

Internal Investigation into the incorrect instruction issued to staff on 7 August 2017

Final Report

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Introduction and background

In March 2018 Minister Sepuloni raised questions about the process that the Ministry of Social Development (the Ministry) had put in place alerting the, then, Ministry for Vulnerable Children (MVCOT), when clients with dependent children received Emergency Housing (EH) grants.

The specific focus of the Minister's questions related to email instructions sent to some Ministry staff at the beginning of August 2017.

In response, the Chief Executive of the Ministry of Social Development (the Chief Executive) commissioned an internal investigation to understand how an incorrect instruction sent by email was issued to staff in August 2017, to identify lessons learned and make recommendations for the future.

Purpose

The purpose of the internal investigation is to look at the circumstances and causes that led to an email being created, sent and subsequently rescinded, focusing on what happened, why it happened, what decisions were made and what controls were used.

Approach

A team, led by the Ministry's Risk and Assurance General Manager, conducted the investigation by identifying the:

- overall sequence of events
- key documents relating to this process
- Ministry staff involved and who should be interviewed.

Limitations and disclaimer

The investigation focused on the:

- emails during the period 7 to 10 August 2017 that relate to referring clients who received Special Needs Grants for Emergency Housing to MVCOT
- circumstances and drivers that led to the instruction being created
- decision to send the instruction
- process and timeframe of the subsequent correction.

The investigation specifically excluded:

- investigation and review of any subsequent issues arising from the emails sent in the period 7 to 10 August 2017
- other instructions not related to the referrals and notification instructions contained within the emails.

Organisational context

Demand for state / social housing is increasing rapidly, driven significantly by declining housing affordability and shortage of affordable housing for private rental or ownership. MSD responded as the lead agency for the Social Housing Reform Programme and has developed a major programme of work to achieve better outcomes for people with complex issues and housing needs.

Other social factors also contribute to people's ability to access or sustain housing in the private market such as addiction issues, mental health conditions and having a history of

offending. Increasingly, clients presenting in need of emergency and state/social housing have complex needs which have not been met by other parts of the social and justice sectors.

Specifically, during 2016 and early 2017, the high level of demand for emergency housing resulted in greater than anticipated numbers of households being supported to stay in motels and other forms of commercial accommodation often for longer periods than expected. The winter of 2017 was the coldest winter since 2009, with much of the country also experiencing increased rainfall.

Whilst the Ministry was under increasing pressure with heightened stakeholder expectations, a range of solutions were developed in the housing space, at speed. It was focused on care of its clients, providing a seamless service and keeping them safe.

The Ministry issued its Child Protection Policy in September 2015 that articulates the agency's commitment to building a culture of child protection and to set out its expectations on how staff should respond when they have concerns about the safety and well-being of children. Specific guidance for Ministry staff was issued in November 2016 outlining the process for deciding if there is a health and safety risk to the client or their dependents and making a referral to MVCOT when they are applying for second and subsequent special needs grants for EH¹.

Overview of the findings

The decision to send an email to staff instructing them to refer all clients with children in emergency housing to MVCOT (Appendix 1) was made on the belief that this was required as part of the process changes being made at that time. The investigation, however, has found no evidence to support this.

The investigation acknowledges the high volume of process changes, the speed at which solutions were being implemented and the commitment of staff to do the right thing.

It appears that through misunderstanding or miscommunication between the Housing and Service Delivery Management teams, the instruction to refer all clients with children to MVCOT was verbalised and, inadvertently, taken as a directive.

A number of changes relating to Emergency Housing were being introduced on 7 August 2017. A conference call took place prior to this on 3 August 2017 to brief the Senior Regional Management teams on the changes that included the MVCOT referral process. During this conference call concerns were raised about the referral process and clarification requested on how the referral process would work in practise.

An instruction formalising all of the changes discussed on the conference call was sent by email on 7 August 2017 to the Senior Regional management for action (Appendix 1). Of the 11 Senior Regional Management teams who received this email, 7 forwarded it on to Service Centre Managers.

After the conference call and the email, regions continued to raise questions on the MVCOT referral process and how it would actually work.

¹ <https://www.workandincome.govt.nz/map/income-support/extra-help/special-needs-grant/deciding-if-there-is-a-health-or-safety-risk-to-the-client-or-their-dependents-second-or-subsequent-grant.html>

The questions raised by the regions specifically about the MVCOT referral process led to reconsideration of the emailed instruction. A review of the instruction against the standard referral process and its intent took place.

Subsequently, on 9 August 2017, two days after the initial instruction was emailed to Senior Regional Management, an updated instruction was released (Appendix 2) clarifying the referral process, reconfirming the standard referral process which is to refer to MVCOT "when safety is a concern". This is consistent with the Ministry's policy.

The Ministry did not send a list of clients in Emergency Housing with children to MVCOT as noted in the email of 7 August.

During the investigation, it is clear that those involved acted at pace and with the best intentions for the Ministry's clients. They also reacted and responded at pace when the full implications of the initial instruction were realised.

Lessons to be learned:

This investigation concludes that, in this instance, the speed of change and reliance on verbal communications led to an incorrect instruction being sent out to some Ministry staff.

However, Senior Regional Management continued to 'push back', question the decision and seek clarification which resulted in the decision being reconsidered.

This demonstrated the value of frontline staff and management feedback which provides a 'check and balance' to work undertaken at National Office.

The key lesson learned from this investigation is that instructions provided to staff need to be rigorously checked and tested prior to release, particularly when under a time pressure constraint.

Recommendations:

The recommendations are that when developing a new or revising an existing process:

- communications between MSD Business groups (in this case Housing and Service Delivery) should be well documented
- ownership and accountabilities should be clearly agreed and understood
- checks are made against current processes and policies for alignment
- instructions to staff are not released until consultation is completed and feedback taken into account, regardless of time pressure.

Appendix 1 - Email of 7 August 2017

From: [REDACTED]
Sent: Monday, 7 August 2017 1:46 p.m.
To: Regional_Commissioners (MSD); Regional_Directors (MSD); [REDACTED]
Cc: National_Commissioner_Team (MSD); DCE_Office_Housing (MSD); [REDACTED]
[REDACTED] DCE_Office_ServiceDelivery (MSD); [REDACTED]
Subject: Emergency Housing SNG updates - Action required

Hi everyone,

Just a reminder that the new approval process for Emergency Housing SNGs started today.

Key points about the process to share with your staff:

- All SNG payments for Emergency Housing from 5+ require additional approval (see table below).
- You must talk to your SCM before submitting applications (and include the name of the manager in your notes).
- Please record the actual number of consecutive payments in your notes when you select '9+' so Regional/National Office have this information on-hand.
- To enable Regional/National Office to respond as quickly as possible, you must record the client's situation in **full** in your notes (do not refer to CMS notes).
- Once you have received a confirmation email that your payment has been approved you will need to follow the BAU process to have the payment approved in the system.

Number of consecutive payments client has applied for	Approval process
1 to 4 payments	Current BAU process (approved by SCM)
5 to 8 payments	Regional office approval – you must discuss your recommendation with your manager first, before submitting to your regional office.
9 payments onwards	National office approval – you must discuss your recommendation with your manager first, before submitting to your regional office, who will then forward to National office.

MVCOT process

National Office will provide MVCOT (Oranga Tamaki) a list of all current clients receiving SNGs for emergency housing, who have dependent children. For any new clients who have dependent children and a granted a SNG for emergency housing, you must inform your local MVCOT site.

Thanks

[REDACTED]
Ministry of Social Development | [REDACTED]
✉ 56-66 The Terrace | Level 7, The Aurora Centre | PO Box 1556
[REDACTED]

Appendix 2 - Email of 9 August 2017

From: [REDACTED]
Sent: Wednesday, 9 August 2017 4:21 p.m.
To: Regional Commissioners (MSD); Regional Directors (MSD); [REDACTED]

Cc: National Commissioner Team (MSD); DCE_Office_Housing (MSD); [REDACTED]
[REDACTED] DCE_Office_ServiceDelivery (MSD); [REDACTED]

Subject: Emergency Housing SNG updates - Action required

Hi everyone,

An update on the EH approval process.

1. STP dashboard/reporting – a dashboard has been created in STP to allow you to monitor and view all approvals, including completed and in-progress requests. We have given access to a number of staff (listed below) in the regions and created some instructions on how to navigate this – see attached.
2. MVCOT referrals – thank you all for your patience, we now have agreement to the best way to manage these. You are now only required to escalate any cases to the appropriate agencies (e.g. Children’s Team or directly to Oranga Tamariki) where you have concerns about safety issues. You are not required to escalate every case where there are children.
3. It’s important that your notes in the tool clearly outline the client’s situation, including their barriers to accessing alternative housing and information about any other agencies that are working with the client . Please ensure that we have a full story about the clients situation are not ‘referring to CE notes’, this should help to improve the approval process with the DCE housing.

Thanks everyone – appreciate your support and patience with this.

Cheers,
[REDACTED]