

Minutes

Working for Families Governance Group

Date: 20 April 2021

Security Level: IN CONFIDENCE

Item 1: Reflect on Ministers' meeting and revised recommendations

- Noted revised recommendations from Ministers and discussed challenges
- Agreed major pieces of advice are jointly signed out - keep under review
- s 9(2)(g)(i)

Item 2: Terms of Reference - draft

- Role of HUD? Invite HUD to governance group when AS being discussed
- At governance level make sure there's a proper structure in place - add to Terms of Reference
- Governance group (GG) role in reviewing papers?
 - Review focused on overall approach and key issues
 - Lead manager to decide what comes to GG and at what level of detail (depending on what's needed from the GG)
- Names of agencies - check spelling - Department of the Prime Minister and Cabinet and Ministry of Social Development
- Frequency of meetings? Fortnightly - next one on 3 May (later re-scheduled to 11 May).

Item 3: Draft project scope and plan

- s 9(2)(f)(iv)
- Child support pass on - haven't confirmed how it fits yet, will confirm approach in next WFF options advice (or separate advice on pass on should this come first)
- WFF options advice will confirm approach to engagement, i.e. with CPAG etc
- The subsequent advice on WFF and AS needs to confront the issues of losers in fiscally neutral options clearly for Ministers
- s 9(2)(g)(i)
- Role of AS - can run separately, MSD lead still applies
- Project coordinator - progress getting someone in
- s 9(2)(f)(iv)
- TAWA modelling is a risk - keep under review
- Will need risk register etc
- Need to ensure that we communicate well externally so that people know this is going on
- Note as key link outside of review - Health and Disability System Reviews

Item 4: Any other business

- Noted CPAG report on WFF (embargoed copy) - need to think about role of CPAG and other stakeholders

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Working for Families Governance Group

Date: 11 May 2021

Security Level: IN CONFIDENCE

Item 1: Confirm the minutes from last meeting

- Clare to give Fiona comments on wording, otherwise agreed.

Item 2: Agree to the updated Terms of Reference

- Looks good and incorporates changes discussed.
 - **ToR agreed by Governance Group.**

Item 3: Agree to the project brief and scope

- Question about programme coordinator:
 - Session next week on risks, see how we go running it ourselves, get someone in if we need to
- Concerned about timeframes – in relation to making sure enough time from LEG drafting and implementation/operational perspectives:
 - Any later than end of year for Ministerial confirmation will be pushing to get it through.
 - Major issue and will need to keep reminding Ministers of trade-offs.
 - s 9(2)(g)(i)
- What date do Ministers expect any changes implemented by?
 - s 9(2)(f)(iv)
 - Full impact on child poverty targets if implemented June 2022, partial impact if not.
 - Advice will have to show what those timeframes are.
 - Child-support pass on – next lot of advice due end of the month.
- **These comments will be incorporated into the advice to Ministers.**

Item 4: Discuss and provide feedback on the draft project plan

- AS report as emerging issues:
 - Confirming which agency/ies will sign out this advice – **decision deferred to next Governance Group meeting.**

Item 5: Discuss and provide feedback on the outline for the next WFF report to Ministers

- Overall looks good
- Encouragement to get towards option development to get costings for this as soon as possible, fiscally neutral options will need a bit of iteration, seems on the right track, concrete options priority
 - **High-level options will be considered at the next Governance Group meeting**
- Note that the project plan spreadsheet proposes to do WFF and AS separately and then bring them together.

- Phrasing of the reports leads you to believe the third (combined) report brings the answer – need to signal that there will not be many options that span both WFF and AS in earlier advice to avoid this perception.
- Comments on timeframes and Child Support Pass-on from *Item 3* can fit nicely in the outline.

Item 6: Discuss and provide feedback on the draft Accommodation Supplement report and appendices

- Alana (Employment and Housing Policy) – provided modelling from TAWA demonstrating the overlap between AS and WFF population:
 - 115,000 families receiving both – 62% are sole parent families, 38% are couple with children family
 - AS largely single beneficiaries or couples without children so potentially intersect less with WFF than you think.
- Can you look at targeting within the instrument better?
- s 9(2)(f)(iv)



- s 9(2)(g)(i)
- AS is an income support lever and a housing support lever.
- s 9(2)(g)(i)



- Paper comes across as looking at AS individually rather than in combination with WFF
 - **Need to position AS work to link to WFF work**
- **Re-frame AS report to capture the above points, bring back to next Governance Group meeting**

Consultation and Engagement

- Minister Sepuloni lead Minister for the WFF + AS Review so MSD to be first point of contact.
- Need engagement plan that is more proactive – suggestion towards targeted engagement.
- Whether to take stakeholders options or ask them for ideas.
- Timeframes are tight for consultation.
- **Next WFF advice will confirm a consultation and engagement approach with Ministers.**


Other Business

- How might Child Poverty targets impact the WFF work?
 - PM meeting - **Child and Youth Wellbeing Strategy meeting next week.**

- Decision implemented by 1 July 2022 to have an impact on Child Poverty targets.

Next Steps

s 9(2)(g)(i)



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Minutes

Working for Families Governance Group

Date: 25 May 2021

Security Level: BUDGET SENSITIVE

Item 1: Confirm the minutes from last meeting

- **AP - Add a security classification**
- Edit suggested – Full impact on child poverty targets if implemented July 2022, partial impact if later that fiscal year.

Item 2: Project plan (spreadsheet)

- Upcoming reports:
 - Accommodation Supplement (AS) report to Ministers next week
 - Working for Families (WFF) advice in July – modelling options
- **AP – write up outputs from WFF working group risk workshop (Polly)**
- **AP – schedule next Ministerial meeting (MSD to follow up with Minister Sepuloni's office)**
- Note that TSY setting up meeting for Thursday 27 May with MOF advisors on AS – may want a person from MSD to attend.

Item 3: Feedback on AS report and appendices

- Alana (Housing Policy) gave an overview of some of the changes since the last meeting.
- General comments were that the report is looking good
- Note that Ministers are getting questions on what the review will look like with no advice on it yet so this will be a good start and needs to go to Ministers soon.
- One of the key objectives of this paper is to get Ministers to confirm that they want to look at AS in a fiscally neutral review of Working for Families.
- Recommendations generally good but expecting a lot of feedback from Ministers.
 - **Suggest changing recommendations 4 and 5 to guide Ministers by saying "officials recommend..."**
 - May want to re-order the recommendations.
- Concerns about paragraph 74 wording.
 - Para 71 contains the critical context for Ministers, so para 74 can be removed.
 - **Take paragraph 74 out.**
- **Shift recommendations on objectives before recommendations on the fiscally neutral envelope.**
- **Make Child Poverty reduction targets more prominent in the paper.**
- AS advice sign out – joint advice?
 - DPMC – happy either way.
 - **AP – TSY to get back to MSD before decision finalised.**
- **The above comments will be incorporated in the final AS report to Ministers.**

Item 4: Feedback on options to model for further advice on WFF

- All the options are essentially changing 5-6 key parameters.
- Try not to get too focused on the individual options yet, s 9(2)(f)(iv)
- Careful to provide options that could or could not be fiscally neutral, by modelling options that cost and save both separately and together.
- Careful to clearly signal that the options in this paper will not show the overall impacts of these changes if they were funded from savings elsewhere – this will come in subsequent advice.
- Is there space to put more options into the paper? – Note TSY has some new ideas.
 - Yes, space for more options (if done quickly), encouraged to align clearly with objectives.
- s 9(2)(f)(iv)
- Note impacts of advice on the interim child poverty reduction targets to be considered by Cabinet in June.
 - This advice will need to consider options that could contribute to the achievement of these targets, which would need to be implemented (for full impact) in July 2022.
 - Constraints on what can be implemented by July 2022.
- Note there is now pressure on engagement following recent announcements:
 - Treasury keen to engage with stakeholders.
 - **AP - MSD will have an initial discussion with Minister Sepuloni next week.**

Other Business

- How might Child Poverty targets impact the WFF work?
 - PM meeting - **Child and Youth Wellbeing Strategy meeting next week.**

Minutes

Working for Families Governance Group

Date: 22 June 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Fiona Carter-Giddings	MSD
Clare Ward	DPMC
Jason Raven	(CW&PRG)
Keiran Kennedy	DPMC (PAG)
	TSY

Apologies:

Hayley Hamilton	MSD
Kerryn McIntosh-Watt	IR
David Carrigan	IR
Jeremy Steele	HUD

Item 1: Oral update on the plan for the Income Support Ministers' meeting on 29 June

- The focus of the meeting is for Ministers to have broader discussion on what they want for the Accommodation Supplement (AS) as part of the Working for Families (WFF) review.
- Busy agenda for 30mins when the purpose is to get some good direction on AS.
- Hoping to get another meeting scheduled for by the middle of August after the next WFF paper (due end of July). We would be supportive of regular meetings potentially until the calendar year end so that we can put some of the items off.

- AP - DPMC and MSD to discuss this with Ministers' offices

- s 9(2)(g)(i)

Item 2: Discuss and provide feedback on the draft report on public engagement for the WFF/AS review

- The Minister for Social Development is more inclined towards targeted engagement with key stakeholders and experts rather than public engagement. She also wants to have a group of experts we specifically engage with. This could be through face-to-face meetings or potentially some workshops.
 - MSD considers that targeted consultation is the most appropriate approach given timeframes.
 - DPMC supports targeted consultation with key stakeholders given that we could not respond well in the timeframes to broader consultation. DPMC also wants to make sure the target is not too small.

- IR's views were generally discussed via email prior to this meeting. IR considers public consultation best practice, and is also important as there could be current issues with WFF that targeted consultation alone fails to identify.
- TSY notes that proper public consultation is a huge process but is worried about only talking to select people through targeted consultation (some similar concerns to IR).
 - Suggests a hybrid consultation model – targeted well facilitated workshops and written submissions, being clear what will be done with this information.
 - Treasury noted that we could consider the Minister of Finance's Challenge Model – have the people who 'don't like it' come in and consult.
- We will need to make sure the group of experts has a wide range/definition of expert to capture broader views.
- It is important to remember other engagement going on at the same time such as Purpose and Principles work and Social Unemployment Insurance.
- Generally concerned about engagement advice and resourcing.
 - Pull out the pros and cons of consultation options for Ministers and indicate to Ministers if we don't think we can achieve it within the timeframes.

Feedback will be incorporated into the engagement paper due this week.

Item 3: Discuss and provide feedback on the content of the detailed outline of the next WFF paper

- DPMC (Jason) – Looking really good!
Where is the cost modelling up to?
 - TAWA starting modelling but very busy but should start getting results in the next couple weeks.
- TSY worried it will be a very long paper – suggests slide pack
 - Could be tricky for Ministers to navigate – what decisions do you need from Ministers to keep the work going?
 - DPMC notes that the last paper was good and very well received by Ministers even though it was long because it stepped the Ministers through the choices.
- The status-quo appendix will give Ministers a good picture of how the current system works, eg moving from benefit to work.
 - **MSD happy to work with TSY on the status-quo appendix.**
- DPMC – The paper lists options that might be good to think about but may be slightly out of scope / better to think about longer term
 - IR keen for Ministers to consider operational issues. These may be future options to think about that we can note.
- DPMC likes the focus on the two-tiered abatement.

Feedback will be incorporated into the WFF options paper due in July.

s 9(2)(f)(iv)

Item 5: Housekeeping

- The provisional timeframe for the next phase of AS advice is August but this will depend on the Income Support Ministers meeting on Tuesday 29 June.
 - s 9(2)(f)(iv)
- Next GG agenda items – s 9(2)(f)(iv) update WFF options, debrief AS discussion
 - TSY suggests that the Minister for Social Development plan for a SWC update.
 - **AP - MSD to follow up.**

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Working for Families Governance Group

Date: 6 July 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Clare Ward	DPMC (CW&PRG)
Jason Raven	DPMC (PAG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IR
David Carrigan	IR
Naomi Stephen-Smith	HUD
Polly Vowles	MSD

Apologies:

Jeremy Steele HUD

Item 1: A summary of the Income Support Ministers' meeting on 29 June and next steps.

- No final minute from the meeting
 - **AP - Jason to go back and request**
- Ministers want to know what could be done within existing parameters and will then consider whether other non-fiscally neutral options should be considered.
- Ministers don't want engagement to delay the Working for Families (WFF) review, so they are happy with targeted consultation and limited public consultation.
- Accommodation Supplement (AS)
 - Ministers want "two tracks" of advice on AS – a shorter-term track of advice on AS as an income support tool and a longer-term track of advice on how AS works as a housing intervention. The longer-term track will need to be led by HUD and also involve Treasury.
 - **AP – MSD Housing Policy and HUD to meet to discuss the advice on AS as a housing intervention.**

- s 9(2)(g)(i)

- s 9(2)(g)(i)

. s 9(2)(f)(iv)

- s 9(2)(f)(iv) [REDACTED]
- s 9(2)(g)(i) [REDACTED]
- s 9(2)(g)(i) [REDACTED]

- **Next steps:**

- We are going back to Ministers with more detail on the approach to public and targeted engagement. Timeframes for engagement are tight, especially as we want to ensure consultation material is accessible. We are also looking for a Project Manager for this process.
 - **AP – If other agencies have someone for this role please let MSD know.**
- Further advice was commissioned by Ministers on Child Support as income in the benefit system.
 - Treasury is concerned that agencies will invest time/resources and it will not be funded.
 - The Minister of Revenue requested this advice.
- The Minister of Education and Minister for Social Development and Employment met to discuss Childcare Assistance on 28 June 2021.
- Further advice was commissioned by Ministers clarifying the scope and timeframes of the AS review.
- s 9(2)(f)(iv) [REDACTED]
- **AP – Jason to confirm when the next Ministers meeting will be.**

- The group agreed that an hour meeting would be better.

Item 2: Discuss and provide feedback on initial WFF modelling results – options with increases to the Family Tax Credit and changes to abatement

- The next WFF advice to Ministers will clearly describe the trade-offs between fiscal cost and child poverty reductions.
- The modelling shows Ministers we can't make a significant improvement to child poverty without some families being significantly financially disadvantaged within a fiscally neutral envelope.
 - Ministers will be focused on the households that face losses.
 - Distributional analysis of those who would be worse off would be useful.
 - Suggest having a cheat-sheet table showing the levers (eg abatement threshold, abatement rate, payment rate) and the types of impacts they have.
- The next WFF paper needs to also explain that for Budget 2022 agencies can only feasibly make changes to rates and abatement settings, but any changes made will have a big impact on further work in the reform.

- Suggested potential next steps for modelling:
 - s 9(2)(f)(iv)
 - [REDACTED]
- Treasury noted that meeting the interim child poverty targets is likely to be a significant part of the review.

Feedback will be incorporated into the next WFF paper and the next stage of modelling.

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Working for Families Governance Group

Date: 20 July 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IR
David Carrigan	IR
Daniel Frischknecht	MSD
Sasha O'Dea	DPMC

Apologies:

Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Polly Vowles	MSD
Jason Raven	DPMC (PAG)
Jeremy Steele	HUD

Item 1: Confirm the minutes from the 6 July meeting

- No comments on the minutes.
- The next Income Support Ministers meeting is scheduled for Wednesday 11 August 2021. The items for discussion have not been confirmed but are likely to be:
 - the next Working for Families (WFF) report
 - the report back on the Accommodation Supplement (AS) - scope and timing
 - s 9(2)(f)(iv)
 - advice on the treatment of Child Support pass-on as income, and the appetite for this to progress.

Item 2: Discuss and provide feedback on the draft joint Working for Families paper for Ministers

- The structure of the paper works well.
- The group discussed the operational section being tightened/cut back and that the group had previously agreed that some of this work could be pushed into the next paper.
- Although *Table 8* was found to be confusing it was noted that the table is being updated to make it easier to follow.
- There was general discussion about what the recommendations will look like and some members struggled to see how the paper would all come together.

- Treasury noted that presenting objectives is helpful, but heavily theory based. Looking at different hypothetical options packages could be useful for Ministers to see, especially if we want them to consider the challenges of a fiscally neutral envelope.
- The paper needs to get a clear steer from Ministers on further options and the fiscal envelope.
- There was discussion on whether 'child poverty reduction' was an explicit objective of the WFF review.
 - The Ministry of Social Development (MSD) and the Treasury noted that 'income adequacy' and 'support for low-income families' are significant aspects of child poverty reduction. The WFF review is also the primary lever for the Government to achieve child poverty targets.
 - This WFF paper is seen as a way to drive discussion on the choices Ministers have. It was broadly agreed that the paper pulled out the child poverty trade-offs clearly and there was no need for a separate recommendation to confirm child poverty targets as an objective.
 - A graphic showing the trade-offs for Ministers was suggested as an appendix.
- MSD suggested that *Objective 3* could be presented as a natural follow-up of options/advice focused on working people.
- The paper needs to make sure the options are clearly understood as illustrative only.
- There was also a brief discussion on the child poverty targets s 9(2)(g)(i) [REDACTED]. The balance of risks of meeting these targets should be noted in the discussion of options, and the role of the broader economy and labour market in helping to achieve targets.
- The group agreed to try push the due date to 5 August, as Ministers won't discuss it until their meeting on 11 August.
 - **AP – MSD to consult our Minister's office on changing the deadline.**
- The WFF paper will likely be recirculated before it goes to Ministers for the Governance Group to review the recommendations.

Feedback will be incorporated into the WFF paper.

Item 3: Discuss and provide feedback on the draft engagement paper

- Members of the group suggested making the questions more specific and structured, but broadly the questions were thought to be fine. The group generally agreed on an open-ended approach for questions to the public, so as not to guide their answers to a certain response.
- In light of further direction from Ministers on the AS review, we will need to revisit the AS questions.
- The Treasury wondered if we could go to experts with packages if we land these in the next report.
- There was discussion on how we could ensure the broader views of the public would be captured. MSD noted that work on a comms plan is underway to ensure

we capture the voices of WFF recipients. It was noted that MSD and IR could use existing channels and relationships to push engagement.

Feedback will be incorporated into the engagement paper which is due by the end of the week.

Item 4: Working with Ministers' Offices

- Only the Governance Group was present for this item.

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Working for Families Governance Group

Date: 3 August 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Jason Raven	DPMC (PAG)
Kristie Carter	DPMC
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IR
Nick McNabb	HUD
Polly Vowles	MSD

Apologies:

Clare Ward	DPMC (CW&PRG)
David Carrigan	IR
Jeremy Steele	HUD

Item 1: Confirm the minutes from the 20 July meeting

- No comments on the minutes.

Item 2: Discuss and provide feedback on the joint Working for Families paper

- Members agreed the paper was looking good.
- DPMC noted that the *Objective 1* options are helpful and speak to what we can and can't do with redistribution. DPMC suggested editing the executive summary to let the numbers speak for themselves.
- Members discussed the more conceptual nature of the *Objective 2* write-ups due to a lack of costings. It was noted that paragraph 45 makes a strong statement in the absence of costings.
 - MSD noted that modelling and resources are limited. Members suggested that this be stated in the paper.
- Treasury noted that it is important to be specific in the recommendations and that these could be shorter and blunter.
 - **AP – TSY to provide specific feedback on recommendations via email.**
- The group generally had concerns about what will be used for the Income Support Ministers' meeting (Wednesday 11 August) to navigate the content. Treasury had pulled together a high-level table with the objectives and the levers Ministers have to pull to focus their discussion.

- **AP – TSY to email the table to the group for review.**
- Treasury also suggested more clearly stating that indexation will happen anyway in 2022 as the CPI likely to reach 5 percent.
- Inland Revenue was happy that the feedback from the last meeting had been incorporated and had no further comments.
- Members thought it was important to point out s 9(2)(f)(iv) and that a \$14 per week increase in the Family Tax Credit does not fully reach child poverty targets.
 - Treasury noted that further modelling is being done as economic forecasts are improving, and therefore, there may be fewer children in poverty.

Feedback will be incorporated into the Working for Families paper due on Thursday 5 August.

Item 3: Discuss and provide feedback on the Accommodation Supplement paper

- The group had some questions about the work on the Accommodation Supplement (AS):
 - Which groups would benefit from the different options as Ministers may not want to make those trade-offs?
 - Some options require significant funding.
 - Options 4 and 5 give the impression that there are ready savings when there are unlikely to be.
- Is there a way to remind Ministers of the proportion of recipients receiving main benefits who are on the pathway to homeownership?
- The group suggested using data/modelling to illustrate the impact of increasing housing supply on rents and the magnitude of potential AS savings, after the current modelling request is completed. An example of responsiveness to housing supply could be the Christchurch housing data. The group agreed that the paper should be clear on when we will have more cost/data modelling.
- The group thought the paper should focus more on the questions Ministers had from the last Income Support Ministers' meeting (Thursday 29 June).
- Members discussed including greater detail on the housing supply timeframes and reordering the paper with housing supply content first.
- The group broadly had questions about after-housing-cost incomes and how rents are changing relative to incomes.
 - Auckland rents are growing slowly, while the rest of the North Island's rents are surging.
 - There is a large group of low-income people with high rents, particularly evident for single people.
 - We have data that brings this information together for MSD's clients but not beyond.

Feedback will be incorporated into the Accommodation Supplement paper which is due Thursday 5 August.

s 9(2)(f)(iv)



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Minutes

Working for Families Governance Group

Date: 31 August 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Jason Raven	DPMC (PAG)
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IR
David Carrigan	IR
Jeremy Steele	HUD
Hilary Eade	HUD
Polly Vowles	MSD
Tim Garlick	DPMC (CPU)

Apologies:

Item 1: Confirm the minutes from the 3 August meeting

- No comments on the minutes.

Item 2: Update on next steps (given current circumstances)

- Ministers are currently very busy with COVID-related work. The group agreed to proceed with the WFF advice assuming that feedback from Ministers on the advice provided before lockdown will continue to be delayed.
- Treasury noted that work has been commissioned on the COVID-19 response for vulnerable people and that this work should include a reference to Working for Families (WFF) decisions.
- The Ministry of Housing and Urban Development (HUD) gave an update of advice they are working on. Advice on the affordable housing fund, looking at how to increase supply for people on low to moderate incomes, will likely be provided to the Minister of Housing in September. This paper has quite a bit of overlap with the advice Ministers were seeking for the Accommodation Supplement (AS). HUD suggested pushing the AS advice out to October until feedback has come back on the affordable housing fund paper.
- HUD also noted that they have done previous work on capitalising AS which showed that it doesn't work. The group noted that the report will need to step Ministers through this.

- Members of the group indicated that the Minister of Housing's Office will need to manage timeframes with the Prime Minister's Office.
- The working group envisions subsequent WFF advice to be on two tracks: short-term modest cost-redistribution options for Budget 2022, and longer-term advice on potentially fundamental changes to the structure and design of WFF.

Timeframes

- Inland Revenue (IR) have advised to meet implementation timeframes they need Cabinet agreement to a second abatement threshold by the end of September. This is due to the system changes required and IR's annual calculation of WFF entitlements. This means that advice would need to go in one and a half weeks to meet these timeframes.
- The condensed timeframe raised the question of whether this would rule out **abatement changes as an option**. Testing with Ministers whether they want this advice was suggested, keeping in mind timeframes may be too tight for this.
- Members questioned the nature of the agreement sought and whether this necessarily had to be Cabinet agreement or could it go through the Social Wellbeing Committee (SWC) or Income Support Ministers. It was noted that this approach is not unprecedented.
 - IR clarified that agreement is needed to introduce a second abatement threshold, not the actual threshold value.
 - The group requested further clarification and explanation of the drop-dead dates.
 - IR indicated that system staff capacity constraints were also playing into the deadlines.

AP – Kerry (IR) to email the Governance Group in the next few days outlining the below information:

- **Justification for the deadlines and whether we need Cabinet agreement on this or if SWC or Income Support Ministers will suffice.**
- **Implications of getting agreement after the September deadline.**
- The group noted that the working group is already progressing advice for Ministers if the end of September date is confirmed. Indicative costings for this will hopefully be completed in the next few days.

Minutes

Working for Families Governance Group

Date: 15 September 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Fiona Carter-Giddings	MSD
Jason Raven	DPMC (PAG)
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IR
David Carrigan	IR
Jeremy Steele	HUD
Polly Vowles	MSD
Tim Garlick	DPMC (CPU)

Apologies:

Hayley Hamilton MSD

Item 1: Confirm the minutes from the 3 August meeting

- The Accommodation Supplement (AS) discussion at the bottom of page 1 should say that advice will look at how to make capitalisation options work and include concrete options for implementation.

Item 2: Provide feedback on the draft advice on options for Budget 2022 for implementation on 1 April 2022

- The group broadly agreed the paper looks good.
- Treasury noted the paper seeks a lot of indication from Ministers and there is a question of how much we want to guide Ministers' decisions. Decision ordering in the paper is also important.
- The group noted two important points in the paper that should be highlighted. First, the report implies that we can achieve what Ministers are looking for with a single abatement threshold. Second, there are fewer losers if the thresholds are adjusted by the Consumer Price Index (CPI).
- The group discussed whether Ministers had requested an option that looks at the existing system but redistributes the scheduled CPI indexation amount (roughly \$190m) to lower income households.
 - s 9(2)(g)(i)
 - Members suggested that looking at *Table 1*, the fundamental modelling for this option may not be very different to what we have in the current option.

- s 9(2)(g)(i)

- The group noted the report needs to clearly indicate a shift in the consultation timeframes to mitigate public expectation for consultation.
- Inland Revenue (IR) indicated that if Ministers want to delay indexation, this will require legislation which needs to be done before December.
- IR also suggested strengthening a point on the two-tiered abatement option. That is, to address work incentives a phase two is necessary and we will need to spend quite a lot of money.
- Treasury questioned if there is a strong case for two-tiered abatement. Treasury noted they will be speaking to the Minister of Finance about the paper on Monday 21 September.
- The group broadly agreed the paper should be clearer on what can be achieved with the existing abatement settings.

Feedback will be incorporated into the report due on Friday 17 September.

Item 3: Note draft Working for Families work programme – will be substantively discussed at a future meeting

- The group noted the new work programme arose out of Ministers' decision to introduce a two-track approach.
- Treasury, the Ministry of Social Development and IR expressed resourcing concerns.
 - Specifically, IR noted they are managing from a policy perspective but may start to struggle if further work is added. IR have already indicated operational concerns.
 - The Department of the Prime Minister and Cabinet (DPMC) also noted that the *Debt* work may call on similar resources.

• s 9(2)(g)(i)

Other business

Updates from Ministers

- The PM is aware of the time pressure for implementation on 1 April 2022.

s 9(2)(f)(iv)

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• s 9(2)(g)(i)

Minutes

Working for Families Governance Group

Date: 28 September
2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IRD
Fiona Carter-Giddings	MSD
Polly Vowles	MSD
Jason Raven	DPMC (PAG)
Hayley Hamilton	MSD

Apologies:

David Carrigan	IRD
Jeremy Steele	HUD

Item 1: Confirm the minutes from the 15 September meeting

- No comments on the minutes

Item 2: De-brief on Income Support Ministers' meeting on 22/09

- PMO read out from the Ministers' meeting.
- Confirmed Best Start was not discussed at the Ministers' meeting.
- Officials have gone back to Offices on timeframes for the next report, as decisions are not needed as urgently – have asked for another week.

Item 3: Next advice on B22 options – high-level plan

- The group talked through a summary table of options, tabled at the meeting.
- DPMC asked how the options in the table were selected. It was clarified that these were the options that met Ministers objectives (cost, child poverty impacts, minimise losers) and agreed this would be noted in the paper, including why other options weren't included.
- The group liked the table for presenting the options to Ministers.
- The group had a discussion on whether the option to increase the abatement threshold to \$45,200 should be included:
 - Treasury asked if we had put this up before, and it was clarified it was in the previous report
 - s 9(2)(g)(i)

- The group generally agreed the option may have been recommended in other contexts, but given the parameters for this advice it doesn't fit
- Group agreed to not include it.
- Brief discussion on EMTRs, and it was agreed to pull this out more in the next advice, perhaps through example families.
- The group noted the timeframes for decisions by late October, and that an announcement date for any FTC changes should be added in.

- s 9(2)(f)(iv)

- The group discussed passing on any FTC increase to OB/UCB/FCA and agreed it should be in the paper. They noted there are mixed arguments for and against, and these should be put to Ministers.

Item 4: Next steps on phase two: Plan for development

- DPMC thinks the plan looks good and likes the integrated work plan across agencies. It would be good to communicate a summary of this to Ministers at a high level. IR and MSD agreed.
- The group discussed the administrative options IR are exploring to improve client experience and would like to see a short summary of what these are in the form of an outline with a timeline at a GG (not urgent). IR will provide this.
- DPMC noted the plan needs to be updated due to Tim moving into Director role.

Item 5: How we work together

- The Chair raised an additional item, not on the agenda, on how agencies work together.
- The Chair noted at least one agency briefed their Minister differently to the joint advice and that it would be good to share this advice with others. Generally, we want to try get agency views to feed into the main paper, rather than Ministers having different advice and as a matter of practice it would be good to share advice with other agencies.

- DMPC agreed agencies can brief Ministers, but if it is counter to the joint advice it should put in front on the group to work through and that Ministers should have visibility of different views.
- There was discussion of penholders getting late feedback, and the pressure this was placing on them. It was noted that sometimes late comments are unavoidable, but wherever possible feedback needs to come earlier and focus on substantive issues.
- Treasury raised they were unhappy with the recs last time, and focused feedback on these to improve the flow. It was generally noted that the recs had been circulated earlier and early feedback should be prioritized to avoid placing the penholder under pressure.
- Agencies agreed to share briefings they provide to their Minister, with the working group and governance group, while noting the Treasury has Budget obligations meaning this is not always possible.
- IR will direct their briefings to be shared in future and will share the most recent advice provided to their Minister ahead of the meeting on 22 September.

Working for Families Governance Group

Date: 12 October 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Kerryn McIntosh-Watt	IRD
Fiona Carter-Giddings	MSD
Polly Vowles	MSD
Jason Raven	DPMC (PAG)
Hayley Hamilton	MSD
David Carrigan	IRD

Apologies:

Jeremy Steele HUD

Item 1: De-brief on Income Support Ministers' meeting on 12/10

Formal read out coming from PMO (not covered extensively in these notes)

- Ministers agreed to Option 3.
- s 9(2)(g)(i) [REDACTED]
- [REDACTED]
- Ministers agreed to urgent legislation, which will also cover the MFTC threshold increase and remedial CPI change.
- s 9(2)(f)(iv) [REDACTED]
- The Cabinet paper will be led by Minister Sepuloni and the PM jointly.
- Offices want a draft Cabinet paper to advisors by the 26th October, to go to Ministers on the 29th October.
- s 9(2)(f)(iv) [REDACTED]

Treasury asked whether the Cabinet paper could be brought forward to give Minister's more time to make the public announcement.

- Noted timeframes are already tight if we need Ministerial consultation.
- MSD will consider whether this is possible.

Agencies agreed to commission work on the public announcement soon to ensure all resources are ready and prepared.

Simon asked whether any more modelling was needed:

- costings from TAWA over 5-year period are needed, but not likely to need any other modelling.

Treasury raised the proactive release of WFF papers:

- The working group will make a plan, noting currently these have been managed through OIAs.
- The group noted we will need to carefully consider the release of advice on Phase 2, and to provide Offices the material early.


There was brief discussion on the RIA:

- IR is currently preparing this and other agencies will review.

Item 2: Debrief on Accommodation Supplement discussion with Minister's offices

HUD presented a number of examples, which demonstrated very few people would be able to afford home ownership under options for capitalisation of AS.

s 9(2)(f)(iv)



MoR would also like it to address way of minimising landlord capture, and would like advice on options 6 and 7 (s 9(2)(f)(iv))

Oranga Tamariki need to be consulted on the advice.

The group discussed alternative rental options for those who can't afford homes:

- There is another paper going to Ministers in November which will cover sub-market rental options
- Need to make links between the different strands of advice.

Minutes

Working for Families Governance Group

Date: 9 November 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Keiran Kennedy	TSY
Fiona Carter-Giddings	MSD
Polly Vowles	MSD
Jason Raven	DPMC (PAG)
Kerryn McIntosh-Watt	IRD
Paul Bruere	HUD
Hilary Eade	HUD
Alana Roughan	MSD

Apologies:

Hayley Hamilton	MSD
David Carrigan	IRD
Jeremy Steele	HUD

Kerryn (MW) present for first 20mins

Item 1: Working for Families verbal update

No comments on announcement

Next steps:

- Polly gave update on LEG process (on track to be lodged by 10am Thursday)
- RIS is being prepared to release, alongside Cabinet paper and wider papers
- Bill will be introduced in week of 22nd Nov
- CSC issues still being worked through, with aim for a joint report to Ministers later this month.

Now focused on Phase 2, s 9(2)(f)(iv)

Item 2: Feedback on AS report outline

Paul and Alana briefly talked through the outline

- s 9(2)(f)(iv)
- HUD have identified a gap with the increasing number of people unable to afford market rent, but may not require public housing:
- s 9(2)(f)(iv)
- Noted people still need the AS to pay for rentals

- s 9(2)(f)(iv)

The GG discussed planned engagement:

- Treasury are worried about engagement timeframes with getting too far into phase two, and worried about SUI engagement being pushed out
- Group agreed it would be good to test whether Ministers actually still want public engagement on AS through this report
- Generally agreed public engagement may not be the best approach.

Jason noted the primary reason for looking at AS is whether it can be capitalised, to move away from rentals and into home ownership. If Ministers accept they can't capitalise, will they still want to proceed?

GG discussed the section on capitalisation:

- Want to make sure the advice is teased out in enough detail to make it clear it is not feasible
- Jason: Ministers asked for institutional approaches to capitalisation e.g. take a cohort of AS and give to a provider – will the advice do this?
- s 9(2)(g)(i)
- There was agreement the report should show the whole picture.
- The group talked about the main differences in why capitalisation won't work now
- AS is different to Family Benefit, eg with AS asset test you can't build up a deposit, which is very different to Family Benefit
- HUD thinks the main difference is housing affordability, and even if we still had a universal FB it wouldn't be enough.
- Treasury asked for the paper to make clear capitalisation doesn't work, even with Kiwi Saver and first home grants etc.

The group talked about still requiring the AS under many of the options:

- 'even if you increase sub-market rental, you still need the AS' needs to come through in the paper
- good to show timeline and costs to get any reduction in AS.

Simon raised whether Minister's would want to make any changes to AS given:


- capitalisation won't achieve their goals
- AS can't be used to underwrite other programmes
- Any reform of AS is costly or has significant losers.

Group confirmed take-up of AS needs to be in the advice, and advice should test whether there is anything else important which Ministers want advice on.

Group discussed the timing, including whether to defer to line up with other advice, but agreed current timing.

HUD gave more context of where their work is at:

s 9(2)(g)(i)



- Short term issue is people can't afford market rent. Best option is to increase supply rather than endlessly increase AS spend.

Item 3: confirm previous minutes

No comments on minutes and no other business.

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Minutes

Working for Families Governance Group

Date: 23 November
2021

Security Level: BUDGET SENSITIVE

Attendees:

Clare Ward (Chair)	DPMC (CW&PRG)
Keiran Kennedy	TSY
Fiona Carter-Giddings	MSD
Polly Vowles	MSD
Jason Raven	DPMC (PAG)
Paul Bruere	HUD
Hilary Eade	HUD
Hayley Hamilton	MSD
Jeremy Steele	HUD

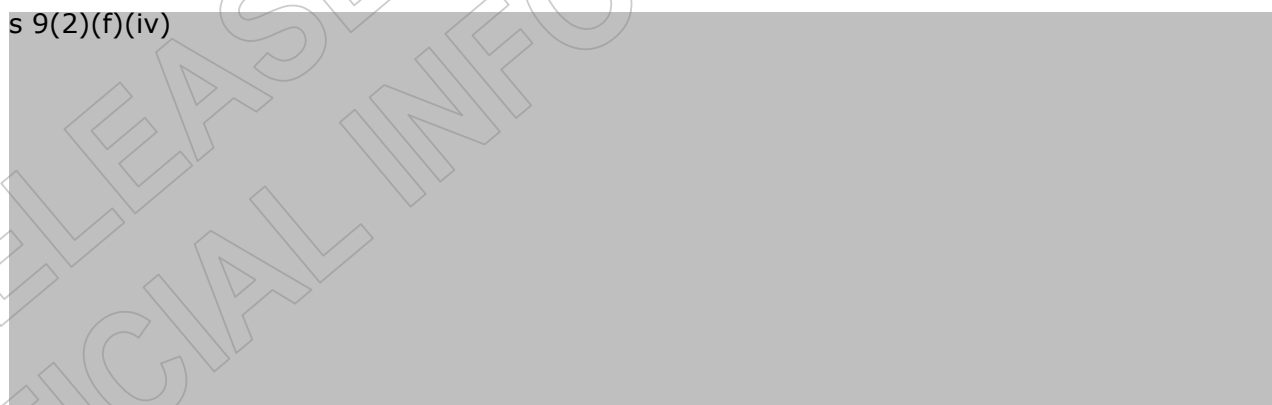
Apologies:

David Carrigan	IRD
Simon MacPherson	MSD
Kerryn McIntosh-Watt	IRD

Item 1: Discuss draft HUD/MSD paper on AS Review

The Group discussed the HUD section first

s 9(2)(f)(iv)



How are we addressing people who will never own their own home?

- HUD are looking at rental supply, s 9(2)(f)(iv)
- 

The group discussed whether the paper adequately responds to the overarching review

- Group agreed the report responded to Ministers specific questions, but missed links to the review as a whole.

- Group asked for more work on the front end to get more of a narrative, rather than just bluntly answering questions.

Capitalisation: is this advice sufficient to show capitalisation is not a good idea?

- HUD think they have done this, by also looking at other options like progressive home ownership which will work better than capitalising AS.

s 9(2)(f)(iv)

The group then discussed the MSD section

GG agreed there needs to be a stronger link between the two sections.

Group discussed whether landlord capture is adequately covered:

- Research is due on this in December to the Minister of Social Development and Employment which will support this further
- Hayley thinks we have done enough here and but will always struggle.

There was a brief discussion on take-up and GG happy with this.

The group discussed whether we should be encouraging Ministers to shift this review to the housing programme rather than it sitting with the WFF Review?

- The group reflected that the fiscal consideration has now moved on
- TSY view is we are trying to do too much with it
- Group agreed the housing programme needs to continue, but we still require income support from AS for now while housing programme picks up speed
- Group discussed whether we put this question bluntly to Ministers on whether this is really about housing, or if it is about income support?
- Track one is distinct from track two, and is in addition to, not instead of, the AS. Eventually if you are successful in track one, then demand for the AS will eventually reduce (but possibly not if we are successful in improving take-up).

The Group agreed that the HUD section sits with the housing programme, and AS part led by MSD sits with the WFF Review.

What scale of investment in affordable housing do we need to see a reduction in AS?

- Some discussion but no answer currently

Item 2: WFF Phase 2 – draft plan

Nick gave an update on the plan and flagged the significant memo planned for the next meeting on this

- Jason is supportive of a substantive report for Ministers early next year

The Group discussed whether engagement needed to or could be done any sooner

- Unlikely this can be done earlier due to resourcing and the Minister expressed preference for April/May.

Do we need any WFF items on the 6 December meeting?

- Group agreed not

- Ministers will receive advice on WFF in early 2022 on design and structure.

Do we have enough resource on the review?

- MSD policy is ok, but possibly not wider organisation.

- **Agree to have an item on this for next GG.**

Item 3: Any other business

- No comments

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Minutes

Working for Families Governance Group

Date: 7 December 2021

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Fiona Carter-Giddings	MSD
Polly Vowles	MSD
Hayley Hamilton	MSD
Jeremy Steele	HUD
Kerryn McIntosh-Watt	IRD
Sam Holmes	TSY

Apologies:

David Carrigan	IRD
Keiran Kennedy	TSY
Jason Raven	DPMC (PAG)

Download on Ministers meeting

Hayley gave a run down from the Income Support Ministers meeting of the AS

- All Ministers were at the meeting except Minister Parker
- Ministers agreed with the advice on capitalisation
- s 9(2)(f)(iv)

[REDACTED]

[REDACTED] and the Prime Minister requested that advice she has already received is circulated to other Income Support Ministers

- Ministers supported the work programme on take-up, especially for working families with children
- s 9(2)(g)(i)

[REDACTED]

Item 1: Discuss WFF Review plan for 2022

s 9(2)(f)(iv)

[REDACTED]

s 9(2)(f)(iv)

-
-
-

The Group then discussed the scope of the Review

- Do Ministers feel they have agreed scope?
 - Agree we should confirm scope through the February paper and this will include how AS fits with the Review

When should content be provided?

- Need consultation and evidence to go first, before we get into options.

Should timing and engagement be the same paper?

- At the moment they are two, but on similar timeframes. Reason for two reports is engagement only goes to two ministers while the timing report is needed by the whole group

The Group talked about general concerns on timeframes and engagement

- Treasury are concerned about external engagement timing, and how sequencing could be impacted
- IR also concerned about timing, and how April/May engagement could interact with SUI
- There was a question on whether engagement is on general issues or on options? Confirmed the plan was to engage on general issues, but targeted engagement could be used later to look at options

s 9(2)(f)(iv)

- s 9(2)(g)(i)
- Do we need to build in more time to get through scope issues with Ministers? This depends on Ministers timeframes, and how we conduct meetings

Questions

- Report 0: useful, use to confirm scope and ambition. Need to think through how this lines up with engagement
- Comfortable with timeframes, but need to give Ministers advice on timeframes and feasibility and issues
- Fiscal envelope: comfortable

Engagement: proceed with current,

Need to get confirmation on the AS from Ministers

Item 2: Resourcing

This was raised at GG last week, to check is resourcing is still appropriate and any constraints

The A3 doesn't show resourcing

DPMC: want to contribute but trying to work out how without seeing names next to advice

TSY: losing s 9(2)(a) so will have a gap which they are looking to fill. TAWA are funded to work on this, but as normal need lead time- would be good to know now where there are tight spots. No short term concerns from TAWA

Working group have given TAWA a heads up on when we are likely to need modelling in 2022

MSD: just enough but it is tight. There have been changes to MSD's budget so can't fund external submissions analysis of engagement. Need to discuss if other agencies can fund this, or people to do this work. MSD will provided further info

IR and MSD will discuss this further – IR generally get an external provider but need to check in

IR: s 9(2)(a) is still available, and is likely to have time. And s 9(2)(a) Wider IR policy has enough resourcing. IR conscious of operational, and have a lot on the backlog due to business transformation.

MSD also conscious of the operational constraints.

MSD will have an engagement specialist to help.

Item 3: Any other business

- No comments

IR are running a joint workshop on the administration of WFF. Working group will make sure it goes to the right people.

Minutes

Working for Families Governance Group

Date: 15 February 2022

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Fiona Carter-Giddings	MSD
Kerryn McIntosh-Watt	IRD
Keiran Kennedy	TSY
Hilary Eade	HUD
Peter Chaudhry	HUD

Apologies:

David Carrigan	IRD
Jason Raven	DPMC (PAG)
Hayley Hamilton	MSD
Jeremy Steele	HUD

Item 1: Engagement

Timing

- Timing is April/May 2022.
- Ministers previously for submissions to be open for 8 weeks. Realistically, MSD can get this live on 20 April for 6 weeks, with email submissions/survey closing at the end of May. Group is happy with this.
- Follow-up engagement might be worthwhile later on with specific options.

Survey

- Question for the group: level of comfort with survey as proposed?
- DPMC – questions are too complicated for a survey.
 - o Noted questionnaire has been through MSD and IRD research teams to test questions.
 - o Suggest testing with some of the public, eg customer panel. Noted timeframes are tight with requirements to translate into accessible formats (6 weeks minimum for translation) and ethics concerns testing with customers – unlikely to be possible.
 - o Edits received today by IRD to question framing to be incorporated.
 - o May need more specificity on who is responding – eg adding a question on ‘are you an individual/part of an NGO’ etc.
- TSY noted Ministers may consider the questions very broad, given decisions they have already made
- IRD generally comfortable with the questions and process taken to get here
- Group agreed to review the questions again, particular those on trade-offs.
- Group acknowledged the risk that the survey may not get us all the information we want, but it is worth trying anyway.

Targeted engagement

- Noted some cross-over with stakeholders engaging on WFF as well as other initiatives - the New Zealand Income Insurance Scheme engagement has only 6 days of cross-over.
- Targeted engagement can deliberately ensure stakeholders involved in a cross-over period are not approached during that time.
- Group noted the importance of managing expectations, particularly in the current inflation environment – recognise the need to ensure our engagement is done with integrity and being upfront about limitations.
- Targeted engagement will commence at the same time as public engagement go-live and will be facilitated online. The list of stakeholders has been updated to include advocacy and support groups. Māori and Iwi group list yet to be determined.
- **Action:** Please send feedback via email to s9(2)(a) OIA on this list.

Next steps

- Report proposed for Thursday 17 February depending on meeting outcomes, seeking agreement from Ministers to updates and attach guidance material for feedback. Group agreed to this timeframe as opposed to pushing the report by one week.

Item 2: Status Update

- s 9(2)(f)(iv)
- The working group is tracking to the advice sequence provided pre-Christmas. Report zero may be early March rather than end of Feb.
- The working group is working with Offices on the advice sequence in the context of Income Support Ministers' meetings this year.
- AS review next steps:
 - o agreement not to do public engagement– separate advice on targeted engagement will be provided (this will be flagged in WFF engagement report this week).
 - o s 9(2)(f)(iv)

Minutes

Working for Families Governance Group

Date: 15 March 2022

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Jason Raven	DPMC (PAG)
Hilary Eade	HUD
Fiona Carter-Giddings	MSD
Kerryn McIntosh-Watt	IRD
Polly Vowles	MSD
Nicholas Fitzpatrick	MSD

Apologies:

Keiran Kennedy	TSY
Paul Bruere	HUD
Peter Chaudhry	HUD
Hayley Hamilton	MSD
David Carrigan	IRD

Item 1: First 1000 days

Ministers have asked us to look at adding a 'first 1000 days' objective to the Working for Families (WFF) Review. A memo was provided to the Governance Group to discuss.

- There seems to be general alignment between agencies on the approach,
- If we added an objective, we would need to go back to them to get a steer from Ministers relatively soon on trade-offs. The group is not sure we are in a position to determine the steer from Ministers until later.
- IRD are also concerned about scope creep.
- WFF investments over recent years have contributed to the first 1000 days of a child's life. The group agreed that WFF is inherently contributing to the 'first 1000 days' and are not sure we need to change the objectives. Instead, officials could apply a 'first 1000 days' lens to options analysis, ie provide advice throughout options development/modelling specifically around the first 1000 days of a child's life.
- The group briefly discussed whether reducing child poverty is a current objective of the WFF Review. This has been discussed in previous Governance Group meetings, the issue being that this is an objective of the WFF Policy, but not in the focus areas for the review. The group agreed that this is effectively the same thing and that the 'first 1000 days' is encompassed in the 'child poverty' objective.

Going forward, the group **agreed to recommend to Ministers that a 'first 1000 days' objective does not need to be included**, but to have explicit analysis around the early years with a 'first 1000 days' lens applied. This is a lens we expect to bring in the work we are doing given the objectives. As part of the further modelling work, we will work to indicate to Ministers the trade-offs of these options.

Members noted the time that the working group needed to commit to resolving this issue via the Governance Group and were concerned that it might have been a distraction, given how much other work is needed on the review. The group discussed this further below.

Other business:

Update on the current work and timing:

- Report 0 and report 1 are to be discussed at the Income Support Ministers' meeting, currently scheduled for 12 April. These reports are planned to be sent 3 weeks apart. Officials considered combining these two reports, however the Minister for Social Development and Employment's office have confirmed that they would like report 0 earlier. The benefit of report 0 is that it has a table with timing of advice so that Ministers know what to expect.
- Officials are currently working on report 1 – this report includes problems as understood by officials and seeks to confirm the three workstreams with an indication of types of options (suggested that we could talk about first 1000 days options here if preferred – but the group agreed Report 0 was appropriate). Following this, we will be looking at what options we want to model in May.

s 9(2)(f)(iv)

The group agreed to provide comments on Report 0 and confirm minutes of previous meetings via email.

Shared problem definition across agencies:

To what extent do agencies have a consistent view of the problems with WFF or is it shaping to be a contest of ideas?

- Agencies have a relatively shared understanding of the tension points/issues with WFF, but we have different ideas about what the most important ones to focus on are (and the solutions that we should implement).

The group questioned whether there were issues with the current process, eg joint sign-out delaying us when we can't agree (and papers having to come to GG for resolution).

- The group agreed to pick up this conversation at the next meeting to discuss how the Governance Group can better support these issues at the working group level.

s 9(2)(f)(iv)

Minutes

Working for Families Governance Group

Date: 12 April 2022

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Jason Raven	DPMC (PAG)
Keiran Kennedy	TSY
Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Kerryn McIntosh-Watt	IRD
Polly Vowles	MSD
Nicholas Fitzpatrick	MSD

Apologies:

Hilary Eade	HUD
Paul Bruere	HUD
Peter Chaudhry	HUD
David Carrigan	IRD

Item 1: Confirmation of minutes

Group to email any comments.

Item 2: Income Support Ministers' meeting

- s 9(2)(g)(i) [REDACTED]
- Ministers will have a strategic discussion about priorities. Out of this, we expect instruction on specific options to provide advice.
- s 9(2)(f)(iv) [REDACTED]
s 9(2)(g)(i) [REDACTED]
- Feedback from Ministers following strategy meeting needed as soon as possible.
AP – Jason to reach out to PMO and see when the meeting is likely to be.

Childcare:

- s 9(2)(f)(iv) [REDACTED]
- [REDACTED]

s 9(2)(f)(iv)

Engagement (public engagement set to go-live 20 April):

- Due to the direction of Ministers' discussion, is the engagement process still fit for purpose?
 - o s 9(2)(g)(i) Engagement questions are focused on key issues and opportunities with WFF so it should still be valuable.
 - o IR working out how to resource engagement

Next steps: Get a steer from Ministers as soon as possible on how they want us to take the review forward. Touch base on this again well before our next meeting and continue the discussion at our next meeting.

Item 3: Governance Group forward agenda

- Agenda looks okay, regroup at next meeting about whether we need to reset anything or do things differently.

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Minutes

Working for Families Governance Group

Date: 10 May 2022

Security Level: BUDGET SENSITIVE

Attendees:

Simon MacPherson (Chair)	MSD
Clare Ward	DPMC (CW&PRG)
Jason Raven	DPMC (PAG)
Keiran Kennedy	TSY
Fiona Carter-Giddings	MSD
Hayley Hamilton	MSD
Kerryn McIntosh-Watt	IRD
Polly Vowles	MSD
Nicholas Fitzpatrick	MSD
Maudie Johnson-Hunter	MSD
Hilary Eade	HUD
Charlie Russel	HUD
Stephanie Watts	IRD

Apologies:

Peter Chaudhry	HUD
David Carrigan	IRD

Item 1: Confirmation of minutes

- Update 12 April minutes.

Item 2: Update on progress of public and targeted engagement

Public engagement:

- Public engagement went live 20 April. So far, we have had 450 survey responses and 15 email submissions.
- Responses generally noted that Working for Families (WFF) doesn't pay enough but it is a consideration when making decisions around work (particularly the In-work Tax Credit) and people like the Best Start Tax Credit. There have also been varied responses on debt.

Targeted engagement:

- 40 stakeholders have been contacted. Five sessions have been booked so far.
- There will be up to 20 sessions with a mixture of group and individual sessions, including 10 Māori engagement sessions, which will be in the second half of May. Policy experts and note takers from Inland Revenue (IRD) and the Ministry of Social Development (MSD), as well as facilitators will attend each session. The bulk of the engagement will be done in May, with two weeks in June as backup.
- Today was the first session with one of the groups of the s 9(2)(f)(iv)

s 9(2)(f)(iv)

Timing of report:

- The report to Ministers summarising the findings of engagement is on track for July. The Governance Group noted that this will need to be considered alongside the timing of other reports and any Income Support Ministers' meeting around this time.

Item 3: Commissioning update

Update on discussions with Ministers' Offices since the last Governance Group meeting:

- s 9(2)(f)(iv)
-
-
- **AP** – MSD to speak to the Minister for Social Development and Employment's Office on sending an updated commissioning from all Income Support Ministers.
- s 9(2)(f)(iv)
-

Item 4: Upcoming report – key messages and options

Modelling and timing:

- Modelling capacity across agencies is constrained so the working group will draw on previous modelling. The remaining modelling required is complex and unable to be provided until the end of May at the earliest. Therefore, the timing of the upcoming report has been pushed to June (likely late-June).
- The working group's focus next week is the prioritisation of modelling, generally thinking that more complex/new options will be prioritised.
- The group noted that we could recommend that the next Income Support Ministers' meeting be in July so that Childcare advice and engagement results are likely to be in.
- MSD is also working to improve project management internally, to flow on to more timely presentation of reports, and will provide updates as needed.

Options and report contents:

- The group acknowledged the current list of options is extensive and further prioritisation is expected, so it is too early to indicate agency preferences.
- The report will include options that we have been asked to explore and indicate other options to Ministers based on what direction Ministers want to go.
- Major themes and feedback from targeted engagement can be incorporated generally into the reports as we go. The engagement findings report may be ready in time for Income Support Ministers meeting, depending on when that is scheduled for.
- The report will have a problem and evidence section that will cover whether WFF is fit for purpose and how well the WFF system meets its objectives.

Other business

- The Ministry of Housing and Urban Development has agreed to attend meetings when relevant material is discussed or bring items to the group as needed.
- Hayley Hamilton to continue attending meetings from an employment perspective.
- s 9(2)(f)(iv)



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