting social service providers contracted by partner agencies, managing Core Worker Exemptions and Social Worker Registration non-compliance
- co-ordinating the whole-of-government approach to strengthening social cohesion, which is part of the Government's response to the recommendations from the Report of the Royal Commission of Inquiry into the terrorist attack on Christchurch Masjidain in March 2019
- developing a long-term insights briefing (the first one explores opportunities to support better employment outcomes for all young people in the medium- and long-term).

## **Appendix 3: Our services by the numbers**



**MINISTRY OF SOCIAL  
DEVELOPMENT**  
TE MANATŪ WHAKAHIATO ORA



# **Benefit Fact Sheets Snapshot September 2023 Quarter**

# In the Benefit Fact Sheets Snapshot

The Benefit Fact Sheets provide a high-level view of trends in benefit receipt.

The Benefit Fact Sheets are published quarterly and contain information on income support provided by the Ministry.

For technical information about the Benefit Fact Sheets, like how we protect our clients' confidentiality, please see:

[www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/statistics/benefit/2023/bfs-t1-stats-information-sep-23.pdf](http://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/statistics/benefit/2023/bfs-t1-stats-information-sep-23.pdf)

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To view a copy of this licence, visit [creativecommons.org/licenses/by/4.0/](http://creativecommons.org/licenses/by/4.0/). Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

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- Sole Parent Support
- Supported Living Payment
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- Regional distribution of Sole Parent Support

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- Reasons for granting hardship assistance
- Special Needs Grants
- Benefit Advances



# Main benefit assistance

## Main benefits

At the end of September 2023, **362,094 people** were receiving a main benefit. This was up 16,332 or 4.7 percent when compared to September 2022.

The proportion of the working-age population receiving a main benefit increased to **11.3 percent**, up 0.2 percentage points from September 2022.

Figure 1a: Number and proportion of people receiving a main benefit at the end of the last six September quarters.

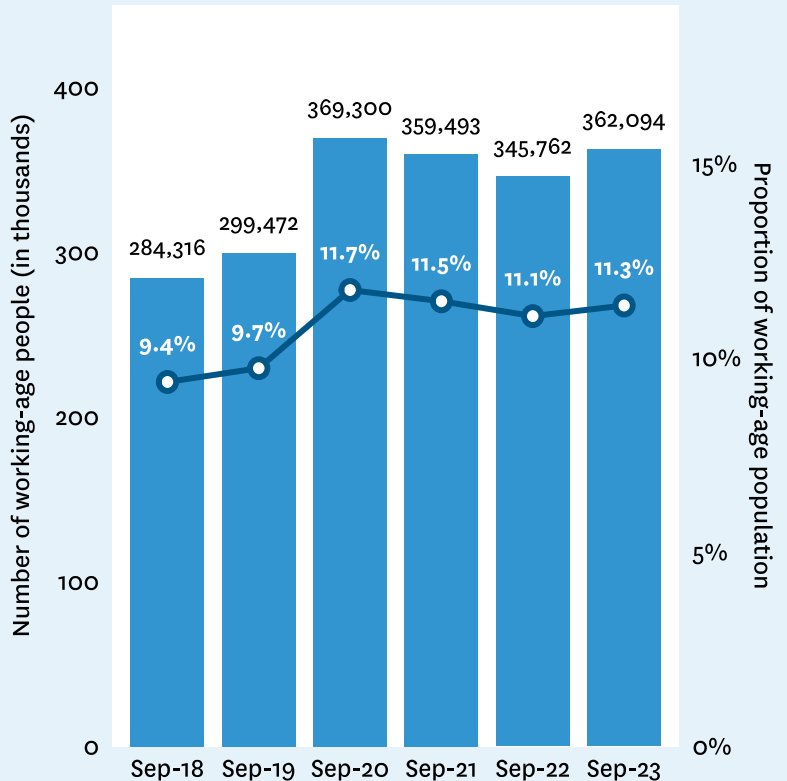
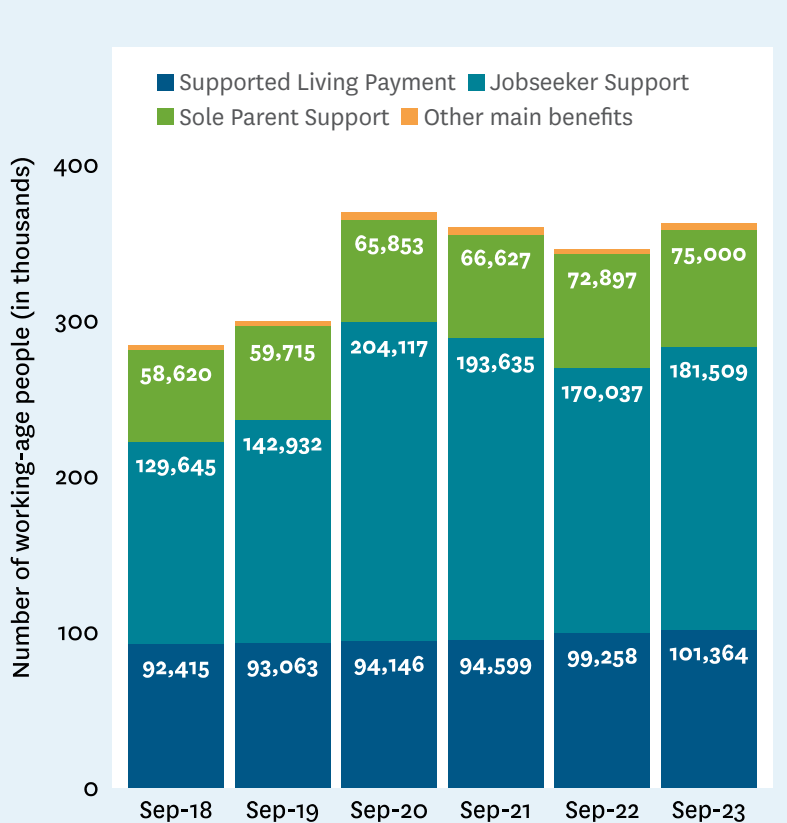


Figure 1b: Number of people receiving a main benefit by benefit type at the end of the last six September quarters.



In Figure 1b, other main benefits include:

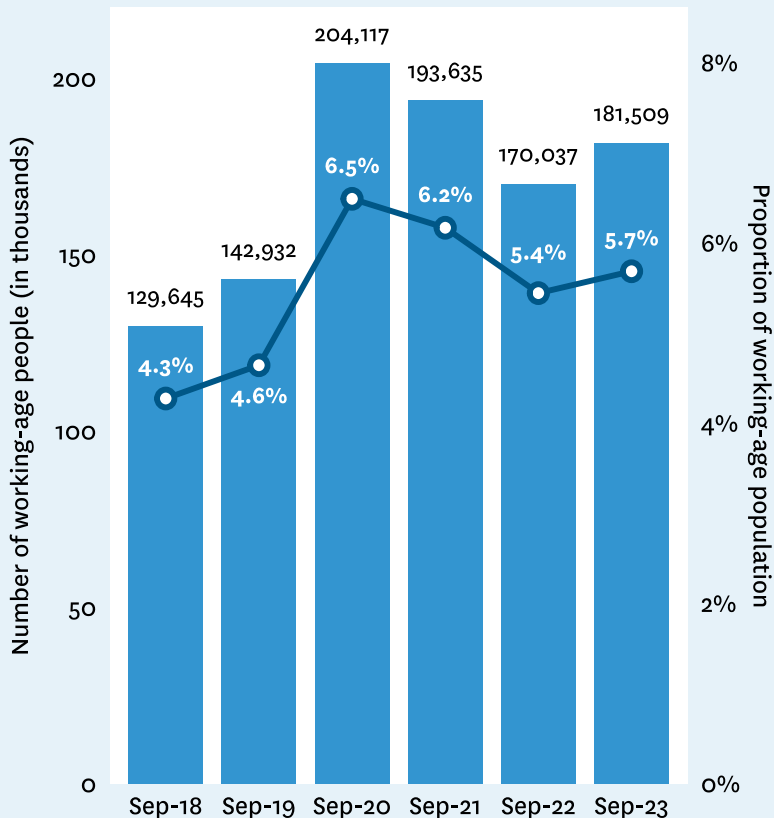
- Youth Payment and Young Parent Payment
- Emergency Benefit
- Emergency Maintenance Allowance
- Jobseeker Support Student Hardship

# Jobseeker Support

At the end of September 2023, **181,509 people** were receiving Jobseeker Support. This was up 11,472 or 6.7 percent when compared to September 2022.

The proportion of the working-age population receiving this benefit increased to **5.7 percent**, up 0.3 percentage points from September 2022.

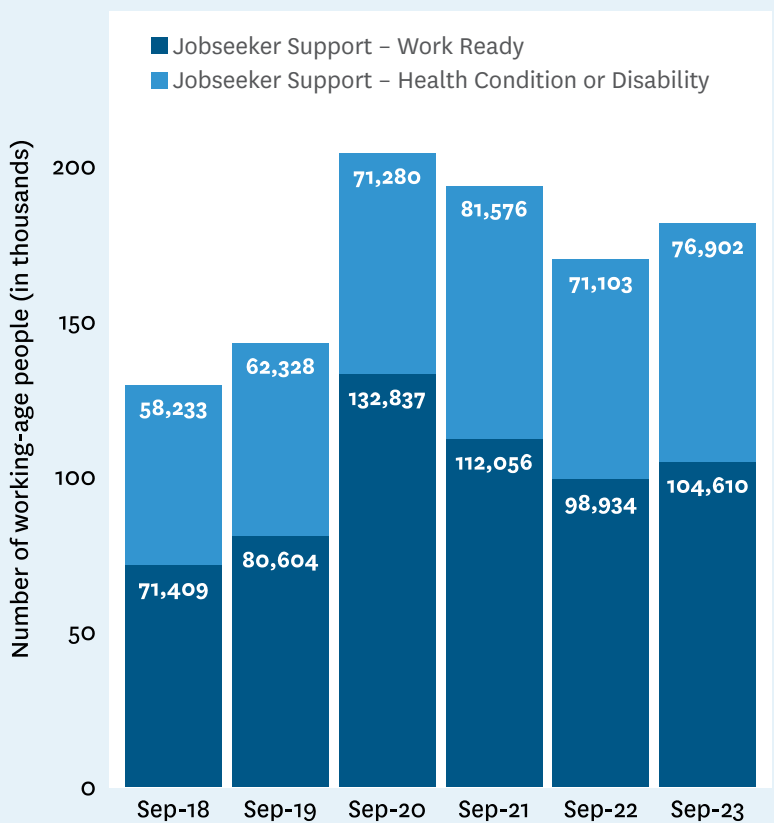
Figure 2a: Number and proportion of people receiving Jobseeker Support at the end of the last six September quarters.



At the end of September 2023, **104,610 people** were receiving Jobseeker Support – Work Ready. This was up 5,676 or 5.7 percent when compared to September 2022.

At the end of September 2023, **76,902 people** were receiving Jobseeker Support – Health Condition or Disability. This was up 5,799 or 8.2 percent when compared to September 2022.

Figure 2b: Number of people receiving Jobseeker Support by benefit type at the end of the last six September quarters.



Jobseeker Support is for people who are actively looking for or preparing for work. It includes people with part-time work obligations and those who cannot look for work at the moment (e.g. those with a health condition, injury, or disability).



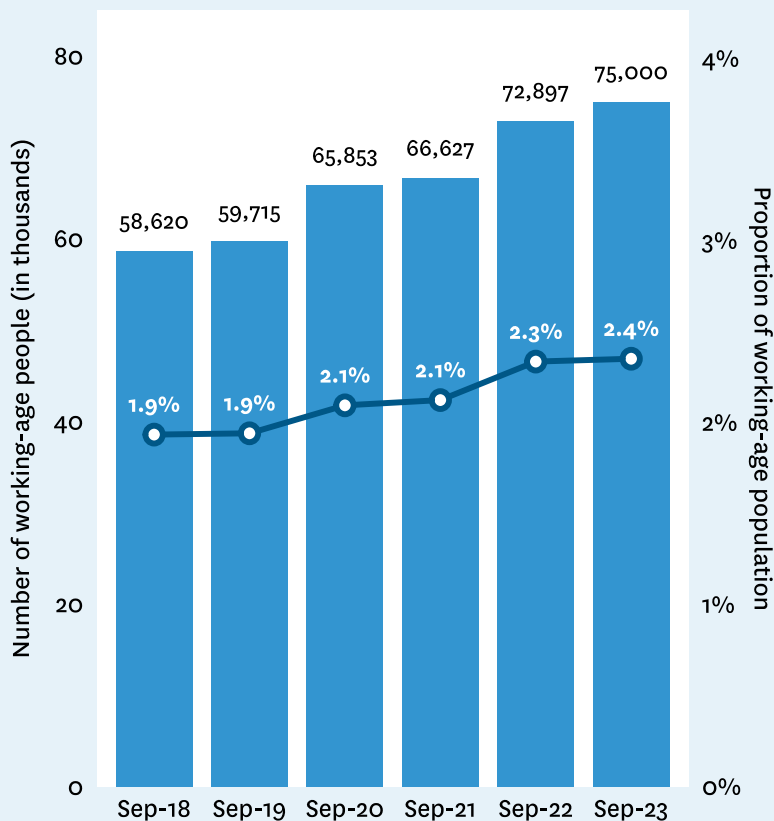
# Sole Parent Support

At the end of September 2023, **75,000 people** were receiving Sole Parent Support. This was up 2,103 or 2.9 percent when compared to September 2022.

The proportion of the working-age population receiving this benefit increased to **2.4 percent**, up 0.1 percentage points from September 2022.

Sole Parent Support is for single parents with at least one dependent child under 14 years.

Figure 3: Number and proportion of people receiving Sole Parent Support at the end of the last six September quarters.



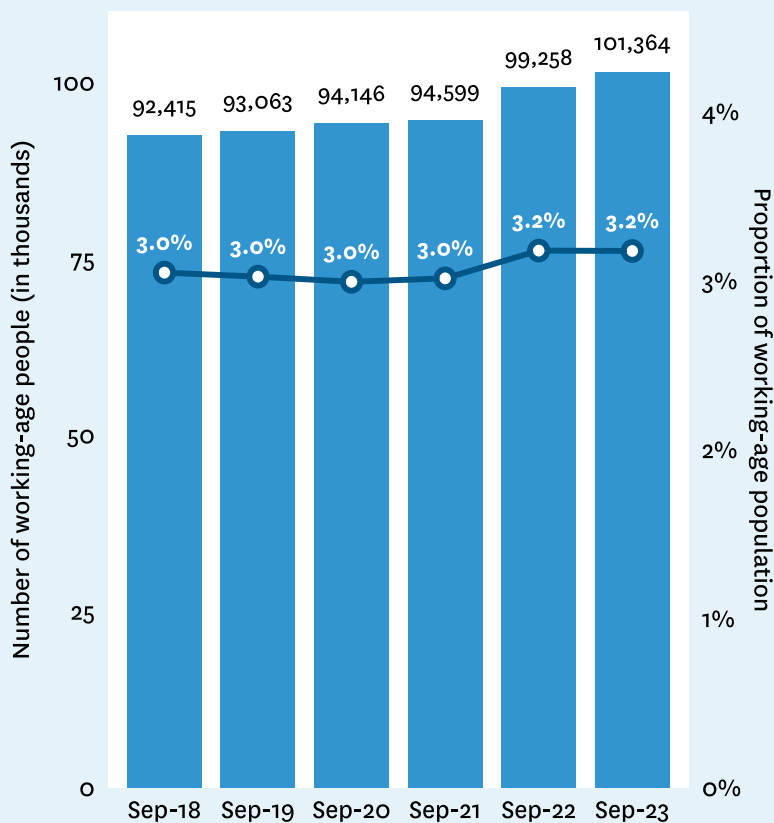
# Supported Living Payment

At the end of September 2023, **101,364 people** were receiving Supported Living Payment. This was up 2,106 or 2.1 percent when compared to September 2022.

The proportion of the working-age population receiving this benefit is **3.2 percent**, the same as this time last year, September 2022.

Supported Living Payment is for people who have, or care for someone with, a health condition, injury or disability that limits their ability to work.

Figure 4: Number and proportion of people receiving Supported Living Payment at the end of the last six September quarters.



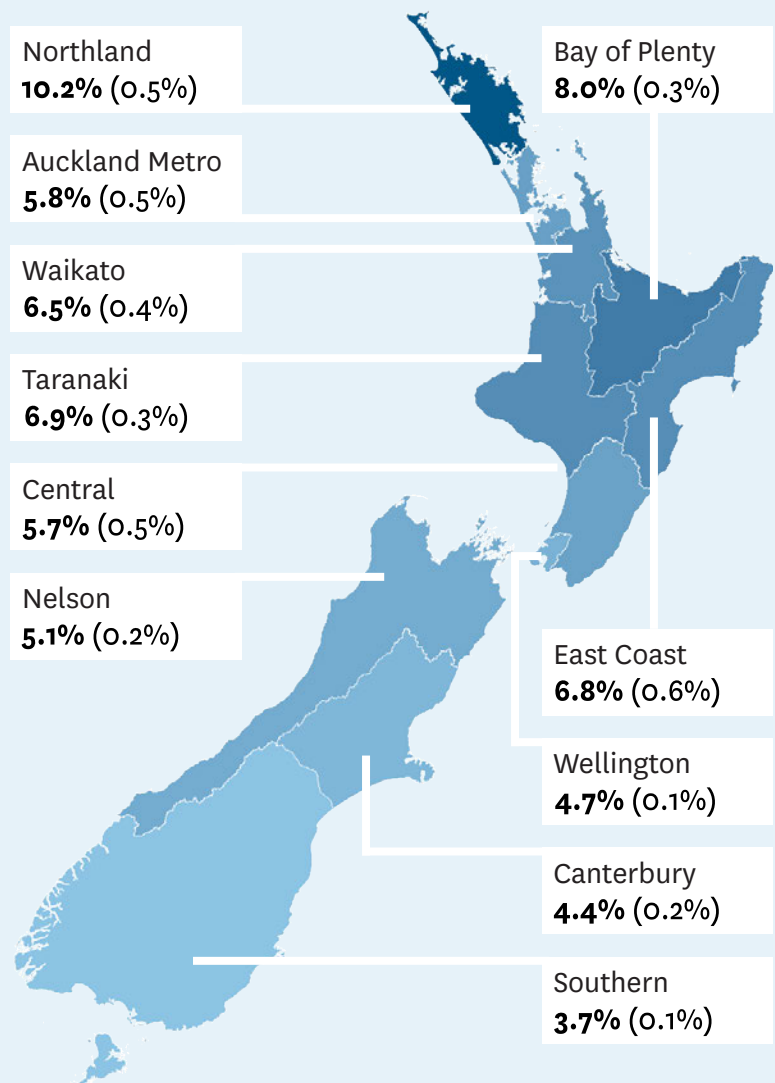
# Regional distribution of Jobseeker Support

Between September 2022 and September 2023, **the proportion of the working-age population receiving Jobseeker Support increased in all regions.**

The largest percentage point increase was seen in East Coast (0.6 percent).

At the end of September 2023, Northland had the highest proportion receiving Jobseeker Support, at 10.2 percent.

Figure 5: Regional distribution of Jobseeker Support as a proportion of the population by Work and Income region, as at September 2023.



Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

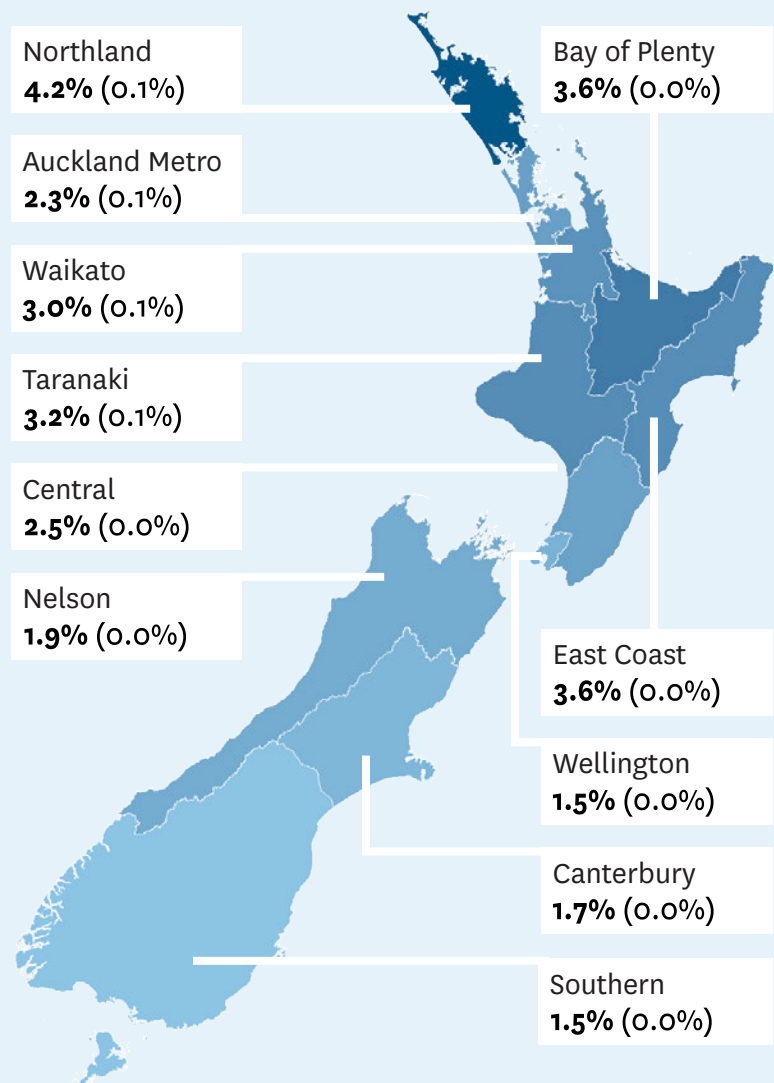
# Regional distribution of Sole Parent Support

Between September 2022 and September 2023, the proportion of the working-age population receiving Sole Parent Support remained the same or increased slightly in all regions.

The largest percentage point increases were seen in Northland, Taranaki, Waikato, and Auckland Metro (0.1 percent).

At the end of September 2023, Northland had the highest proportion receiving Sole Parent Support, at 4.2 percent.

Figure 6: Regional distribution of Sole Parent Support as a proportion of the population by Work and Income region, as at September 2023.



Figures in labels refer to 'working-age population proportion' and 'percentage point change' respectively. All percentages have been rounded to the nearest decimal point. As a result, a percentage point change may be displayed as zero.

# Main benefit grants and cancellations

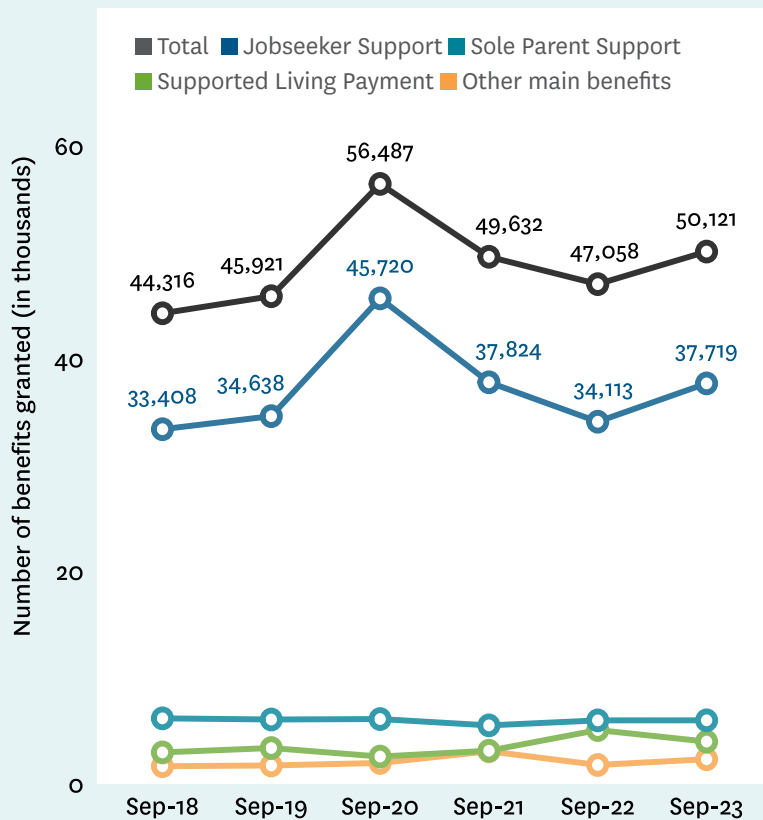
## Main benefit grants

There were **50,121** main benefits granted in the September 2023 quarter, an increase of 3,063 or 6.5 percent from the September 2022 quarter.

There were **37,719** Jobseeker Support grants in the September 2023 quarter, an increase of 3,606 or 10.6 percent from the September 2022 quarter.

A main benefit grant is the formal acceptance of entitlement to a main benefit.

Figure 7: Number of main benefits granted during the last six September quarters.



# Main benefit cancellations

There were **38,661** main benefit cancellations in the September 2023 quarter, a decrease of 6,252 or 13.9 percent from the September 2022 quarter.

There were **16,434** exits into work in the September 2023 quarter, a decrease of 4,806 or 22.6 percent from the September 2022 quarter.

Figure 8a: Number of main benefit cancellations by benefit type during the last six September quarters.

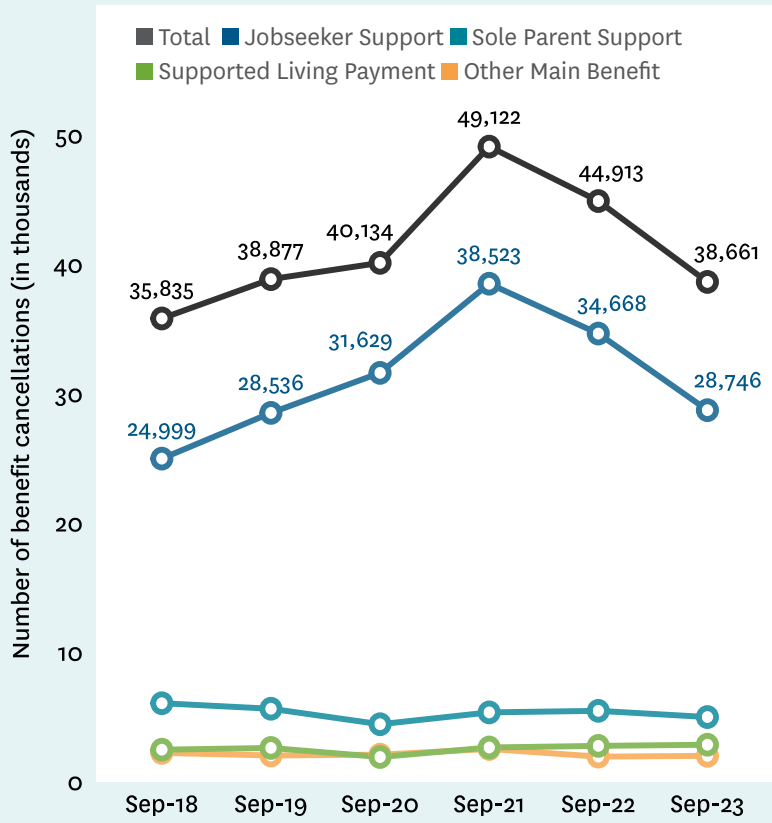
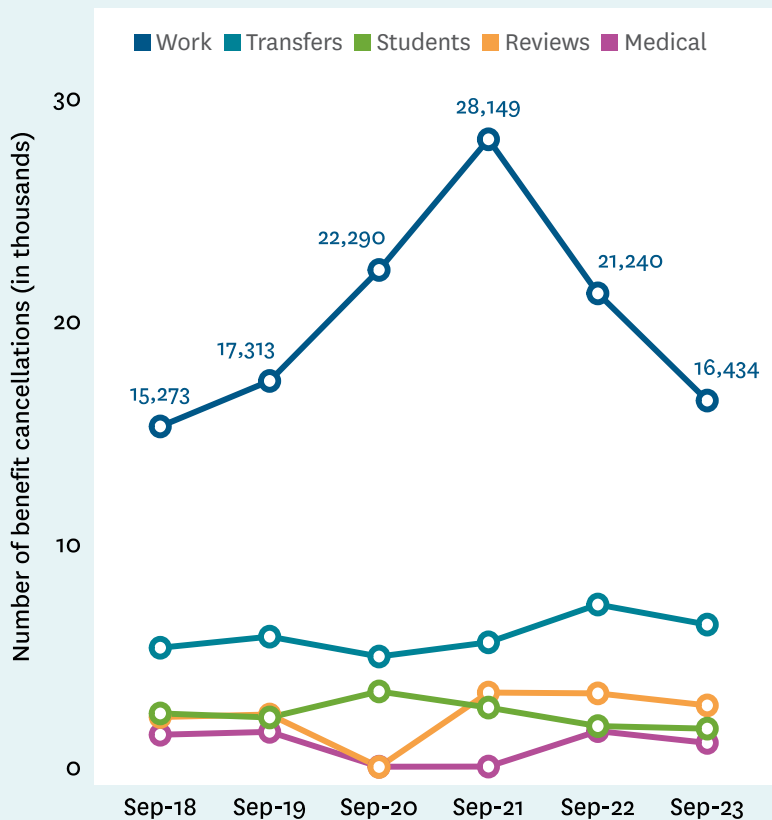


Figure 8b: Number of main benefit cancellations by selected reasons during the last six September quarters.



A main benefit cancellation is the formal process that ends the entitlement to a main benefit.

# Benefit sanctions

The number of sanctions issued during the September 2023 quarter was **6,177**, an increase of 522 or 9.2 percent from the September 2022 quarter.

A sanction is a reduction in a person's benefit that may occur if they do not fulfil their work obligations. Not everyone who does not fulfil their obligations gets sanctioned; if benefit recipients re-comply or provide additional information, the sanction can be overturned.

During the September 2023 quarter, the main reasons for unfulfilled work obligation sanctions were **clients not attending appointments** including seminar appointments (3,723 sanctions) and **failing to prepare for work** (1,911 sanctions).

Figure 9a: Number of sanctions for unfulfilled work obligations during the last six September quarters.

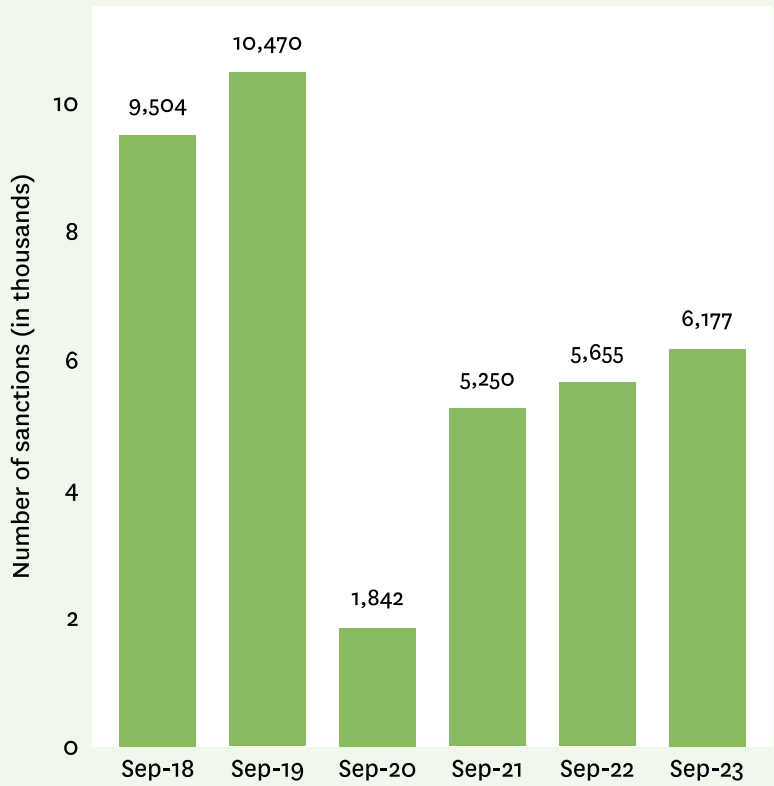
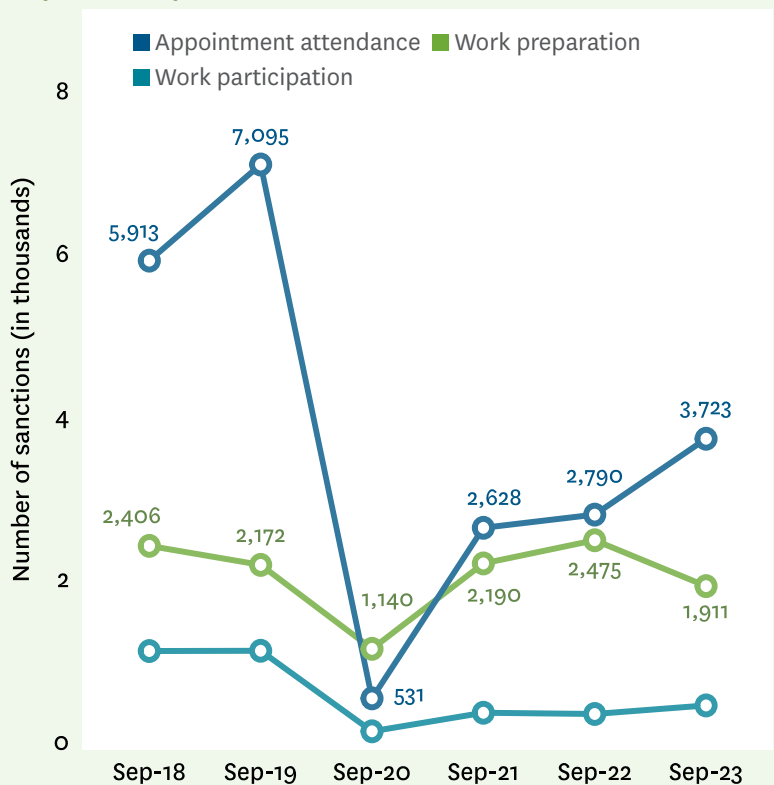
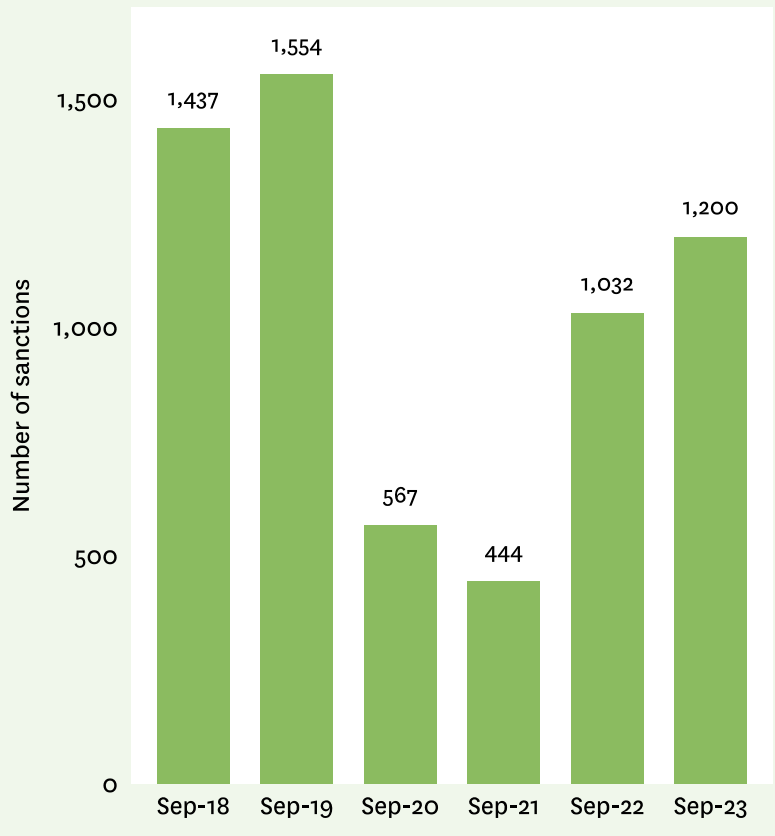


Figure 9b: Number of sanctions for unfulfilled work obligations by reason during the last six September quarters.



At the end of September 2023, there were **1,200** graduated sanctions in place, an increase of 168 or 16.3 percent from the September 2022 quarter.

**Figure 9c: Number of graduated sanctions in place at the end of the last six September quarters.**



Sanctions can affect benefit recipients in a number of ways, depending on their circumstances and the number of times they have had a sanction over the last 12 months. There are three types of sanctions: graduated (i.e. percentage reduction in benefit amount), suspended, or cancelled.

# Hardship assistance

## Total hardship assistance

During the September 2023 quarter, there were **639,648** hardship assistance payments, worth **\$258.1 million**.

Compared with the September 2022 quarter, the number of hardship assistance payments was 8.7 percent higher, and the value of hardship payments was 9.2 percent higher.

Figure 10a: Number of hardship payments provided during the quarter for the last six September quarters, by type of assistance.

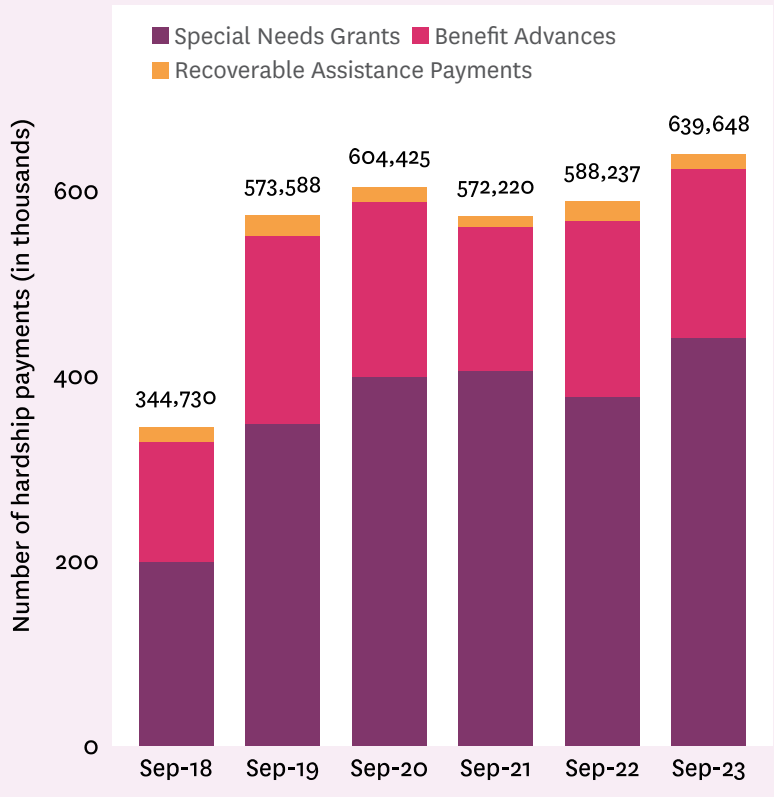
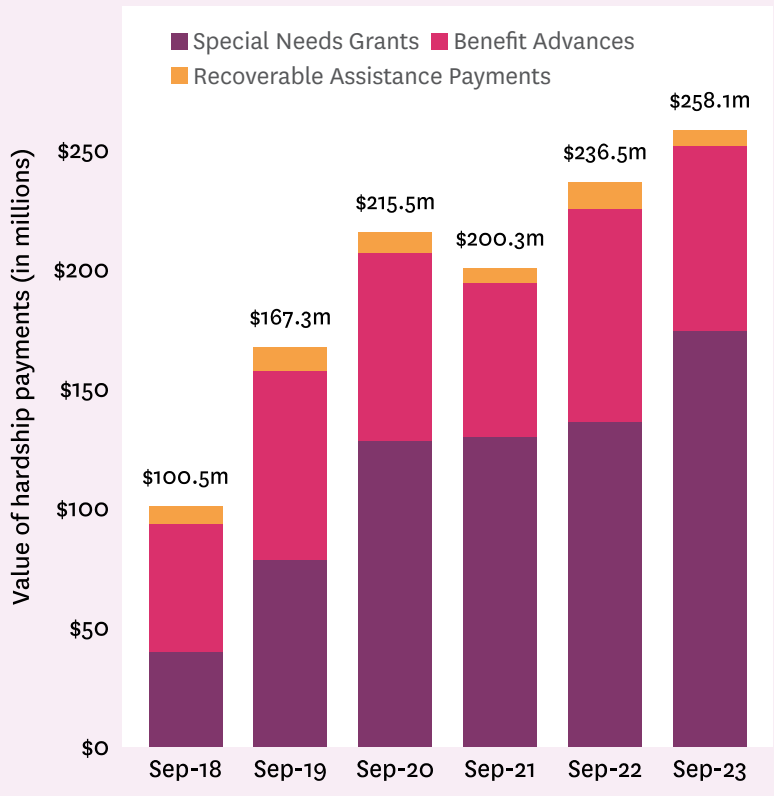


Figure 10b: Value of hardship payments provided during the quarter for the last six September quarters, by type of assistance.



Hardship assistance includes, but is not limited to: Special Needs Grants, Benefit Advances, and Recoverable Assistance Payments. These forms of assistance are designed to help people who have immediate needs.



# Reasons for hardship assistance

Two key types of hardship assistance are Special Needs Grants for food and Emergency Housing Special Needs Grants.

There were **339,222** Special Needs Grants for food during the September 2023 quarter, up 31,020 or 10.1 percent from the September 2022 quarter. The value of these grants was **\$36.6 million**, up 16.5 percent from the September 2022 quarter.

There were **25,866** Emergency Housing Special Needs Grants during the September 2023 quarter, down 5,298 or 17.0 percent from the September 2022 quarter. The value of these grants was **\$88.2 million**, down 3.9 percent from the September 2022 quarter.

Figure 11a: Number of hardship payments provided during the last six September quarters by selected reason.

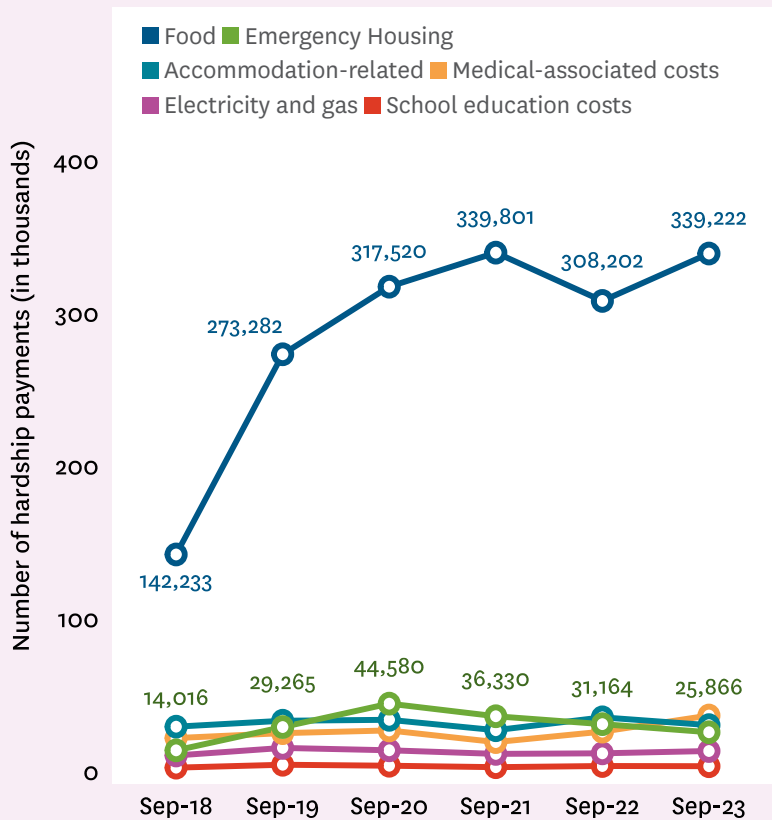
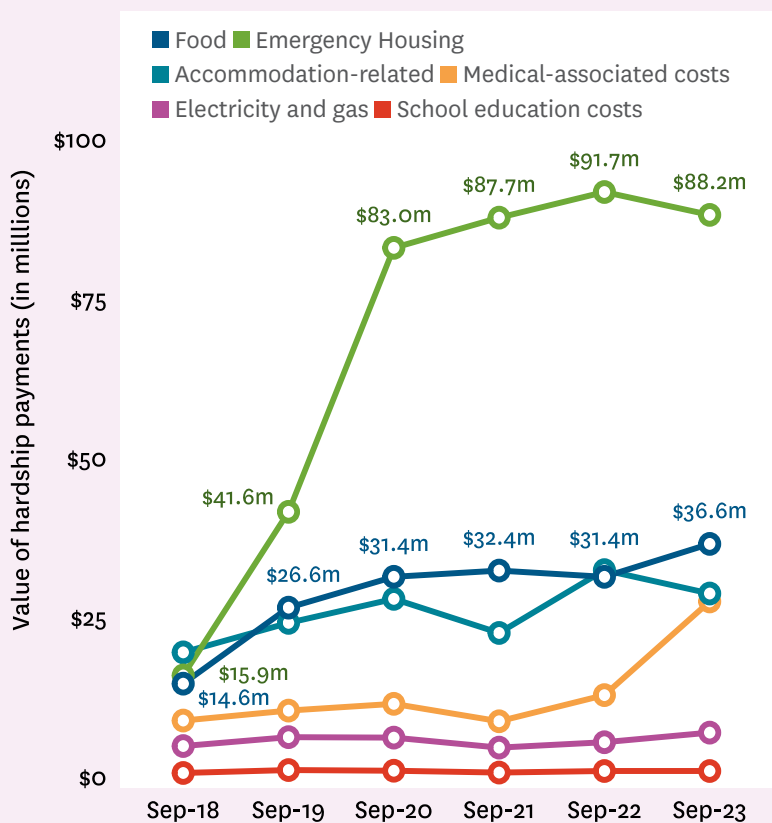


Figure 11b: Value of hardship payments provided during the last six September quarters by selected reason.

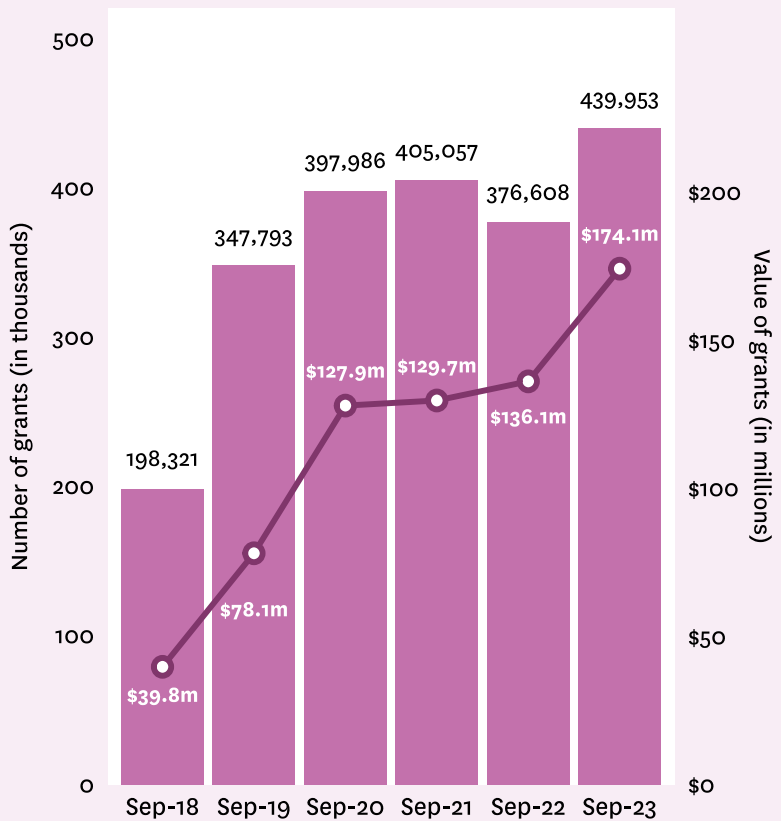


# Special Needs Grants

There were **439,953** Special Needs Grants in the September 2023 quarter, up 16.8 percent from the September 2022 quarter. The value of these grants was **\$174.1 million**, up 27.9 percent from the September 2022 quarter.

A Special Needs Grant provides a non-taxable, one-off recoverable or non-recoverable payment to help people meet immediate needs. A person does not need to be receiving a main benefit to be eligible for a Special Needs Grant.

Figure 12: Number and value of Special Needs Grants provided during the last six September quarters.

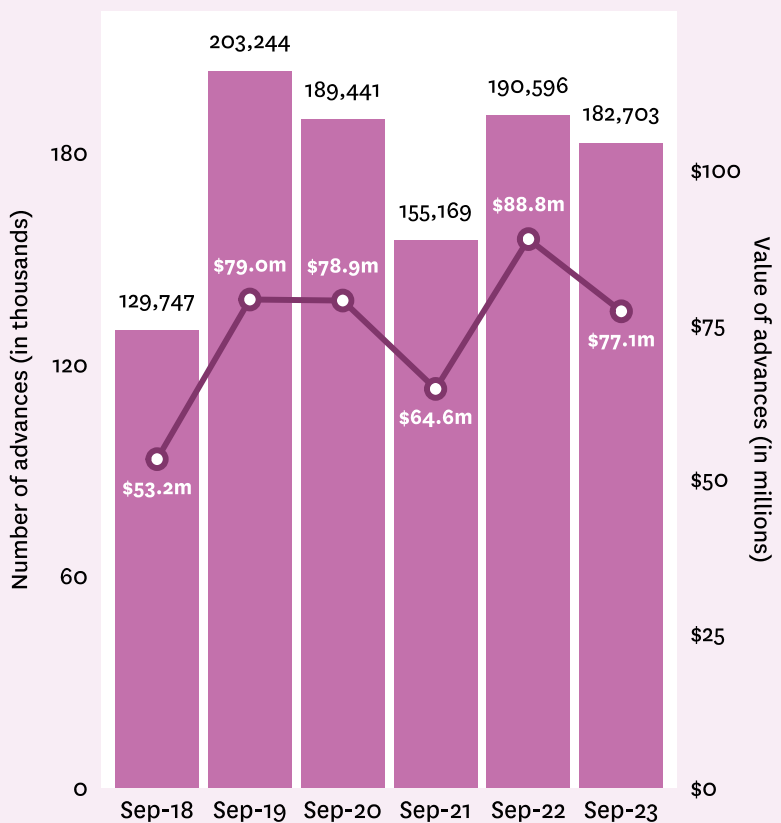


# Benefit Advances

There were **182,703** Benefit Advances provided during the September 2023 quarter, down 4.1 percent from the September 2022 quarter. The value of these grants was **\$77.1 million**, down 13.2 percent from the September 2022 quarter.

A Benefit Advance can be up to six weeks of a benefit recipient's net entitlement, and is recovered from subsequent payments of benefit. People not receiving a main benefit may instead receive Recoverable Assistance Payments.

Figure 13: Number and value of Benefit Advances provided during the last six September quarters.



## **Appendix 4: Ministry office locations**

# MSD Offices 2023

## North Island

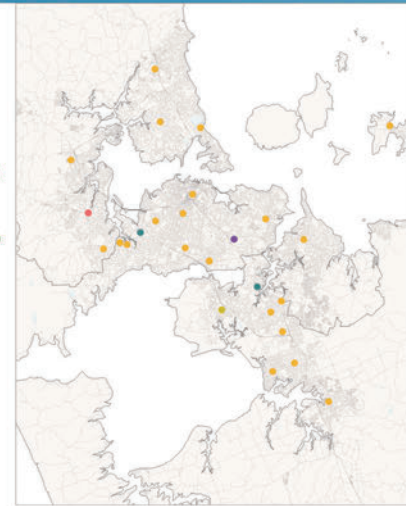
● National Office 
 ● Centralised Service 
 ● Employment 
 ● Service Delivery 
 ● Contact 
 ○ Client Service Integrity 
 ● Regional Office

### NORTHLAND

<b>Northland Regional Office</b>	<b>Kamo</b>
Kaitiaki	Dargaville
Kaikohe	Whangārei Centralised Services
Kerikeri	Northland Client Service Integrity
Kawakawa	
Whangārei	

### AUCKLAND

<b>Auckland Regional Office</b>	<b>Manukau</b>
Warkworth	Manurewa
Orewa	Clendon
Albany	Papakura
Takapuna	Pukekohe
Glenfield	Glenmall
Helensville	Waiuku
Waitākere	<b>Northern Jobs and Skills Hub</b>
Westgate	<b>City Centre Jobs and Skills Hub</b>
New Lynn	<b>Manukau Jobs and Skills Hub</b>
Avondale	<b>Waitākere Contact Centre</b>
Mount Eden	<b>Ellerslie Contact Centre</b>
Mount Albert	Mangere Centralised Services
Queen Street	Ellerslie Centralised Services
Waiheke Island	Ōtāhuhu Client Service Integrity
Three Kings	Avondale Client Service Integrity
Onehunga	Ellerslie Client Support Debt Management
Tāmaki	
Highland Park	
Ōtāhuhu	
Papatoetoe	
Māngere	
Ōtara	



### BAY OF PLENTY

<b>Bay of Plenty Regional Office</b>	<b>Murupara</b>
Tauranga	Tokoroa
Greerton	Rotorua
Mount Maunganui	Taupō
Te Puke	Turangi
Whakatāne	Rotorua Centralised Services
Kawerau	Rotorua Client Service Integrity
Ōpōtiki	

### WAIKATO

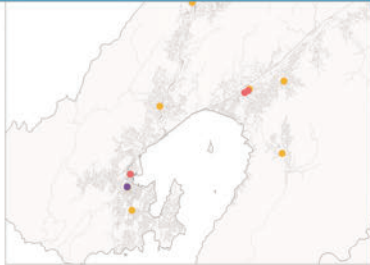
<b>Waikato Regional Office</b>	<b>Kirikiriroa (Victoria Street)</b>
Thames	Cambridge
Paeroa	Te Awamutu
Waihi	Dinsdale
Matamata	<b>Kirikiriroa Contact Centre</b>
Morrinsville	Kirikiriroa Client Support Debt Management
Huntly	Kirikiriroa Client Service Integrity
Ngāruawāhia	
Five Cross Roads	
Hamilton East	

### TARANAKI

<b>Taranaki Regional Office</b>	<b>Whanganui</b>
Te Kuiti	Marton
Taumarunui	New Plymouth
Ohakune	Whanganui Centralised Services
Taihape	Whanganui Client Service Integrity
Waitara	
Stratford	
Hāwera	

### WELLINGTON

<b>Wellington Regional Office</b>	<b>Wellington National Office (The Terrace)</b>
Wellington	
Porirua	
Upper Hutt	
Naenae	
Lower Hutt	
Johnsonville	
Newtown	
Wainuiomata	
Kāpiti	
<b>Lower Hutt Jobs and Skills Hub</b>	
<b>Kordia House (Wellington Contact Centre)</b>	
<b>Lower Hutt Contact Centre</b>	
<b>Lower Hutt Integrity Intervention Centre</b>	
Wellington Centralised Services	
Lower Hutt Centralised Services	
Lower Hutt Client Service Integrity	



### EAST COAST

<b>East Coast Regional Office</b>	<b>Waipukurau</b>
Gisborne	Tairāwhiti Jobs and Skills Hub
Ruatōria	Hawke's Bay Jobs and Skills Hub
Wairoa	Napier Centralised Services
Taradale	Napier Client Service Integrity
Flaxmere	
Napier	
Hastings	

### CENTRAL

<b>Central Regional Office</b>	<b>Ōtaki</b>
Dannevirke	Wairarapa/Masterton
Feilding	Palmerston North
Palmerston North	Centralised Services
Foxton	Palmerston North Client Service Integrity
Horowhenua/Levin	



Note: The map reflects to 2023 MSD regions, and Kapiti is included in the Wellington region while in 2017 MSD regions, Kapiti was the part of central region. Produced by CBE, 24/11/2023



# MSD Offices 2023

## South Island

● National Office ● Centralised Service ● Employment ● Service Delivery ● Contact ● Client Service Integrity ● Regional Office

### NELSON/ MARLBOROUGH/ WEST COAST

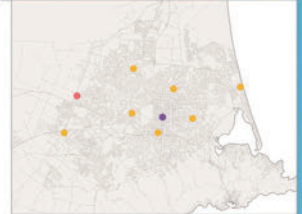
Nelson Regional Office  
Blenheim  
Nelson  
Richmond  
Greymouth  
Westport  
Takaka  
Motueka

### SOUTHERN

Southern Regional Office  
Timaru  
Oamaru  
Alexandra  
Mosgiel  
Queenstown  
Dunedin  
Dunedin South  
Balclutha  
Gore  
Invercargill  
Dunedin Contact Centre  
Dunedin Client Service Integrity

### CANTERBURY

Canterbury Regional Office  
Rangiora  
Shirley  
Papanui  
New Brighton  
Linwood  
Riccarton  
Hornby  
Sydenham  
Ashburton  
Kaikōura  
Christchurch Contact Centre  
Christchurch Client Support Debt Management  
Christchurch Client Service Integrity



# Appendix 5: Legislation you are responsible for

Primary legislation the Ministry manages and administers, or legislation for which you exercise a function or power as at October 2023:

- Artificial Limb Service Act 2018
- Children and Young People's Commission Act 2022
- COVID-19 Response (Taxation and Social Assistance Urgent Measures) Act 2020
- Department of Child, Youth and Family Services Act 1999
- Disability (United Nations Convention on the Rights of Persons with Disabilities) Act 2008
- Disabled Persons Community Welfare Act 1975 – except Part 2A
- Education and Training Act 2020 – sections 386, 387, 396, 645, 646, 666, and Schedules 9 and 10
- Family Benefits (Home Ownership) Act 1964
- New Zealand Sign Language Act 2006
- New Zealand Superannuation and Retirement Income Act 2001 - Part 1 and Schedules 1 and 2
- Oversight of Oranga Tamariki System Act 2022
- Public and Community Housing Management Act 1992 – Parts 7, 8 and 9
- Residential Care and Disability Support Services Act 2018
- Social Assistance (Portability to Cook Islands, Niue and Tokelau) Act 2015
- Social Assistance (Residency Qualification) Legislation Act 2018
- Social Security Act 2018
- Social Workers Registration Act 2003

# Appendix 6: Crown entities

## **Children and Young People’s Commission – Mana Mokopuna**

Children and Young People’s Commission – Mana Mokopuna (the Commission) was established on 1 July 2023 as an independent Crown entity and continues some of the functions of the Office of the Children’s Commissioner. The Commission’s role is to promote and advance the rights, interests, and participation of children and young people and to improve their wellbeing (without limitation) within the context of their families, whānau, hapū, iwi and communities.

The Commission and the Office of the Ombudsman work closely with Aroturuki Tamariki (Independent Children’s Monitor) which monitors, assesses, and provides assurance of the extent and quality of compliance under the Oranga Tamariki Act 1989 and the associated National Care Standards Regulations 2018.

## **New Zealand Artificial Limb Service – Peke Waihanga**

New Zealand Artificial Limb Service – Peke Waihanga (Peke Waihanga) is an autonomous Crown entity which provides individualised services to rehabilitate amputees. Peke Waihanga is a specialist health care provider that manufactures high-technology medical devices, mainly artificial limbs, for individual patients with integrated rehabilitation and co-ordination of care services.

## **Social Workers Registration Board – Kāhui Whakamana Tauwhiro**

Social Workers Registration Board – Kāhui Whakamana Tauwhiro (SWRB) is a Crown agent. It operates independently when making decisions regarding the registration and discipline of individual social workers. SWRB is the lead agency for workforce planning for all social workers and provides strategic and cross-sector leadership to ensure that the supply of social workers meets demand and contributes to the sustainability of health and social services.

# Appendix 7: Appointments to tribunals, boards and panels

## **Social Security Appeal Authority**

The Social Security Appeal Authority is an independent statutory tribunal established under Schedule 8 section 1 of the Social Security Act 2018. It consists of at least four people appointed by the Governor-General on the recommendation of the Minister of Social Development and Employment (after consultation with the Minister of Justice).

This Authority's function is to hear appeals against decisions on income support entitlements made by the Ministry of Social Development that have been confirmed or varied by a local Benefits Review Committee.

## **Student Allowance Appeal Authority**

The Student Allowance Appeal Authority is an independent statutory tribunal established under Schedule 10 of the Education and Training Act 2020. It comprises a single Chair appointed by the Minister of Social Development and Employment for a term of up to five years from the date of the person's appointment. The person may be reappointed.

The main function of the Authority is to hear and determine appeals from students about decisions made by StudyLink about their student allowance. The Ministry of Justice provides administrative and secretarial services to enable the Authority to carry out its work.

## **Social Workers Complaints and Disciplinary Tribunal**

The Social Workers Complaints and Disciplinary Tribunal is a statutory tribunal established under section 114 of the Social Workers Registration Act 2003 and includes at least eight members as prescribed by section 116 of the Act, appointed by the Minister of Social Development and Employment. The members include:

- a Chair and a Deputy Chair (who must each be a barrister or solicitor of the High Court of not less than seven years' practice)
- five social workers (not being social workers whose registration or practicing certificate is suspended)
- at least one layperson.

The Tribunal administers the complaints process and exercise disciplinary powers over registered social workers, and its functions are set out in section 115 of the Act, which include:

- To exercise the disciplinary powers over registered social workers conferred by the Act; and
- Any other functions conferred or imposed on it by or under the Act or any other enactment.

The most serious disciplinary cases concerning social workers are referred to this Tribunal, which is independent of the SWRB.



## **South Auckland Social Wellbeing Board**

The South Auckland Social Wellbeing Board is a place-based initiative established by Cabinet in 2016 to improve outcomes for at-risk children and young people in South Auckland by 'bringing key South Auckland government decision-makers together in an across-agency governance structure to take collective responsibility for outcomes'. The Board comprises an independent chair, appointed by the Minister of Social Development and Employment, and senior Auckland-based officials from member agencies.<sup>1</sup>

An independent Acting Chair was appointed during the pre-electoral period, following the resignation of the inaugural Chair, Sandra Alofivae, to take up a district court judge appointment. This will allow you to make a permanent appointment in 2024.

## **Extraordinary Care Fund Panel**

The Extraordinary Care Fund was established in 2014 to provide grants to carers who receive the Orphan's Benefit or Unsupported Child's Benefit, for children who are showing promise or experiencing difficulties that significantly impact on their development. The Ministry appoints Panel members on your behalf.

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<sup>1</sup> The member agencies include Te Whatu Ora – Health New Zealand, Department of Corrections, Ministry of Justice, Ministry of Education, Auckland Council, Ministry for Pacific Peoples, New Zealand Police, Ministry of Social Development, Oranga Tamariki, Accident Compensation Corporation, Kāinga Ora and Te Puni Kōkiri.

