



5 December 2024

Tēnā koe

Official Information Act request

Thank you for your email of 7 November 2024, requesting information about Special Needs Grants (SNGs).

I have considered your request under the Official Information Act 1982 (the Act).

Please find my decision on each part of your request set out separately below:

- 1) *Please supply statistics on the number and percentage of declines of:*
 - a. *all SNGs (excluding emergency housing), and*
 - b. *SNGs for food.*

Please supply by month and by Service Centre since January 2023.

(We are happy for this to build from the previous data supplied on 10 March 2024 attached, noting that this new request additionally asks to separate out food SNGs).

Please refer to the attached Appendix which contains 4 tables in response to this part of your request.

- 2) *Please supply all advice and guidance provided to W&I staff about changes of policy or approach since 11 March 2024 with regards to:*

I can confirm there have been no policy changes, including the obligation of clients, since 11 March 2024 in regard to the below parts of your request. The obligations for those on benefit haven't changed. What has changed is how the Ministry communicates with clients, so it is clearer how they are tracking with meeting their obligations. We're making things easier for clients to understand.

The traffic lights are a helpful way for clients to know if they are on track with meeting their obligations. If clients get off track, we'll explain their responsibilities, and support them to get back on track.

The traffic lights system is focussed on clients with work and work preparation obligations, along with social obligations.

You can find more [information](#) on work obligations and the traffic lights system on the Work and Income website.

As discussed above, while there have been no policy changes, the Ministry has focussed on how it is communicating with clients. I consider this 'change' as in scope of the part of your request referring to 'approach'. I have identified these

'approaches' under each part of your request below. Please note some redactions have been made to information that has been deemed out of scope to your request.

a) Access to Special Needs Grants (excluding for emergency housing)

Please refer to the attached appendices 5-9 which contain communications that were sent to staff via the Ministry's internal website.

b) Referrals to foodbanks and / or budgeting & financial mentoring services for any reason

I am refusing this part of your request under section 18(e) of the Act as this document does not exist or, despite reasonable efforts to locate it, cannot be found.

c) Support for clients who have their benefit reduced or stopped as due to Traffic Light Sanctions

I have identified four documents in scope of this part of your request, that were sent to staff, via the Ministry's internal website. Please see them attached as appendices 7-9.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, 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.

Ngā mihi nui

PP.



Magnus O'Neill
General Manager
Ministerial and Executive Services



In the Loop - Thursday 4 July 2024

In the Loop

Stay up to date with what you need to know

In [yesterday's Te Kōmako message](#), Viv talked about the Government's Action Plan and how our mahi will contribute towards those. We've got all the deets about our new 90 Day Plan in this edition — check out the July–September PDF, and the video summarising the last three months, below.

Topics covered in today's edition:

Operational

- [Re-sits fees for a driver licence from 8 July](#)

Out of scope

Operational

Re-sits fees for a driver licence from 8 July

NZ Transport Agency (Waka Kotahi) is bringing back re-sit fees for Class One (Car) drivers from **Monday 8 July 2024**.

The initial test fee will cover the cost of:

- the first driver licence test, and
- one re-sit.

If someone fails to pass their driver licence twice, they will have to pay the re-sit fee.

There will be a 3-month transitional period for people who have already applied for their licence before 8 July. These people will have free re-sits for up to 3 months.

When helping clients pay to re-sit their driver licence, please make sure to enter the correct amount.

You can find the new list of fees on [NZ Transport Agency's website](#).

Note: we are unable to cover the costs when a client cancels their driver licence test.

Please refer to the following Map links from Monday 8 July for more information.

[Driver Licence Special Need Grant - Map](#)

[Driver Licence Recoverable Assistance Payment - Map](#)

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In the Loop - Thursday 2 May 2024

In the Loop

Stay up to date with what you need to know

Kia ora

It's the merry month of May and there's lots happening. Read on to find out more about some of the changes.

Speaking of changes, it's a big day for our people in Dunedin, with the Te Kaika Wellbeing Hub (which brings together our people and others to provide support) opening for clients. Congrats to everyone involved – it's been a lot of mahi.

Topics covered in today's edition:

Operational

- [Going, going, gone ... live this week](#)

Out of scope

Operational

Going, going, gone ... live this week

- 30 April: [Emergency Housing fast track](#), prioritising families with dependent children for social housing
- 1 May: The annual [Winter Energy Payment](#), helping people heat their homes
- 1 May: Clients with cash assets starting a food grant application in MyMSD now see a message to contact us instead. More in [this In the Loop](#).

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In the Loop - Monday 22 April 2024

In the Loop

Stay up to date with what you need to know

We know you'll miss us this Thursday when we take a break to commemorate Anzac Day, nevertheless you've still got today's edition to enjoy! Have a lovely Monday everyone

Topics covered in today's edition:

Operational

- Out of scope
- [MyMSD food grant application fix for clients with cash assets](#)
- Out of scope

Out of scope

Operational

Out of scope

MyMSD food grant application fix for clients with cash assets

From **1 May**, clients with cash assets who start an application in MyMSD for a food grant (or food combined with any other hardship payment) will see a message to contact us instead, so we can talk about their situation.

Clients will see this message if:

- their SWIFTT record shows they (or their partner) have cash assets, or
- they declare they (or their partner) have cash assets at the start of their MyMSD application.

Only a small number of clients will need to contact us because of this fix, as few people who apply for a food grant have cash assets.

This kind of message in MyMSD isn't new. Some clients are already advised to talk to us instead of completing their Special Needs Grant application online, for various other reasons. Please continue to check if clients' circumstances have changed.

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The Traffic Light System (TLS)

This page provides information about what the Traffic Light System (TLS) is, and who is included in the TLS.

On this Page:

Traffic light system

Most clients who get the Supported Living Payment are not in the traffic light system. Clients will only be in the traffic light system if:

**they're taking care of dependent children, because this means they have social obligations, or
it has been assessed they can prepare for work and we have discussed this with them, or
we've asked them to take part in a Work Ability Assessment or to work with a contracted service provider**

Clients are now able to see what colour they're at in their MyMSD under 'My financial information'. Clients who are at orange or red will also see an alert when they log on to MyMSD.

What is the Traffic Light System?

The Traffic Light System (TLS) is a quick, clear and easy way to help you understand a client's current level of compliance with their relevant obligations. This is done by assigning one of three colours to clients.

These are:

Green – a client is on track with their work-preparation, work, work-preparation and social obligations. They're currently doing everything they're expected to do.

Orange – a client has failed an obligation and they have five working days to dispute the failure by letting us know why they did not do what they were asked to do or arrange a re-compliance activity.

Red – a client is actively sanctioned and hasn't completed a re-compliance activity yet, or they are in the 13 week non-entitlement period.

Who is included in the TLS?

The TLS applies to clients who have:

Work obligations, either part or full time

Work preparation obligations

Social obligations

Note: work and work prep obligations include Work Ability Assessment obligations, the obligation to attend an interview and the obligation to work with contracted service providers

What do the colours mean?

Green

Clients are at green when they are complying with all their work-related and social obligations. Clients will be in green most of the time.

Orange

Clients are at orange during the five working day notice period after they have failed an obligation. During this time, they can dispute the failure and provide their reasons for not doing what they were asked to do, or they can re-comply. If they dispute and we decide they had a good and sufficient reason for not doing what they were asked to do, the failure is overturned, and they'll move back to green.

Red

Clients are at red when the five working day dispute period has passed, and a [sanction \[https://doogie.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/effect-of-sanctions-on-assistance-01.html\]](https://doogie.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/effect-of-sanctions-on-assistance-01.html) has been imposed. Clients will stay at red until MSD is satisfied the client has:

started their re-compliance activity and their sanction is lifted **or**

until their 13-week non-entitlement period has lapsed (or they have completed their 6 weeks of pre-approved activities), **or**

their obligation failure is overturned if they had a good and sufficient reason for not doing what they were asked to do.

Note: clients **must** start their re-compliance activity or if their benefit is cancelled, complete their non-entitlement period (or 6 weeks of pre-approved activities) before their obligation failure is re-compiled in the system. Do not re-comply them before this has happened.

How do clients move between colours?

The TLS colours will be managed by [OBMAN \(Obligation Management\)](https://doogle.ssi.govt.nz/resources/helping-clients/procedures-manuals/work-and-income/core-procedures/obman/index.html). Obligations, and the process for initiating an obligations failure aren't changing and you won't need to do anything to initiate a change to the client's colour. When an obligations failure is initiated, it will trigger the move from green to orange immediately.

Clients will transition between colours based on their current level of compliance. Clients entering the benefit system, who have obligations that are included in the TLS, will start in green as they'll be complying with their obligations and will stay at green unless they fail an obligation.

Once an obligation failure has been initiated, the client will move to orange. A letter will be issued advising they have failed an obligation, and that they have moved to orange, and that a sanction will be imposed after five working days, and to contact MSD to dispute the decision or talk about what they need to do to re-comply.

Clients have five working days to dispute the obligation failure by providing their reasons for not meeting their obligations. They may also re-comply with their obligations within this timeframe. If they do have a good and sufficient reason, or re-comply within this time, they'll move back to green if it's their first or second obligation failure.

Clients who have disputed the obligation failure decision and have no [good and sufficient reason](https://doogle.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/good-and-sufficient-reason-before-initiating-an-ob-01.html) for the failure, or who don't re-comply within the five working days, will move to red automatically when a sanction is imposed on day six.

Clients will remain in red until they [re-comply](https://doogle.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/recompliance-01.html), and their obligation failure is lifted (or their sanction is overturned, if they had a good and sufficient reason for failing).

MSD must be satisfied that a re-compliance activity has been started before the obligation failure can be re-complied.

If a client is on their first or second failure, a re-compliance activity is set by a case manager. The re-compliance activity must be the same or substantially similar to the activity they have failed to do.

If a client has failed for a [third time](https://doogle.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/grade-three-sanction-or-job-refusal-failure-13-wee-01.html), or [refuses a suitable job offer](https://doogle.ssi.govt.nz/resources/helping-clients/procedures-manuals/work-and-income/main-benefits/work-test/failure-to-accept-an-offer-of-suitable-employment-job-refusal.html) with no good and sufficient reason, their benefit is cancelled, they move to red and are subject to a [13-week non-entitlement period](https://doogle.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/non-entitlement-period-for-13-weeks.html).

If a client's benefit is cancelled because of either of these reasons, they may choose to complete a [six week re-compliance activity](https://doogle.ssi.govt.nz/map/income-support/main-benefits/jobseeker-support/recompliance-13-week-non-entitlement-period-01.html) so that they can receive a provisional benefit from the day they start the activity. If a client is completing the re-compliance activity, they'll be at red until the six weeks has ended and MSD is satisfied they've done what they need to do to receive their benefit again. Once the client has completed their activity, the remainder of the non-entitlement period will lapse, and they'll move back to green.

Note: OBMAN will show a client at green if they are granted a provisional benefit while completing a six week re-compliance activity following a Grade 3 failure. This is due to system limitations, which will be fixed soon. Let the client know they are at red while completing their re-compliance activity, and that they'll move to green once it's completed.

Checking a client's Traffic Light Colour

You will be able to see if a client is on or off track with their obligations and what colour they are in CMS and OBMAN.

CMS

The client's traffic light colour will be displayed in the client's main page under the 'Home' tab under 'Active alerts'. A new 'Traffic Light Status' field will be displayed, with either 'GREEN' 'ORANGE' or 'RED' next to it, depending on whether a client is compliant, within the five working day notice period, or being actively sanctioned.

OBMAN

In OBMAN, the traffic light colour will be displayed in the 'Obligation details'. The text will say 'Traffic Light Status' with either 'GREEN' 'ORANGE' or 'RED' depending on whether the client is currently compliant, within the five working day notice period, or being actively sanctioned.

Below is a quick reference guide that shows which groups of clients are included in the TLS and what colour clients will be depending on their current level of compliance.

Cohort	TLS status in CMS/OBMAN
Clients included in the TLS who are currently meeting their obligations	Green
Clients included in the TLS who are in the five working day notice period	Orange
Clients included in the TLS who have an active sanction	Red
Clients included in the TLS who are completing a six week re-compliance activity following a Grade 3 failure or Voluntary Unemployment	Green Note: due to system limitations, these clients will show at green. This will be fixed soon. Let the client know they are at red while completing their re-compliance activity, and that they'll move to green once it's completed.
Clients excluded from the TLS (e.g. NZ Superannuation, clients with no work or social obligations etc)	Not Applicable

How will clients know what their traffic light is?

Clients will be able to visit the MSD website for more in-depth information about the TLS. The information on the website will outline the description of each of the colours. For example, clients who do not have an active obligation failure are at green or clients who are actively sanctioned are at red.

From early October 2024, clients will see a banner in their MyMSD account if they are at red or orange in the Traffic Light System, which will let them know that they need to contact MSD straight away. They'll also be able to see their Traffic Light colour in the 'My financial information' tab in their MyMSD account.

Assigning additional activities to a client

Clients may have additional activities assigned to them by a Case Manager after their first or second obligations failure to help ensure they are continuing to meet their benefit obligations.

The client must complete any activities assigned to them after they have re-complied. A subsequent obligations failure will be initiated if these are not completed without good and sufficient reason.

You should talk with clients at their re-compliance appointment to determine whether additional activities are appropriate for them. You should also talk to the client about each activity that you're assigning to them, and what it could mean for their payments if they don't complete those activities.

Additional activities could include, but aren't limited to:

- more frequent check-ins with their case manager
- providing proof of their job search
- attending more seminars
- participating in training programmes

Onboarding clients into the TLS

The system will manage onboarding automatically. On 12 August 2024, clients with work-related and/or social obligations will start at:

- green if they don't have an active obligation failure on their record.
- orange, if are in the five working day notice period following an obligation failure

red, if they have an active sanction on their benefit.

Any new clients coming onto a benefit from go-live will automatically start at green following the grant of their benefit.

Talking to clients about the TLS and the effect of sanctions on main benefits

Below are some suggestions on how you can incorporate the Traffic Light System when talking to clients about their obligations, and a table that shows you the effect a sanction has on a main benefit and the corresponding traffic light colour.

[Traffic Light System conversation guide](http://doogle/documents/resources/helping-clients/procedures-manuals/work-and-income/main-benefits/work-test/6987sd-traffic-light-system-conversation-guidelines.pdf) (PDF 234.53KB) [<http://doogle/documents/resources/helping-clients/procedures-manuals/work-and-income/main-benefits/work-test/6987sd-traffic-light-system-conversation-guidelines.pdf>]

[Effect of sanctions on main benefits](http://doogle/documents/resources/helping-clients/procedures-manuals/work-and-income/main-benefits/work-test/7011sd-sanctions-working-age-benefit-v2.pdf) (PDF 175.51KB) [<http://doogle/documents/resources/helping-clients/procedures-manuals/work-and-income/main-benefits/work-test/7011sd-sanctions-working-age-benefit-v2.pdf>]

Email to clients

We've emailed clients with work obligations to let them know about the traffic light system.

[Important information about how we'll work with you](https://us7.campaign-archive.com/?e=test_email_&u=08037fd157f2dd5ab02092f5c&id=3ce45e54a8) [https://us7.campaign-archive.com/?e=test_email_&u=08037fd157f2dd5ab02092f5c&id=3ce45e54a8]

Supported Living Payment clients

Most clients who get Supported Living Payment are not in the traffic light system. This is because they do not have an obligation to find work.

SLP clients will only be in the traffic light system if:

they're taking care of dependent children, because this means they have social obligations (taking reasonable steps to make sure children get health checks and education) or

it has been assessed they can prepare for work and we have discussed this with them (very few SLP clients have this), or we've asked them to take part in a Work Ability Assessment or to work with a contracted service provider (very few SLP clients are asked to do this).

We aren't doing anything differently for social obligations, but you may get some questions about them. This information below may be useful if clients ask about them:

Clients with dependent children are required to take all reasonable steps to make sure children get health checks and education. This is to help ensure children get a good start, and has been an obligation since 2013. Most people are already meeting or taking steps to meet these obligations.

For more information, about social obligations, please see [MAP](https://doogle.ssi.govt.nz/map/income-support/main-benefits/supported-living-payment/social-obligations-01.html). [<https://doogle.ssi.govt.nz/map/income-support/main-benefits/supported-living-payment/social-obligations-01.html>]

Known Issues

There is a system error that means clients who have youth obligations are being onboarded to the TLS following an obligation failure. If a youth client fails, they will move to orange, and then red in the TLS. If the youth client recompiles, they move back to green.

This is an error, youth clients should not be included in the TLS until May 2025.

The Traffic Light System Phase two:

Further changes to the Traffic Light System will go live in May 2025.

These changes will include:

the introduction of two new non-financial sanctions, Money Management and Community Work Experience, and extending the period over which an obligation failure counts from one to two years, and

making it compulsory for those applying for a benefit to complete a Jobseeker profile before their benefit can be granted, and clients with youth activity obligations will be added to the TLS. Their obligations and sanctions regime will not change.

Money Management:

Money Management will replace a grade one sanction for clients who are case managed or have dependent children, if it's deemed suitable for the client. 50 percent of a client's main benefit will be redirected onto their payment card for 4 weeks, from the date the sanction takes effect.

Clients will be able to use their payment card at approved suppliers to purchase essential products and services. Their

supplementary assistance will continue to be paid to them in full, as well as any FTC/BSTC, if it's paid by us.

Community Work Experience:

Community Work Experience will replace a grade one sanction for clients who are case managed or have dependent children, if it's deemed suitable for the client.

It is intended to build their skills and confidence to help them get a job. They'll have to do this for a set period and complete a certain number of hours.

Extending the period over which an obligation failure counts from one year to two years:

Right now, if a client doesn't meet their obligations without a good reason, their obligation failure remains on their record for a year. If a client fails three times within a year, their benefit is cancelled.

From May 2025, any obligation failures will be held on a client's record for two years.

Creating a Job Seeker Profile:

Clients applying for Jobseeker Support, Sole Parent Support or Emergency Benefit with work or work preparations obligations as a condition of grant, will be required to complete a Jobseeker Profile as part of their benefit application. This will extend to partners where appropriate.

We can revoke this requirement if it is no longer suitable for a client, at which point application for benefit may be considered without a Jobseeker Profile.

Youth and Young Parent Payment clients:

Clients receiving the Youth and Young Parent Payments will join the TLS. They will be assigned a colour based on their current level of compliance. There will be no changes to their obligations and sanction regime, and they won't be eligible for non-financial sanctions.

More information on these changes will be available as work progresses.

Content owner: [Service Delivery - Business Process Management](#) Last updated: 30 September 2024

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Obligations failures and sanctions

Information around obligation failures/sanctions. Details to help our clients with re-complying.

Social obligations

Clients with dependent children are required to take all reasonable steps to make sure children get health checks and education. This is to help make sure children get a good start, and has been an obligation since 2013. Most people are already meeting or taking steps to meet these obligations.

We understand there could be some situations outside of your control that mean you may not be able to meet an obligation right now, for example if your child is on a waiting list for a doctor or early childcare centre. As long as you're taking reasonable steps, that's ok.

We can provide support to help you meet these obligations if you need it.

- The [traffic light colours](#) have started for clients who are preparing or looking for work.
- Money management using payment cards: this won't happen until 2025, there'll be more info about it closer to the time.
- Other non-financial sanctions and announced changes will be implemented next year.
- Clients will be able to see what colour they're at in MyMSD from late September/early October.

Clients (and their partners) who are receiving a benefit may have full or part-time work obligations, work preparation obligations, or social obligations depending on their situation.

If a client fails to meet their obligations and they don't have a good and sufficient reason, a staff member (such as a case manager or work broker) can initiate an obligations failure.

Before initiating an obligations failure:

- MSD must check if the client had a good and sufficient reason for not meeting their obligations (for example, checking if the client called the contact centre to reschedule their appointment and an explanation has been noted on their record). MSD staff must also try to contact the client to talk about their circumstances
 - The client must be given written notice of the failure
- Once notice has been given, the client has five working days to dispute the failure or re-comply
 - If they don't dispute or re-comply, their benefit will be sanctioned

Sanctions

A sanctioned benefit will be reduced (up to 100%), suspended, or cancelled depending on the grade of the obligations failure and their circumstances (for example, parents with dependent children will only be sanctioned up to 50%).

If a client fails three times within a 12-month period, or doesn't accept an offer of suitable employment, their payments will be cancelled or reduced by 50% (if they have dependent children).

For information:

[Effect of sanctions on assistance](#) (Map)

[Effect of sanctions on assistance table](#) (Doogle)

[Good and sufficient reason before initiating an obligations failure](#) (Map)

The traffic light system

The traffic light system (TLS) allows staff to identify a client's current level of compliance clearly and easily.

This is done by having one of three colours assigned to a client.

- **Green** – a client is complying with their obligations and no intervention is required.
- **Orange** – a client has failed an obligation without a good and sufficient reason, and they have five working days to dispute the failure or arrange an appointment to recompile.
- **Red** – a client is actively sanctioned and has not yet recompiled.

Most clients will be green most of the time. If a client fails to meet their obligations without a good reason, an obligations failure will be initiated. They will move to orange, then red once a sanction is imposed.

The movement between colours will happen automatically in OBMAN, you won't need to do anything to initiate this.

For more information, see: [The Traffic Light System \(TLS\)](#) (Doogle)

Talking with clients about the TLS

The following PDF has some suggestions on how you can incorporate the traffic light system into your conversations while talking to clients about their obligations.

[Traffic light system conversation guidelines](#) (PDF)

Supported Living Payment clients in traffic light system

Supported Living Payment clients are only in the traffic light system if they have **work preparation** obligations or **social** obligations.

Most Supported Living Payment clients don't have work preparation obligations. They only have this if their case manager has assessed they can do work preparation, based on a diagnosis from their doctor or specialist. The case manager will have discussed this with the client if this is the case.

Supported Living Payment clients only have **social** obligations if they have a dependent child.

Supported Living Payment clients don't have **full or part-time work** obligations.

Out of scope

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What to do if a client with an obligations failure or sanction wants to re comply

- Check the notes and letters in CMS, these will explain what the client needs to do to re comply
- Encourage the client to re comply, check they understand what will happen if they don't
- Check the exceptions table - some updates can't be completed by the Contact Centre if the client has been sanctioned

Hardship assistance: Clients can only get hardship assistance during the 5-day dispute period after an obligation failure has been initiated if they meet the normal qualifications. Once the benefit has been sanctioned and payment has been affected (eg 50% or 100% reduction in SWIFTT) they will need to have an appointment.

For more information see: [Obligation failures and sanctions](#) (Doogle)

Client wants to dispute their obligations failure or sanction

Clients can dispute the failure or sanction if they have good and sufficient reason for failing.

They have up to 20 days to dispute the failure and sanction. After this, they need to complete a Review of Decision instead.

Like any ROD, a client will need to lodge it within three months of the obligation failure being initiated or within three months of the sanction being imposed. They can also review when a dispute has been upheld. If the obligation failure is overturned, the sanction is removed, and it won't count towards the client's 12-month obligation failure limit.

To learn more, visit [Good and sufficient reason not meeting work or work preparation obligations](#) (Map)

Feedback

Introducing the new traffic light system

We've talked a few times about the [Government's MSD targets](#). Collectively we're working hard to enable all clients who can work, into work, reducing benefit dependency for the next generation. For job seekers our target is fifty thousand fewer people on the Jobseeker Support benefit by 2030.

One of the ways we're helping reduce benefit dependency is to introduce a traffic light system for clients work-related and social obligations.

The traffic light system is a simple, easy-to-understand way for clients to know:

- if they're on track and meeting their obligations
- when they aren't meeting their obligations and what they need to do to get back on track
- what happens if they don't re-comply.

Making sure clients understand the traffic light system and their specific obligations, right from the beginning, will help make the traffic light system constructive and useful. We want to help clients stay in green.

The traffic light system will focus on clients with work preparation and work obligations, along with social obligations. It will apply to clients getting Jobseeker Support, including Jobseeker Support Student Hardship, Sole Parent Support, Supported Living Payment (social obligations only unless they're a partner of someone getting Supported Living Payment). It will also apply to some clients getting Emergency Benefit (including Emergency Maintenance Allowance).

The sanctions and obligation process is not changing.

Preparing for the start of the traffic light system on 12 August

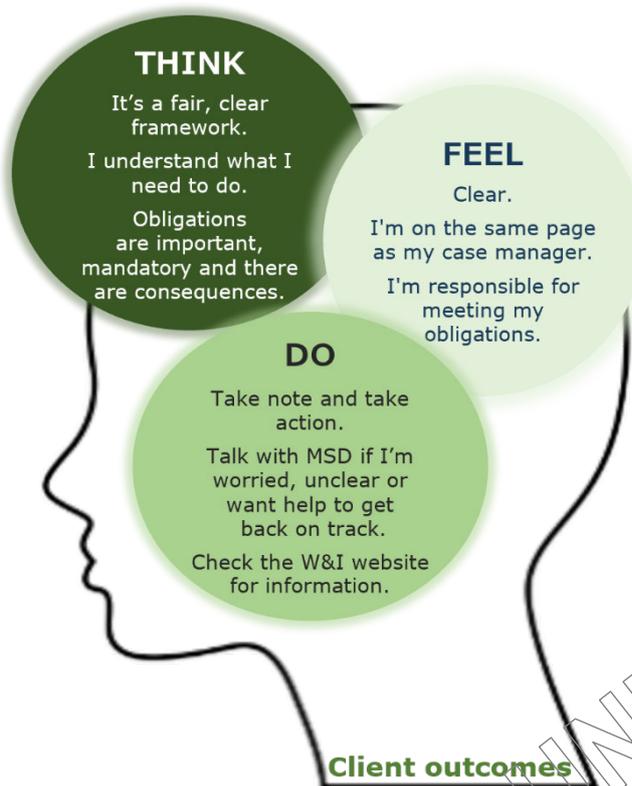
We're counting on you, as our leaders, to help embed the traffic light system into your people's practice.

Getting your people ready

There are conversation guidelines to help you and your frontline kaimahi incorporate the traffic light system information into conversations with clients. They outline what the traffic lights mean, and how they align with the obligation management system.

You will need to facilitate a brief session with your people before 12 August to talk about the change, the conversation guide and ensure everyone is clear.

Before your session, please check your case managers, work brokers, employment coordinators, programme coordinators, Remote Services kaimahi have recently completed the module on Obligation Management. This learning is a great way of building confidence in managing work-related and social obligations with clients. Although obligations aren't changing, the module will be updated once traffic lights go live on 12 August, but it's still worth doing the current one.



What we want clients to think, feel and do, about the new traffic light system

Working with clients from 12 August

This information is for internal use only until 7 August. On/around that date we're expecting Minister Upston to issue a media release, and we'll release information on our websites.

Nothing is changing between the media release and 12 August.

From 12 August all clients with work preparation and work obligations, and social obligations, will have a traffic light colour:

- Green - if they're meeting their obligations
- Orange - if they're in the five-working day dispute period
- Red - if they've been sanctioned.

Action required – checklist

- Link in with your capability developer and book some time before 12 August to talk through the conversation guidelines
- Ask your kaimahi to complete the module on Obligation Management (it'll be updated with information about the traffic light system in August).
[Managing Work Obligations with Clients - SuccessFactors Learning](#)
- Help facilitate your conversation guidelines session – colleagues in Client Service Delivery and Client Service Support will be in touch to check in, and find out how it went.
[Traffic Light System Conversation Guidelines \[PDF\] - Doogle](#)

Conversation guidelines



Tips on talking with clients about their obligations and the traffic light system

Our target is to reduce the number of job seekers (by 50,000 by 2030). Here are some guidelines to help support the conversations you have with clients.

Here's what the colours mean and how they align with obligations management:

- green: clients are on track with their work-related and social obligations – they're doing everything they're expected to do
- orange: clients have failed to meet their obligations and are in the five working day dispute period. They need to get in touch with MSD straight away to either:
 - let us know if they have a good reason for not completing the activities we set, or
 - arrange an activity so they can meet their obligations again
- red: their payments have been reduced or stopped. If they haven't already, clients need to get in touch with MSD immediately to get back on track.

When you're speaking with clients, remind them about the obligations they agreed to when their financial assistance was granted. It's so they can continue getting their full payments. If they don't attend, and complete the activity we set, their payments may be reduced or stopped.

And here's suggestions on what to say about the obligations and colours:

Tips for case managers, work brokers, employment coordinators, programme coordinators, Remote Services

Scenario	Your explanation
 Your client's at green but needs to do an activity to stay green	<p>"You're at green in the traffic light system, meaning you're meeting your work and social obligations. To stay on track, we need you to [attend a seminar/interview/course etc.] when we ask you to. If you don't, your payments may reduce or stop."</p> <p>OR "You're at green in the traffic light system, meaning you're meeting your work and social obligations. Together we need to make a plan for you to find a suitable job. If you don't take steps to find work, this may mean you're not meeting your obligations and your payments may reduce or stop."</p>
 Your client has failed an obligation and has gone into orange. They have five days to dispute the obligation failure (they're in the five working day dispute period)*	<p>Reminder: make sure we've tried to phone the client</p> <p>"I can see you've gone from green to orange in the traffic light system because you didn't [attend a seminar we asked you to, come to an appointment, etc.], this means you haven't met your obligations to continue to get your full payments. We've tried to call you a few times about this.</p> <p>So I can be clear about your reasons for not doing the things we asked you to do, please can you talk me through why you didn't come/go. If there's a good reason, we can get you back to green in the traffic light system. We want to make sure your payments don't reduce or stop.</p>
 Client has gone into orange and has a good and sufficient reason	<p>"You're currently at orange in the traffic light system, because you didn't do something we asked you to do. Since you have a good reason, we'll move you back to green. Next, let's book you back into that [course/seminar/interview]."</p>

Scenario	Your explanation
Client has gone into orange without a good and sufficient reason	<p>“You’re at orange in the traffic light system because you didn’t [attend a seminar we asked you to, come to an appointment, etc.], and you don’t have a good reason. The [seminar/appointment] one of the things you have to do to meet your obligations when you’re getting a benefit from us. I’m keen to get you back to green, so you’ll need to [attend a seminar/course...].</p> <p>Once you’ve attended, your full payments will restart.”</p>
Client has gone into red (they’ve failed to meet their obligations so they’ve been sanctioned)	<p>“You’re at red in the traffic light system because you didn’t [attend a seminar we asked you to, come to an appointment, etc.] and you haven’t taken steps to get back on track. You need to do these things as part of your obligations when you’re getting a benefit. Let’s get you back to green and get your full payments again. To do this you’ll need to [attend a seminar/course, etc.]”</p>

Tips for Client Service Support kaimahi interacting with clients

Scenario	Your explanation
Client has gone into orange - we don’t yet know if there was a good reason	<p>“I can see you’ve gone from green to orange in the traffic light system because you didn’t [attend a seminar we asked you to, come to an appointment, etc.]. We’ve tried to call you a few times about it. Can you just talk me through your reasons for not doing the things we asked you to do.”</p> <p>Please use your current business as usual process (by booking an appointment).</p>
Client is at orange and has called to find out what they need to do now to meet their obligations	<p>“I can see you’ve gone from green to orange in the traffic light system because you didn’t [attend a seminar we asked you to, come to an appointment, etc.].</p> <p>To get you back to green in the traffic light system, you’ll need to have a chat to a case manager about the reason you weren’t able to make the [seminar or appointment].” We also need to clarify the steps you need to take to get back on track.</p> <p>Please use your current business as usual process (by booking an appointment).</p>

For all client facing kaimahi

Scenario	Your explanation
General explanation of the traffic light system – for clients with work, work prep and social obligations	<p>“When you’re at green in the traffic light system, you’re on track.” However there will be times when we’ll need to ask you to do things so you can continue to meet your obligations.</p> <p>“If you’re at orange, you haven’t done something we asked you to do to meet your obligations. You need to get in touch with us straight away so your payments don’t reduce or stop.”</p> <p>“If you’re at red, your payments have reduced or stopped because you haven’t done something we’ve asked you to do as part of your obligations. You need to get in touch with us immediately to get back on track.”</p>





In the Loop - Thursday 1 August 2024

In the Loop

Stay up to date with what you need to know

The Olympics are in full swing! Do you have a friend or family member competing this year, either in the Olympics or Paralympics? Let us know so we can give them a shout out, and the entire MSD team can get behind them!

Topics covered in today's edition:

Operational

- [Introducing the new traffic light system](#)

Out of scope



Operational

Introducing the new traffic light system

You may have heard ministers talk about 'the traffic light system'. It's now upon us – starting from **12 August 2024**. The Government set MSD a target of 'Fifty thousand fewer people on the Jobseeker Support by 2030'. We all need to be working hard to enable all who can work, into work, reducing benefit dependency for the next generation.

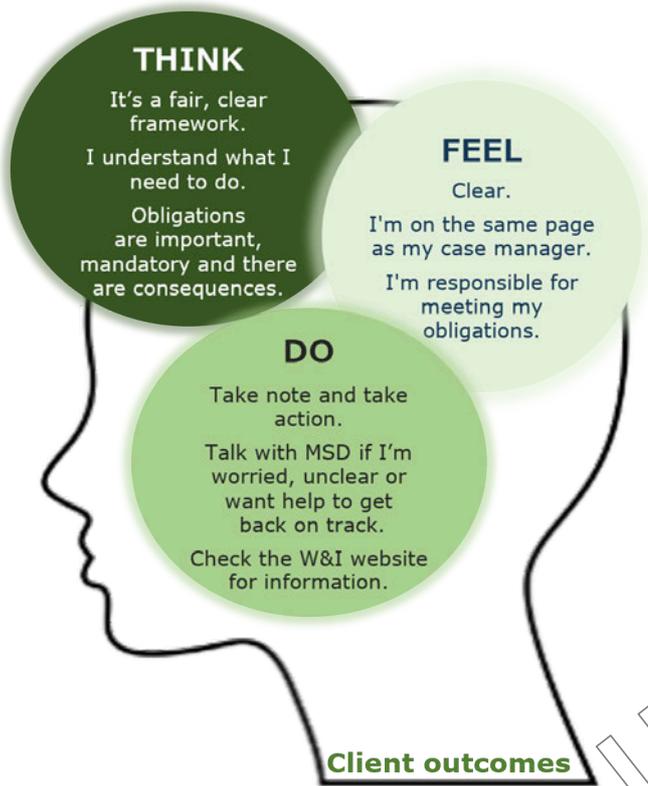
One of the ways we're helping, is to introduce a traffic light system. It'll give clarity for clients preparing or looking for work about what they need to do to meet their work-related and social obligations, to make sure they continue to get their full payments.

We'll be specifically focusing on clients with work preparation and work obligations (this may include drug testing), and social obligations.

The colours and what they mean:

- **Green:** you're on track – there's nothing else you need to do right now
- **Orange:** get in touch straight away to either:
 - let us know if you have a good reason for not completing the activities we set, or
 - arrange an activity so you can meet your obligations again (if they're in the five-working day dispute period)
- **Red:** your payments have been reduced or stopped. If you haven't already, get in touch with us immediately to get back on track.

Client obligations and sanctions aren't changing – but the way we're talking with clients is. There are conversation guidelines for you to check out how we'll be speaking with clients from **12 August 2024**. You'll have a session with your capability developer and team to go through this.



This information is for **internal use only at this stage**. On/around **7 August** we're expecting Minister Upston to issue a media release, and we'll share information on our websites. Details about phase 2 of the traffic light system will follow later.

There'll be more information in next week's On the Radar, but for now you can check:

[The Traffic Light System \(TLS\) - Doogle](#)

[Traffic Light System Conversation Guidelines \[PDF, 235KB\] - Doogle](#)

Out of scope

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In the Loop - Monday 8 July 2024

In the Loop

Stay up to date with what you need to know

Has anyone else replaced, or supplemented, their daily Wordle with [Connections](#)?

We've created a custom In the Loop version! [Give our version a go](#), and let us know your score – we'll give you a shout out if you get it in four...

Topics covered in today's edition:

Operational

- [Re-sit fees for a driver licence from today](#)

Out of scope



Operational

Re-sit fees for a driver licence from today

NZ Transport Agency (Waka Kotahi) have brought back re-sit fees for Class One (Car) drivers, starting today.

The initial test fee will cover the cost of:

- the first driver licence test, and
- one re-sit.

If someone fails to pass their driver licence twice, they will have to pay the re-sit fee.

You can find the new list of fees on [NZ Transport Agency's website](#).

Note: we are unable to cover the costs when a client cancels their driver licence test.

Check Map for more information.

[Driver Licence Special Need Grant - Map](#)

[Driver Licence Recoverable Assistance Payment - Map](#)

Using the correct need type

When helping clients pay to for their driver licence, please make sure to

1. enter the correct amount, and
2. select the correct need type in CMS:
 - Get a new driver licence - use "Drivers Licence New"
 - Re-sit a failed driver licence test - use "Drivers Licence New"
 - Renew a driver licence - use "Driver Licence Renewal"
 - Reinstate their driver licence - use "Other emergency payment" (*requires manager approval*).

Out of scope

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