



01 SEP 2020

Dear

On 3 July 2020, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following data from 1 January 2018 to 1 January 2020:

1. *The number of benefit applications declined, broken down by type and reason.*
2. *The number of obligation failures initiated, broken down by reason.*
3. *The number of obligation failures which went on to result in a benefit sanction, broken down by reason and whether first, second, or third sanction.*
4. *The number of applications for Special Needs Grants declined, broken down by type (for example food, dental, or emergency medical) and reason.*
5. *The number of Advance Payments of Benefit and Recoverable Assistance Payments declined, broken down by payment, type of need (for example car repairs) and reason.*
6. *The number of reviews of decision lodged about decisions made at the office.*
7. *The number of complaints lodged.*
8. *For each office, as of the most recent data available, the number of clients registered at each office by benefit type.*
9. *For each office, the number of s 192 reductions in place as of 31 March 2020.*

You requested this data be provided for the following regions:

- *All Hamilton offices*
  - *Hamilton*
  - *Hamilton East*
  - *Dinsdale*
  - *Five Cross Roads*
  - *Glenview*
- *Te Awamutu*
- *Cambridge*
- *Matamata*
- *Morrinsville*
- *Huntly*
- *Ngaruawahia*
- *Waihi*
- *Paeroa*
- *Thames*
- *Tokoroa*
- *Te Kuiti*

On 31 July 2020, the Ministry notified you that your request will be granted, however, more time was needed to prepare the information for release.

In response to this, on 6 August 2020, you asked the Ministry to also include data for the Taumaranui Work and Income centre in the release.

For the sake of clarity, your questions are answered in turn by topic.

### **Main Benefits and Obligation Failures**

1. *The number of benefit applications declined, broken down by type and reason.*
2. *The number of obligation failures initiated, broken down by reason.*
3. *The number of obligation failures which went on to result in a benefit sanction, broken down by reason and whether first, second, or third sanction.*
8. *For each office, as of the most recent data available, the number of clients registered at each office by benefit type.*

The Ministry, through Work and Income, administers the following main benefits to clients who both apply and meet the eligibility requirements: Jobseeker Support, Sole Parent Support, Supported Living Payment, Emergency Benefit, Emergency Maintenance Allowance, Youth Payment, and Youth Parent Payment.

Once eligibility has been established and the benefit granted, clients must meet certain on-going obligations in order to keep receiving that benefit or payment. The following link outlines the different obligations required for each of the main benefits offered by the Ministry: [www.workandincome.govt.nz/on-a-benefit/obligations/index.html](http://www.workandincome.govt.nz/on-a-benefit/obligations/index.html).

When an obligation failure occurs, the beneficiary is notified by a letter in the mail and they have five working days to provide a "good and sufficient" reason for why they could not meet the obligation (e.g. missing an appointment or failing to attend a training course). If the client provides a good and sufficient reason, then the obligation failure is overturned, and no sanction is imposed. Generally, the decision is made in the client's favour rather than the obligation failure standing. However, in any case, the obligation failure will be recorded.

There are three types of sanctions: Grade 1, Grade 2, and Grade 3. A Grade 1 sanction – a percentage reduction in benefit amount – is applied when a client has failed to meet their obligations for the first time in the last 12 months. A Grade 2 sanction – suspension of benefit – is applied when a person has failed their obligations for the second time in the last 12 months. A Grade 3 sanction – cancellation of benefit – is applied when a person has failed their obligations for the third time in the last 12 months or has not accepted an offer of suitable employment (i.e. job refusal).

It should be noted that, when applying sanctions, benefit protections exist for clients with children.

As outlined above, sanctions can affect benefit recipients in several ways depending on the client's circumstances and the number of times they have had a sanction imposed over the last 12 months. Not everyone who does not meet their benefit obligations will be sanctioned. Furthermore, a sanction can be withdrawn when a client provides additional information. And a large majority of clients will re-comply before their benefit is impacted.

Although the data you have requested does not include the time periods that New Zealand has been affected by COVID-19, you may be interested to know that, in response to the pandemic, a number of temporary processes were introduced to make things easier for clients. As part of this approach, between 23 March and 27 May 2020, no employment-related sanctions were initiated.

In order to answer questions one, two and three of your requests, the Ministry has attached an Excel spreadsheet to this correspondence. Please find the following tables enclosed in the spreadsheet:

- **Table One:** The number of main benefits declined for the period 1 January 2018 to 31 December 2019, broken down by service centre and reason for the decline
- **Table Two:** The number of initiated obligation failures recorded for the period 1 January 2018 to 31 December 2019, broken down by service centre and the work obligation failed
- **Table Three:** The number of sanctions imposed on main benefit recipients for the period 1 January 2018 to 31 December 2019, broken down by service centre, reason for sanction, and sanction grade

Regarding **Table One**, less common reasons for a benefit application decline are recorded as 'Other'. It should be noted that collating the specific reasons classified as 'Other' would require reviewing individual client files. Therefore, to provide this information would require substantial manual collation and, therefore, would be refused under section 18(f) of the Official Information Act 1982.

Additionally, regarding question eight, your request for the number of clients registered at each office by benefit type is declined under section 18(d) of the Official Information Act on the basis that the information is publicly available at the following link: [www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/statistics/benefit/2020/benefit-fact-sheets/quarterly-benefit-fact-sheets-service-centre-tables-june-2020.xlsx](http://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/statistics/benefit/2020/benefit-fact-sheets/quarterly-benefit-fact-sheets-service-centre-tables-june-2020.xlsx).

### **Special Needs Grants (SNGs), Advanced Payments and Recoverable Assistance Payments**

4. *The number of applications for Special Needs Grants declined, broken down by type (for example food, dental, or emergency medical) and reason*
5. *The number of Advance Payments of Benefit and Recoverable Assistance Payments declined, broken down by payment, type of need (for example car repairs) and reason*

Special Needs Grants (SNG) provide non-taxable, one-off recoverable or non-recoverable financial assistance to clients to meet an immediate and essential need. A client does not have to be receiving a main benefit to qualify for such assistance. More information about SNGs can be found on the Ministry's website at the following link: [www.workandincome.govt.nz/products/a-z-benefits/special-needs-grant.html#null](http://www.workandincome.govt.nz/products/a-z-benefits/special-needs-grant.html#null).

If a client is receiving a main benefit and requires assistance to meet an immediate need for an essential item, he or she can also receive an Advanced Payment of Benefit, which entails an advance of up to six weeks of a client's net benefit entitlement. Before

granting this, however, Ministry staff must consider whether an Advance Payment of Benefit would best meet the immediate need, the client's ability to repay the advance, and whether other sources of assistance are available. More information regarding Advanced Payments of Benefit can be found on the Ministry's website at the following link: [www.workandincome.govt.nz/products/a-z-benefits/advance-payment-of-benefit.html#null](http://www.workandincome.govt.nz/products/a-z-benefits/advance-payment-of-benefit.html#null).

The Recoverable Assistance Payment, on the other hand, provides non-taxable, interest free, recoverable financial assistance to non-beneficiaries to meet essential, immediate needs for specific items or services. Clients who meet the income and cash asset tests may have access to a Recoverable Assistance Payment up to a maximum amount of six weeks of the rate of Supported Living Payment. More information about the Recoverable Assistance Payment can be found on the Ministry's website at the following link: [www.workandincome.govt.nz/products/a-z-benefits/recoverable-assistance-payment-grant.html#null](http://www.workandincome.govt.nz/products/a-z-benefits/recoverable-assistance-payment-grant.html#null).

In order to answer questions four and five, the Ministry has attached an Excel spreadsheet to this correspondence. Please find the following tables enclosed in the spreadsheet:

- **Table Four:** The number of Special Need Grant (SNG) applications declined during the period 1 January 2018 to 31 December 2019, broken down by service centre and the reason for the application
- **Table Five:** The number of Advance Payment of Benefit applications declined during the period 1 January 2018 to 31 December 2019, broken down by service centre and reason for the application
- **Table Six:** The number of Recoverable Assistance Payment applications declined during the period 1 January 2018 to 31 December 2019, broken down by service centre and reason for the application

Please note, the Ministry is only able to provide the specific reason that a client *applied* for an SNG, Advanced Payment of Benefit or Recoverable Assistance Payment; not the specific reason hardship assistance was *declined*. In most cases, the recorded reason that an application for hardship assistance was declined is that the client did not qualify for the assistance.

In order to provide the specific reason a client did not qualify for assistance, the Ministry would have to manually review thousands of client files. For this reason, I refuse this aspect of your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

#### **Review of Decisions and Complaints**

6. *The number of reviews of decision lodged about decisions made at the office.*
7. *The number of complaints lodged.*

A client can apply for a Review of Decision if they receive a formal notification from the Ministry of a decision that he or she does not agree with. Once a client applies for a Review of Decision, Ministry staff conduct an internal review to see if any information was missed or a mistake was made that meant that the outcome should have been different.

If the decision is still not favourable to the client, the decision goes before the Benefits Review Committee for a hearing. Once the hearing is complete, the client will receive a Benefits Review Committee Report, which outlines the outcome of the decision. However, if the client still disagrees, they can appeal to the Social Security Appeal Authority. More information about Reviews of Decision can be found on the Ministry's website at the following link: [www.workandincome.govt.nz/about-work-and-income/complaints/review-of-decisions.html](http://www.workandincome.govt.nz/about-work-and-income/complaints/review-of-decisions.html).

In Appendix One attached to this letter, please find **Table Seven**, which provides the number of Reviews of Decision applications for the years 2018 and 2019, broken down by service centre.

The Ministry takes all complaints seriously. When a complaint is received, Ministry staff work with the client to put it right and identify a solution. The majority of complaints are resolved to the client's satisfaction and the Ministry endeavours to learn from the complaint and takes steps to improve the service for all clients. More information about the Ministry's procedure for reviewing complaints can be found on the Ministry's website at the following link: [www.workandincome.govt.nz/about-work-and-income/complaints/index.html](http://www.workandincome.govt.nz/about-work-and-income/complaints/index.html).

The Ministry records the majority of complaints received by service centres using an online-based recording system that allows for the efficient management of complaints from receipt to resolution. The Ministry has interpreted your request for complaints to be for those recorded in this system. This may exclude complaints made through other formal channels such as the Office of the Privacy Commissioner, Office of the Ombudsman, and Fraud Intervention Services.

In Appendix One attached to this letter, please find **Table Eight**, which provides the number of complaints recorded during the 2018 and 2019 calendar years, broken down by service centre.

Please note, these figures may not include complaints that are resolved at the time they are made. The Ministry works with people to understand their circumstances and ensure that they are receiving their full and correct entitlement. Staff can often address issues raised by clients immediately in the course of these conversations.

## **Section 192 Reductions**

*9. For each office, the number of Section 192 reductions in place as of 31 March 2020.*

As part of the Wellbeing Budget 2019, on 1 April 2020 the Government repealed Section 192 (formerly Section 70A) of the Social Security Act 2018. Section 192 required the Ministry to reduce the payment of a main benefit in respect of a dependent child where a beneficiary fails to identify the other parent of the child. Section 192 provided a number of exemptions to these reductions where there is a good reason not to identify the other parent, such as where this would result in a risk of violence.

More information about the repeal of Section 192 can be found on the Ministry's website at the following link: [www.msd.govt.nz/documents/about-msd-and-our-work/newsroom/factsheets/budget/factsheet-removing-deductions-sole-parents-2019.pdf](http://www.msd.govt.nz/documents/about-msd-and-our-work/newsroom/factsheets/budget/factsheet-removing-deductions-sole-parents-2019.pdf).

In Appendix One attached to this letter, please find **Table Nine**, which provides you with the number of clients receiving a Section 192 reduction as at the end of March 2020.

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 and any attached documents available to the wider public. The Ministry will do this by publishing this letter and attachment data tables 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 with us, please feel free to contact [OIA\\_Requests@msd.govt.nz](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with this response regarding regional breakdowns of benefit, obligation failure, Special Needs Grants and complaint data 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](http://www.ombudsman.parliament.nz) or 0800 802 602.

Yours sincerely



Bridget Saunders  
**Manager, Issue Resolution  
Service Delivery**

## **Appendix One:**

**Table Seven: The number of Review of Decision applications during the years 2018 and 2019, broken down by service centre**

<b>Service Centre</b>	<b>2018</b>	<b>2019</b>
Cambridge Service Centre	7	6
Dinsdale Community Link	47	19
Five Cross Roads Community Link	45	31
Glenview Service Centre	6	12
Hamilton Central Community Link	8	17
Hamilton East Community Link	21	9
Huntly Community Link	S	10
Matamata Community Link	S	S
Morrinsville Service Centre	8	12
Ngaruawahia Community Link	S	9
Paeroa Community Link	6	S
Te Awamutu Community Link	9	12
Thames Community Link	21	18
Waihi Community Link	S	6
Taumarunui Service Centre	6	S
<b>Total</b>	<b>192</b>	<b>171</b>

### **Notes:**

- This is a count of Review of Decision applications, not a count of clients.
- A client may have submitted multiple Reviews of Decisions in a period.
- In certain circumstances, low numbers may potentially lead to individuals being identified
- Due to these privacy concerns, numbers for some categories of clients have been suppressed or aggregated.
- The recorded service centre is not necessarily the one that the client is registered at; it is the site involved in the decision that is subject to review.
- Suppressed numbers have been replaced by an 'S'.
- These figures are for calendar years, and therefore, do not align with the Ministry's published Review of Decision figures, which are for financial years.

**Table Eight: The number of complaints recorded in the Ministry's online-based recording system during the years 2018 and 2019, broken down by service centre**

<b>Service Centre</b>	<b>2018</b>	<b>2019</b>
Cambridge Service Centre	12	13
Collections Unit Hamilton Site	S	S
Dinsdale Community Link	77	44
Five Cross Roads Community Link	120	111
Glenview Service Centre	39	34
Hamilton Central Community Link	77	76
Hamilton East Community Link	43	23
Huntly Community Link	17	30
Matamata Community Link	S	S
Morrinsville Service Centre	36	21
Ngaruawahia Community Link	24	8
Paeroa Community Link	S	S
Te Awamutu Community Link	29	22
Thames Community Link	46	46
Waihi Community Link	17	8
Waikato Regional Office	27	19
Taumarunui Service Centre	36	13
<b>Total</b>	<b>625</b>	<b>483</b>

**Notes:**

- This is a count of complaints, not a count of clients.
- A client may have submitted multiple complaints in a period.
- These figures do not include complaints notified to the Ministry by the Office of the Ombudsman or the Office of the Privacy Commissioner.
- The recorded service centre is not necessarily the one at which the client is registered; it is the site involved in the complaint.
- In certain circumstances, low numbers may potentially lead to individuals being identified.
- Due to these privacy concerns, numbers for some categories of clients have been suppressed or aggregated.
- Secondary suppression rules have also been applied when required.
- Suppressed numbers have been replaced by an 'S'.
- These figures are for calendar years, and therefore, do not align with the Ministry's published complaints figures, which are for financial years.



**Table Nine: The number of clients with Section 192 sanctions as at the end of March 2020, broken down by service centre**

<b>Service centre</b>	<b>Number of clients</b>
Cambridge	18
Dinsdale	104
Five Cross Roads	93
Glenview	47
Hamilton	42
Hamilton East	32
Huntly	37
Matamata	15
Morrinsville	21
Ngaruawahia	30
Paeroa	18
Taumarunui	20
Te Awamutu	44
Te Kuiti	28
Thames	37
Tokoroa	46
Waihi	28

**Notes:**

- The table includes working-age caregivers at the time of Section 192 deduction.
- A Section 192 (previously 70A) deduction is applied for each dependent child that a caregiver failed or refused to identify the paying parent(s) or refused to attend a departure or appeal hearing and give evidence against paying parent(s) in accordance with Section 122 Child Support Act 1991.
- The service centre is the site the client subject to a S192 sanction is registered at.
- A caregiver may qualify for an exemption to the deduction.
- A caregiver may have 1 or more Section 192 deductions and/or exemptions in place at the same time relating to different children in their care.
- The section 192 has been removed with effective from 1 April 2020.