



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

- 3 MAY 2017

Dear

On 19 January 2017 you emailed the Ministry requesting, under the Official Information Act 1982, information regarding Work and Income clients in receipt of a Health Condition, Injury or Disability related payment and the Mainstream Intern and Employment Programmes.

You requested the information be provided for the 2013/14, 2014/15, and 2015/16 financial years, broken down by age group, gender and geography.

For clarity, each of your questions have been addressed in turn.

1. *How many people transferred within 6 months from a student allowance or from receiving student loan living costs onto:*
 - *Supported Living Payments (SLP)*
 - *Job Seeker Support – Health Condition or Disability*
 - *Disability Allowance*

Please find enclosed tables 1 to 9 which show clients who were in receipt of Supported Living Payment, Jobseeker Support – Health Condition, Injury or Disability, or Disability Allowance within six months of having received a student payment, broken down by age group, region and gender.

2. *For each benefit type above, of these people, how many continued to receive the applicable benefit after 6 months, 12 months and 2.5 years?*

Please find enclosed data which shows the number of people who continued to receive the applicable benefit as at six months and as at 12 months. This information can be found in table 10 and 11 enclosed. Your request for data which shows the number of people who continued to receive the applicable benefit as at two and a half years is refused under section 18(f) of the Act as this is not a standard time period the Ministry reports on. In order to provide this information, the Ministry would need to divert personnel from their core duties and allocate extra time to complete this task. The diversion of these resources would impair the Ministry's ability to continue standard operations and would be an inefficient use of the Ministry's resources. The greater public interest is in the effective and efficient administration of the public service.

Please note that clients in receipt of Jobseeker – Health Condition, Injury or Disability and clients in receipt of Supported Living Payment have been combined for this analysis to enable the capture of clients originally granted Jobseeker – Health Condition, Injury or Disability who were subsequently in receipt of Supported Living Payment at six months or 12 months.

Please also note that this data is at a point in time, as at six months and as at 12 months, after the initial grant of the incapacity tested benefit. For instance, if a client came off the benefit at three months and then went back on the benefit again prior to the six month snapshot, they would be counted as current on benefit.

3. What is the average lifetime liability cost for such individuals?

The average expected lifetime liability was calculated for the cohort of clients identified in the response to your first question, who were granted Jobseeker – Health Condition, Injury or Disability or Supported Living Payment within 6 months of receiving a student payment. The 2016 valuation is not available yet, as such the Ministry is unable to provide liabilities for the 2015/16 financial year. Please find enclosed table 12 which shows the average expected lifetime liabilities for these clients, by benefit status.

You may be interested in further information including annual actuarial valuations of the lifetime cost of working-age beneficiaries available on the Ministry's website at: www.msd.govt.nz/about-msd-and-our-work/newsroom/media-releases/2016/2015-valuation-of-the-benefit-system-for-working-age-adults.html

In addition to the above, for each of the same three financial years, broken down by the same geographies:

- 4. How many clients (by the same age groups) have been paid on the Intern programme and how much in total per financial year has been paid. [This request was clarified and you advised you wanted to receive the number of Mainstream Interns as well as the number of people in the Mainstream Employment Programme]*
- 5. How many employers, and how much has been paid / reimbursed to those employers, for Mainstream clients [This request was clarified and you advised you wanted to receive the number of Mainstream Intern employers as well as the number Mainstream Employment Programme employers]*

Mainstream Intern Programme

In the 2013/14 fiscal year there were a large number of employment placements which meant that the course was fully subscribed. In the following year funding was refreshed and the internship programme was able to accept new applications.

In the 2014/15 financial year there were 13 interns and 13 employers. The amount reimbursed to the employers was \$114,993.

In the 2015/16 financial year there were 14 interns and 12 employers. The amount reimbursed to the employers to date is \$67,815 as at end of March 2017. This figure does not include accruals as some employers have not yet claimed allocated funding.

The number of Mainstream Intern Programme interns, broken down by financial year and the age group and gender of the interns.

Financial year	Number of interns broken down by age group and gender								Total
	15-25		26-35		36-45		46-55		
	Male	Female	Male	Female	Male	Female	Male	Female	
2013/14	0	0	0	0	0	0	0	0	0
2014/15	S	S	S	S	0	S	0	0	13
2015/16	6	S	S	S	0	0	0	0	14

Notes:

- 'S' represents a suppressed cell to protect clients' privacy where numbers are low. This is in accordance with section 9(2)(a) of the Act.
- These numbers are based on operational data and as such may change over time due to subsequent data entry; therefore data may vary slightly with previously released information.

The Ministry does not routinely report on geographical data for the Mainstream Programmes. To provide this information would require manual collation. The resulting breakdown would contain very low numbers which would be suppressed to protect the privacy of natural persons. As such, there is little public interest in the dedication of resources to provide this geographical breakdown as it would then be suppressed. Your request for this information is refused under section 18(f) and section 9(2)(a) of the Act.

Mainstream Employment Programme

Mainstream placements are for two years and depending on when they start can run over three fiscal years. The amount reimbursed to Mainstream Programme employers each financial year, as provided below, covers placements active over three fiscal years.

A number of the placements that began in 2013 were for low hours and as such, were low value placements but there were more of them. After 2013, applications from young people with tertiary qualifications and for positions with higher hours were prioritised. This has resulted in fewer but higher value placements and is reflected in the reduction in placement numbers the reimbursements apply to.

In the 2013/14 financial year, 50 people started on the programme, the number of employers was 49, and the amount reimbursed to employers was \$2,622,214.40 over 216 placements.

In the 2014/15 financial year, 63 people started on the programme, the number of employers was 59, and the amount reimbursed to employers was \$2,029,097.24 over 170 placements.

In the 2014/15 financial year, 79 people started on the programme, the number of employers was 73, and the amount reimbursed to employers was \$2,533,787.47 over 164 placements.

The majority of Mainstream Employment Programme employers only have one placement though sometimes there are multiple placements with large organisations, for instance District Health Boards or City Councils. It would be rare to have more than five people placed with a single employer.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter available to the wider public shortly. The Ministry will do this by publishing this letter and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response regarding Work and Income clients on Health Condition, Injury or Disability tested benefits and the Mainstream Programmes with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ruth Bound', with a long horizontal line extending to the right.

Ruth Bound
Deputy Chief Executive, Service Delivery

Table 1: Clients with a student payment, followed by a grant for Jobseeker - Health Condition, Injury or Disability (within six months of student payment), by age group.

Age Group	Financial year of student payments		
	2013/14	2014/15	2015/16
18-24	1,471	1,574	1,430
25-34	690	747	723
35-44	300	335	312
45-54	243	290	270
55-64	80	107	81
Total	2,784	3,053	2,816

Table 2: Clients with a student payment, followed by a grant for Jobseeker - Health Condition, Injury or Disability (within six months of student payment), by gender.

Gender	Financial year of student payments		
	2013/14	2014/15	2015/16
Female	1593	1782	1662
Male	1191	1271	1154
Total	2,784	3,053	2,816

Table 3: Clients with a student payment, followed by a grant for Jobseeker - Health Condition, Injury or Disability (within six months of student payment), by region.

Region	Financial year of student payments		
	2013/14	2014/15	2015/16
Northland	119	142	120
Auckland	1,029	1,046	924
Waikato	297	303	265
Taranaki	116	125	129
Bay of Plenty	299	325	335
East Coast	150	208	183
Central	166	178	152
Wellington	183	206	201
Nelson	63	73	S
Canterbury	209	266	258
Southern	153	181	167
Other	0	0	S
Total	2,784	3,053	2,816

Table 4: Clients with a student payment, followed by a grant for Supported Living Payment (within six months of student payment), by age group

Age Group	Financial year of student payments		
	2013/14	2014/15	2015/16
18-24	26	29	32
25-34	9	15	15
35-44	10	17	10
45-54	S	16	12
55-64	S	10	6
Total	58	87	75

Table 5: Clients with a student payment, followed by a grant for Supported Living Payment (within six months of student payment), by gender

Gender	Financial year of student payments		
	2013/14	2014/15	2015/16
Female	29	40	43
Male	29	47	32
Total	58	87	75

Table 6: Clients with a student payment, followed by a grant for Supported Living Payment (within six months of student payment), by region

Region	Financial year of student payments		
	2013/14	2014/15	2015/16
Northland	S	S	S
Auckland	20	22	26
Waikato	6	12	S
Taranaki	S	S	6
Bay of Plenty	S	6	S
East Coast	S	9	S
Central	S	7	S
Wellington	S	11	9
Nelson	S	0	0
Canterbury	S	6	9
Southern	S	8	S
Other	S	0	S
Total	58	87	75

Table 7: Clients with a student payment, followed by a grant for Disability Allowance (within six months of student payment), by age group.

Age Group	Financial year of student payments		
	2013/14	2014/15	2015/16
18-24	793	841	786
25-34	553	607	545
35-44	384	396	370
45-54	318	384	357
55-64	103	131	114
Total	2,151	2,359	2,172

Table 8: Clients with a student payment, followed by a grant for Disability Allowance (within six months of student payment), by gender.

Gender	Financial year of student payments		
	2013/14	2014/15	2015/16
Female	1,348	1,518	1,445
Male	803	841	727
Total	2,151	2,359	2,172

Table 9: Clients with a student payment, followed by a grant for Disability Allowance (within six months of student payment), by region.

Region	Financial year of student payments		
	2013/14	2014/15	2015/16
Northland	63	73	77
Auckland	433	490	435
Waikato	136	149	139
Taranaki	50	62	60
Bay of Plenty	134	163	149
East Coast	55	120	87
Central	83	109	123
Wellington	97	117	129
Nelson	46	51	47
Canterbury	125	182	150
Southern	118	148	143
Other	811	695	633
Total	2,151	2,359	2,172

Notes for tables 1 to 9:

- Student payment is based on the latest student payment per application within each financial year
- Clients can have student payments across multiple financial years
- Financial year is from 1 July to 30 June the following year
- 'S' represents a suppressed cell to protect clients' privacy, in accordance with section 9(2)(a) of the Official Information Act.
- The region 'Other' represents Ministry offices that do not fall into regional categories such as Contact Centres and Centralised Services.

Table 10: The number of clients with a student payment, followed by a grant for Jobseeker – Health Condition, Injury or Disability, or Supported Living Payment (within 6 months of the student payment), broken down by whether the client was in receipt of an incapacity tested benefit at six months and at 12 months after the initial grant of the incapacity tested benefit.

Financial Year of student payment	Granted Jobseeker – Health Condition, Injury or Disability or Supported Living Payment within six months of student payment	Current on Jobseeker – Health Condition, Injury or Disability or Supported Living Payment six months after benefit grant	Current on Jobseeker – Health Condition, Injury or Disability or Supported Living Payment 12 months after benefit grant
2013/2014	2,842	1,372	874
2014/2015	3,140	1,678	993
2015/2016	2,891	728	S

Table 11: The number of clients with a student payment, followed by a grant for Disability Allowance (within 6 months of the student payment), broken down by whether the client was in receipt of Disability Allowance at 6 months and at 12 months after the initial grant of Disability Allowance.

Financial Year of student payment	Granted Disability Allowance within six months of student payment	Current on Disability Allowance six months after granted	Current on Disability Allowance 12 months after granted
2013/2014	2,151	1,487	1,089
2014/2015	2,359	1,649	1,029
2015/2016	2,172	777	S

Notes for tables 10 and 11:

- For the 2015/16 cohort, it has not been twelve months, and in some cases six months, since the benefit or allowance was granted and as such, not all clients can be counted at the six and 12 month snapshot.

Table 12: Average expected lifetime liabilities, broken down by financial year and the clients' benefit status on 30 June at the end of the financial year.

Benefit at 30 June	2013/2014	2014/2015
Emergency Benefit	\$120,000	\$124,000
Jobseeker - Health Conditions and Disabilities	\$142,000	\$151,000
Jobseeker - Work Ready	\$120,000	\$123,000
Not on Benefit	\$73,000	\$72,000
Orphans Benefit	\$163,000	\$163,000
Supported Living Payment - Carers	\$171,000	\$168,000
Supported Living Payment - Health Conditions and Disabilities	\$227,000	\$225,000
Sole Parent Support	\$201,000	\$202,000
Supplementary Benefits Only	\$74,000	\$75,000

Notes:

- Clients' benefit status was their benefit status on 30 June at the end of the corresponding financial year.
- The Liability figures represent the expected future costs from the end of the relevant financial year.
- Not on benefit refers to people who were not receiving a benefit at 30 June but had in the 12 months prior.