



Dear [REDACTED]

On 30 January 2019 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *I would like to request figures from MSD about the number of benefit sanctions/suspensions/cancellations that are overturned each quarter, because they have been wrongly applied.*

I would like this information for each quarter back to the December 2013 quarter.

- *Further, I would like figures for each quarter, of the number of people who have been deemed eligible for backpay, because the sanction/suspension/cancellation was wrongly applied, and the total value of backpayments made.*

The Ministry works with over 1 million New Zealanders every year and administers over \$23 billion of government expenditure. As at the end of December 2018, there were 299,345 working-age people in receipt of a main benefit.

When a client is in receipt of a benefit from Work and Income, there are obligations they must meet, such as advising Work and Income of any changes in circumstances to ensure that they are receiving the right assistance. Information about a client's requirements to maintain regular contact with Work and Income is available on the Work and Income website here: www.workandincome.govt.nz/on-a-benefit/obligations/index.html.

A sanction is a penalty imposed on a client's benefit for failing to meet their obligations over a 52 week period. The sanction for a first failure is a 50 per cent reduction of benefit, the second is a suspension of benefit, and the third is a cancellation of benefit. Clients with dependent children who are sanctioned continue to receive 50 per cent of their benefit payments regardless of the number of failures in a 52 week period.

There are a number of other situations where a client's benefit may be suspended or cancelled. For example, a Jobseeker Support benefit may be suspended if a client tells the Ministry that they are working full-time on a temporary basis. The Ministry publishes benefit cancellations as part of the benefit fact sheets, broken down by reason for cancellation. This can be found on the Ministry's website here: www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/latest-quarterly-results/grants-and-cancels.html.

If a client is unhappy with a decision made by the Ministry, they can ask the Ministry to review the decision.

Table One shows the number of benefit sanctions, suspensions and cancellations overturned following a Review of Decision each quarter between 1 October 2013 and 31 December 2018.

The Ministry is unable to provide you with the number of people who have been deemed eligible for back pay because the sanction/suspension/cancellation was wrongly applied, and the total value of back payments made as it this information is held in notes on individual case files.

The Ministry does not centrally record this information. In order to provide you with this information Ministry staff would have to manually review thousands of individual client files. As such, your request is refused under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

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

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

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

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

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

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

Yours sincerely



Cassandra Wise

Manager, Issue Resolution, Service Delivery

Table One: Number of benefit sanctions, suspensions and cancellations overturned each quarter between 1 October 2013 and 31 December 2018.

Quarter	Sanctions	Suspensions	Cancellations
1 Oct - 31 Dec 2013	17	44	62
1 Jan - 31 Mar 2014	17	46	48
1 Apr - 30 Jun 2014	17	35	40
1 Jul - 30 Sep 2014	7	40	52
1 Oct - 31 Dec 2014	13	28	43
1 Jan - 31 Mar 2015	21	32	36
1 Apr - 30 Jun 2015	16	24	57
1 Jul - 30 Sep 2015	19	18	44
1 Oct - 31 Dec 2015	14	24	28
1 Jan - 31 Mar 2016	3	26	20
1 Apr - 30 Jun 2016	7	10	32
1 Jul - 30 Sep 2016	12	27	27
1 Oct - 31 Dec 2016	8	21	31
1 Jan - 31 Mar 2017	7	25	26
1 Apr - 30 Jun 2017	8	14	35
1 Jul - 30 Sep 2017	13	25	36
1 Oct - 31 Dec 2017	13	36	31
1 Jan - 31 Mar 2018	9	24	26
1 Apr - 30 Jun 2018	11	30	35
1 Jul - 30 Sep 2018	10	24	25
1 Oct - 31 Dec 2018	3	17	18

Notes:

- Sanction has been defined as any Review of Decision application that has been received that has an obligation failure as the 'reason' code.
- Sanctions include all three grades of sanction: Grade one - reduction in rate of payment of benefit; Grade two - suspension of benefit; Grade three - cancellation of benefit. Therefore, there is some overlap of numbers with general suspension and cancellation numbers.
- Suspensions include all the cases where the benefit has been suspended for any reason including sanctions.
- Cancellations include all the cases where the benefit has been cancelled for any reason including sanctions.
- The table consists of cases that have been overturned as part of the Benefits Review Committee process.
- People in receipt of a main benefit have a range of obligations that they are required to comply with. When a client is deemed to not be meeting one or more specific obligations (.i.e. hasn't completed an activity they were required to do as part of their obligations), an obligation failure is initiated. The table does not include cases that have been overturned in the obligation failure dispute process.