

## 0.2 NOV 2017



On 25 September 2017, you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- Of the total amount of services which are contracted by the Ministry of Social Development, I would like to know who the top three service providers who received the most money from the agency in the last financial year July 2016–June 2017. I would like this information for Work and Income New Zealand, Ministry for Vulnerable Children and Housing New Zealand.
  - What are the name of the top three providers for each division (Winz, MVoC and HNZ)?
  - How much money did each provider get in total from MSD?
  - What was the money for? (brief synopsis of service provided)

As you were informed by the Ministry's media team on 25 September 2017, the parts of your request pertaining to the Ministry for Vulnerable Children, Oranga Tamariki, and to Housing New Zealand were passed on to the respective agencies for a response.

As your request specifies Work and Income, this response excludes providers whose services are not functions of Work and Income.

Work and Income funds many organisations to provide services that help people find and remain in employment, and to improve peoples' employment outcomes. Regional information regarding these contracts may be found on the New Zealand Government contract mapping website here: <a href="https://www.contractmapping.govt.nz">www.contractmapping.govt.nz</a>.

In general Work and Income contracts services through a tender published on the New Zealand Government Electronic Tenders Service (<a href="www.gets.govt.nz">www.gets.govt.nz</a>) for up to a three year period. Subject to the performance of the provider these contracts may be re-negotiated up to a maximum period of three years.

All contracts are reviewed annually and providers are required to submit regular reports to the Ministry. If a provider does not meet their contracted outcomes the programme may be refocused or not renewed.

It is also important to note that most providers receive payments in line with their performance, and only receive the maximum available under their contract if they achieve results.

Please find enclosed a table that shows the three contracted service providers that received the highest payment from Work and Income in the 2016/17 financial year, broken down by contract, and including a description of the service provided under each contract.

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 and attachments on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact <u>OIA Requests@msd.govt.nz</u>.

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 <a href="https://www.ombudsman.parliament.nz">www.ombudsman.parliament.nz</a> or 0800 802 602.

Yours sincerely

Ruth Bound

**Deputy Chief Executive, Service Delivery** 

The three contracted service providers that received the highest payment from Work and Income in the 2016/17 financial year, broken down by contract and including a description of the service provided under each contract.

| Name of<br>Provider      | Contract Name  | Service Description   | Total amount paid in the period 1 July 2016 to 30 June 2017 |
|--------------------------|--|---|---|
| 1                        | Vocational Services for people with disabilities                   | A range of support activities for people with disabilities in line with the principles of Enabling Good Lives <sup>1</sup>            | \$24,120,888.92   |
| IDEA Services<br>Limited | Vocational Services for people with disabilities – Very High Needs | Individualised assistance for Very High Needs School Leavers  | \$4,512,020.87  |
|                          | Total for all Work and Income contra                               | ntracts with IDEA Services Limited  | \$28,632,909.79   |
|                          | Get into Work  | Confidence and motivation services for clients in receipt of Job<br>Seeker Health Condition and Disability                            | \$160,305.82  |
|                          | Contracted Case Management –<br>Sole Parent Employment Service     | Contracted Case Management service delivered to clients in receipt of a Sole Parent benefit which supports clients to gain employment | \$22,000.00   |
| W. Carle Land            | Work Preparation and Support Service                               | Supports clients to gain motivation, confidence and transition to employment  | \$34,500.00   |
| Troprorated              | <b>Employment Placement Service</b>                                | Supports clients to gain employment and retain employment   | \$45,500.00   |
| Tilcol polated           | Access to Success  | Support clients with a health condition and disability to gain employment   | \$90,465.22   |
|                          | Supported Employment for people with disabilities                  | Placement and support into open paid employment for people with disabilities  | \$9,601,363.48  |
|                          | Support Funds and Administration                                   | Administration and support funds for people with disabilities payable on behalf of the Ministry                                       | \$5,200,000.00  |
|                          | Total for all Work and Income contra                               | ntracts with Workbridge Incorporated  | \$15,154,134.52   |
| New Zealand              | Limited Services Volunteers  | Delivery of the Limited Services Volunteers programme $^{2}$  | \$2,746,448.00  |
| Defence Force            | Limited Services Volunteers  | Delivery of the Limited Services Volunteers programme   | \$2,630,000.00  |
|                          | Total for all Work and Income contra                               | ntracts with the New Zealand Defence Force  | \$5,376,448.00  |

## Notes:

- 1. Further information about Enabling Good Lives is available online here: www.odi.govt.nz/nz-disability-strategy/other-initiatives/enabling-good-lives/.
  - 2. Further information about the Limited Services Volunteers programme is available on the Ministry's website here: www.msd.govt.nz/what-we-cando/children-young-people/lsv/.
    - 3. This table shows the amount paid to the provider in the 2016/17 financial year, some of these contracts span multiple financial years and the total value over the life of the contract is greater than that shown.