

19 APR 2021

Tēnā koe

On 2 March 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following information:

- 1. Figures relating to benefit sanctions applied against beneficiaries with outstanding warrants to arrest, broken down by ethnicity
- 2. Figures relating to benefit sanctions applied against beneficiaries with outstanding warrants to arrest with children, broken down by ethnicity
- 3. I request all reports, briefings, and other documents provided to MSD related to imposing benefit sanctions on a beneficiary whom criminal proceedings have commenced against OR a beneficiary whom the NZ court has issued a warrant for their arrest, since October 2019.
- 4. I request all reports, briefings, and other documents provided to MSD related to the implementation of recommendations by the Welfare Expert Advisory Group regarding warrants to arrest sanctions, since October 2019
- 5. I request data regarding the number of warrant to arrest sanctions imposed by MSD since Jan 2014, broken down by year, ethnicity, gender, and type of sanction

On 29 March 2021, the Ministry emailed you advising that the timeframe for responding to your request for information was extended. The Ministry advised that it would provide a decision to you on or before 20 April 2021.

Warrants for arrest are issued by the Courts, and are actioned by the Police. The Warrant to Arrest policy uses the Social Security Act 2018 to promote compliance with the justice sector obligations to improve the clearance rate of arrest warrants issued for criminal proceedings.

Warrants can be resolved at any courthouse. The Ministry of Justice advises the Ministry of any outstanding arrest warrants that have not been resolved within a 28 day period, and this information is matched against Ministry records. The Ministry sends a letter to advise the client that they have 10 working days to present at a courthouse to either:

- clear their warrant to arrest,
- provide evidence from Ministry of Justice to Work and Income they have taken reasonable steps to resolve the warrant but have been unable to do so because of reasons outside of their control, or
- dispute they are the person to whom this warrant applies.

Failure by the client to provide evidence from the Ministry of Justice that they have resolved or are in the process of resolving their Warrent to Arrest will result in their benefit payments being reduced or stopped.

No more than 50 percent of a person's benefit is stopped for clients with children. For couples, payment will be stopped for the client who has the outstanding warrant, and the remaining portion is still paid to the spouse's partner. For more information regarding the Warrant to Arrest, please see the following link: www.workandincome.govt.nz/on-a-benefit/arrest-warrants.html.

For the sake of clarity, I will address each question in turn.

- 1. Figures relating to benefit sanctions applied against beneficiaries with outstanding warrants to arrest, broken down by ethnicity
- 2. Figures relating to benefit sanctions applied against beneficiaries with outstanding warrants to arrest with children, broken down by ethnicity
- 5. I request data regarding the number of warrant to arrest sanctions imposed by MSD since Jan 2014, broken down by year, ethnicity, gender, and type of sanction

Please find **Table One** which is enclosed in **Appendix One** for the number of warrants for arrest sanctions imposed on working age main benefit clients from 1 January 2014 to 31 December 2020 broken down by gender, ethnic group, year and sanction type.

Please find **Table Two** which is enclosed in **Appendix One** for the number of warrants for arrest sanctions imposed on working age main benefit clients with children from 01 January 2014 to 31 December 2020, broken down by ethnic group and year.

- 3. I request all reports, briefings, and other documents provided to MSD related to imposing benefit sanctions on a beneficiary whom criminal proceedings have commenced against OR a beneficiary whom the NZ court has issued a warrant for their arrest, since October 2019.
- 4. I request all reports, briefings, and other documents provided to MSD related to the implementation of recommendations by the Welfare Expert Advisory Group regarding warrants to arrest sanctions, since October 2019

The Ministry has interpreted your request as being documents provided to the Minister for Social Development and Employment.

Please find enclosed copies of the following documents which were identified as being in scope of your request:

- Report, Proposed approach for reviewing obligation and sanctions of the Social Security Act 2018 and relevant regulations, dated 24 July 2020
- Report, Briefing on the Welfare System and Income Support, 6 November 2020

In the report titled "*Briefing on Welfare System and Income Support*", Ministry officials advised the Minister they would provide advice on the warrant to arrest sanction before the end of the year. This advice was not provided in 2020, but is expected to be provided in due course.

You will note that the names of some individuals are withheld under section 9(2)(a) of the Act in order to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

Some information is withheld under section 9(2)(f)(iv) of the Act as it is under active consideration. The release of this information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

You will note that some information has been removed as it is deemed to be outside of scope of your request.

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

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

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter and 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 regarding the Warrant to Arrest sanctions, 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

Leah Asmus
Policy Manager, Welfare System team

#### Appendix One.

Table One: Warrants for arrest sanctions imposed on working age main benefit clients from 1 January 2014 to 31 December 2020, broken down by gender, ethnic group, year, and sanction type.

							Calend	ar year					
Gende	er and Ethnic		2014			2015			2016			2017	
	Group	Sanct	Sanction Type Sanction Type Sanction Type		Sanction Type		ion Type						
	Reduced Rate	Suspension	Subtotal	Reduced Rate	Suspension	Subtotal	Reduced Rate	Suspension	Subtotal	Reduced Rate	Suspension	Subtotal	
Female	Māori	285	186	471	276	189	462	318	279	594	375	363	738
	Pacific Peoples	27	12	39	21	15	36	36	21	57	48	24	75
	NZ European	36	57	96	48	63	108	72	78	150	72	102	174
	Other	6	9	18	6	6	15	6	15	24	18	18	39
	Unspecified	3	3	3	6	3	9	3	3	9	3	9	12
	Subtotal	360	264	627	354	273	627	435	399	831	522	513	1,035
Male	Māori	135	453	588	141	555	693	165	651	819	165	780	948
	Pacific Peoples	24	48	72	24	57	78	30	69	99	30	69	99
	NZ European	12	180	192	21	201	225	21	231	252	18	249	270
	Other	3	33	36	3	45	45	3	48	54	3	63	69
	Unspecified	0	9	9	0	18	18	3	21	21	0	33	33
	Subtotal	174	723	897	189	873	1,065	225	1,017	1,242	219	1,197	1,416
Gender	Māori	0	0	0	0	0	0	0	0	0	0	0	0
Diverse	Other	0	0	0	0	0	0	0	0	0	0	0	0
	Subtotal	0	0	0	0	0	0	0	0	0	0	0	0
Total		537	987	1,524	543	1,146	1,689	657	1,416	2,073	741	1,710	2,451

#### Table One Continued:

						Calenda	ar Year			
Gender and Ethnic Group			2018		2019			2020		
		Sanction Type Reduced Rate Suspension S			Sanction Type			Sanction Type		
				Subtotal	Reduced Rate	Suspension	Subtotal		Suspension	Subtotal
Female	Māori	426	435	861	519	546	1,068	540	753	1,293
	Pacific Peoples	30	21	54	36	33	75	36	33	66
	NZ European	57	99	156	63	96	156	93	117	210
	Other	12	24	36	21	30	48	15	33	48
	Unspecified	9	6	15	12	9	21	9	18	27
	Subtotal	534	585	1,122	651	714	1,365	693	954	1,644
Male	Māori	171	840	1,008	246	1,212	1,458	231	1,560	1,788
	Pacific Peoples	24	75	99	21	144	165	18	177	195
	NZ European	18	252	273	21	363	384	30	444	474
	Other	6	69	78	6	87	93	6	114	120
	Unspecified	3	36	39	6	48	57	3	75	78
	Subtotal	219	1,278	1,494	303	1,851	2,154	288	2,367	2,655
Gender	Māori	0	0	0	0	0	0	0	0	0
Diverse	Other	0	0	0	0	0	0	0	0	3
	Subtotal	0	0	0	0	0	0	0	3	0
Total		753	1,863	2,616	951	2,568	3,519	981	3,321	4,299

Ethnicity	Calendar year									
Etimolity	2014	2015	2016	2017	2018	2019	2020			
Māori	420	408	492	546	609	744	789			
Pacific Peoples	51	48	69	84	57	54	51			
NZ Europe an	51	57	90	87	75	72	126			
Other	12	12	9	27	18	21	21			
Unspecified	3	3	3	3	9	18	12			
Total	537	525	666	744	771	915	999			

 Table Two: Warrants for arrest sanctions imposed on working age main benefit clients with children from 1

 January 2014 to 31 December 2020, broken down by ethnic group and year.

#### Notes for Tables One and Two:

- This is a count of sanctions not clients. A client may have had multiple sanctions.
- The table includes working age only (18 to 64 years).
- Main Benefits exclude NZ Superannuation, Veteran's Pension and Non-Beneficiary assistance.
- Unspecified ethnic group is where the ethnicity of the client has not been provided.
- Please note the ethnicity classification that is used to construct this table does not necessarily align with the current Statistics New Zealand classification of ethnicity. Ethnicity details recorded by the Ministry have been gathered under a varied of classification methods as clients come into contact with the Ministry. The ethnicity data may be self-identified based on an individual's preference or self-construct.
- While the Ministry collects multiple ethnicities from clients, we only report a unique form of 'prioritised' ethnicity for core benefit data (one ethnic group per person with Māori coming first, Pacific groups second followed by other groups ending with NZ European).
- To protect confidentiality the Ministry of Social Development uses processes to make it difficult to identify an individual person or entity from published data.
- These data tables have had random rounding to base three applied to all cell counts in the table.
- A value of one or two may be rounded to zero or three.
- The impact of applying random rounding is that columns and rows may not add exactly to the given column or row totals.
- The published counts will never differ by more than two counts.

- Please note the ethnicity classification that is used to construct this table does not necessarily align with the current Statistics New Zealand classification of ethnicity. Ethnicity details recorded by the Ministry have been gathered under a varied of classification methods as clients come into contact with the Ministry. The ethnicity data may be self-identified based on an individual's preference or self-construct.
- While the Ministry collects multiple ethnicities from clients, we only report a unique form of 'prioritised' ethnicity for core benefit data (one ethnic group per person with Māori coming first, Pacific groups second followed by other groups ending with NZ European).



# Report

Date: 24 July 2020 Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development

# Proposed approach for reviewing obligations and sanctions of the Social Security Act 2018 and relevant regulations

### **Purpose of the report**

1 This report proposes an approach for reviewing obligations and sanctions as part of the welfare overhaul work programme, with an initial focus on

and warrant to

arrest obligations and sanctions.

### **Executive summary**

- 2 The Ministry of Social Development (MSD) temporarily changed the settings of our welfare system in response to increased demand from the COVID-19 pandemic [CAB-20-MIN-0086 and REP/20/3/286 refer]. Some of these settings were extended for a further six months [CAB-20-MIN-0328 refers]. This has provided MSD with an opportunity to modernise and simplify the settings of the welfare system to address both the objectives of the welfare overhaul work programme and manage the increased demand for MSD's services due to COVID-19.
- 3 In the Cabinet paper *Welfare Overhaul: Update on Progress and Long-Term Plan*, you signalled your intention to review obligations and sanctions, with an initial focus on those that impact on children [SWC-19-MIN-0168 refers]. Progress has been made with-recent Cabinet agreement to remove the subsequent child policy and removal of the sanction for not naming the other parent.
- 4 A review of obligations and sanctions would lead to changes in areas where clients' experiences with MSD can be improved. The review could both reduce operational pressure and shift our system towards a mutual expectations framework in line with the Government's vision for the welfare system.
- 5 Due to the complex nature of some obligations and sanctions, Cabinet agreed that a comprehensive review will take place as a part of the medium-term welfare overhaul work programme [CAB-19-MIN-0578 refers]. A review of work-focused obligations and sanctions will be undertaken alongside further work on benefit eligibility and the expansion of MSD's employment services.
- 6 We propose that the review of obligations and sanctions of the Social Security Act 2018 (the Act) and relevant regulations is phased.
- 7 The administration of some obligation and sanctions under the current settings may divert front-line efforts away from effective employment-focused case management. Based on the anticipated impact of COVID-19 on demand for MSD support and other

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work currently underway, we propose that the initial phase of the review will focus on areas where changes may improve client experience and simplify the system in the short-term.

8 We propose that our initial focus is to review the

warrant to arrest obligations

and sanctions.

9 Our phased approach for the review of these obligations and sanctions will align with the overall engagement plan for the kaupapa Māori values and purpose and principles workstreams. These workstreams are part of the overall work programme to reset the foundations of the welfare system.

#### **Recommended actions**

It is recommended that you:

1 **agree** to a phased approach to review some obligations and sanctions in the Social Security Act 2018 and relevant regulations

#### agree / disagree

2 agree that the phased approach will have an initial focus on the:

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#### agree / disagree

- 3 note that the phased approach will align with the overall engagement plan for the kaupapa Māori values and purpose and principles of the Social Security Act 2018 welfare overhaul workstreams
- 4 note that the workstreams in recommendation 2 are part of the work programme to reset the foundations of the welfare system
- 5 **note** that officials will provide you with further advice in early 2021 following engagement with key stakeholders.

Policy Manager Welfare System and Income Support Date

Hon Carmel Sepuloni Minister for Social Development Date

### Background

The Government is committed to overhauling the welfare system

- 10 This Government's vision is for a welfare system that ensures people have an adequate income and standard of living, are treated with respect, can live in dignity and are able to participate meaningfully in their communities.
- 11 In February 2019, the Welfare Expert Advisory Group (WEAG) provided its final advice in their report *Whakamana Tāngata: Restoring Dignity to Social Security in New Zealand.* The WEAG recommended significant and large-scale reform of the welfare system.
- 12 The WEAG recommended that the Government remove some obligations and sanctions (for example, pre-benefit activities, warrants to arrest sanctions, social obligations, drug-testing sanctions, 52-week reapplication requirements, sanctions for not naming the other parent, the subsequent child work obligation, and the mandatory work ability assessment for people with health conditions or disabilities).
- 13 On 6 November 2019, Cabinet endorsed a high-level short, medium, and long-term work programme for the welfare overhaul to achieve the Government's vision [CAB-19-MIN-0578 refers]. This includes a review of obligations and sanctions, with a focus on those that impact children, and a wider review to ensure obligations and sanctions are designed and implemented to support wellbeing outcomes [SWC-19-MIN-0168].
- 14 The Government has already removed the sanction for not naming the other parent, and has just agreed to remove the subsequent child policy [SWC-20-MIN-0101 refers]. The proposed approach outlined in this paper would enable us to provide advice on warrants to arrest sanctions, COLORED

# We made temporary changes to the way we work in response to increased demand from COVID-19

- 15 A range of temporary changes were made to how the Ministry of Social Development (MSD) delivers its services in response to the COVID-19 pandemic to manage an unprecedented increase in demand and to ensure the health and safety of clients and staff [REP/20/3/286 refers]. For example, annual reviews and reapplications were deferred, identification and verification requirements were modified, and initial income stand-downs were temporarily removed to provide quick support to cushion the blow of COVID-19.
- 16 In June 2020, we provided you with advice on the status of the temporary changes and whether we should return to business as usual or look at opportunities to address known policy issues and welfare overhaul objectives [REP/20/6/687 refers]. Some of these settings (eg suspension of the 52-week reapplication process and suspension of initial income stand-down periods) were extended for a further six months [CAB-20-MIN-0328 refers]. These temporary changes have provided MSD with an opportunity to make changes that can further the Government's vision for the welfare system.

We now have an opportunity to review obligations and sanctions to improve our clients' experience and ensure we provide adequate support in the welfare system

- 17 The number of clients requiring urgent support as a result of COVID-19 will continue to increase. Respondents in the 2018 WEAG consultation process expressed that efficient, transparent and timely decisions are essential to ensure people have support when they need it. If MSD receives high volumes of clients in the short and medium-term, the administration of certain sanctions under pre-COVID-19 settings may prevent adequate and timely employment-focused support from MSD.
- 18 We need to move away from a system based on sanctions for non-compliance towards a mutual expectations framework to foster trust between our clients and MSD. We consider a review of obligations and sanctions provides an opportunity to

improve our clients' experience with MSD in line with the Government's vision for the welfare system, especially with increased clients impacted by COVID-19.

19 A review of obligations and sanctions also supports other welfare overhaul workstreams reviewing the temporary changes made during COVID-19 (eg periodic provision of medical certificates or the 52-week benefit reapplication process).

#### Proposed phased process for reviewing obligations and sanctions

#### We propose to review obligations and sanctions in two phases

- 20 The welfare overhaul medium-term work programme includes the review of all obligations and sanctions in the Act and relevant regulations, including those that impact children. The Government has previously indicated that it will not be removing all work-related obligations and sanctions [CAB-19-MIN-0170 refers]. You have confirmed that employment continues to be the priority expectation of people who are able to work [REP/19/7/634 refers].
- 21 In determining our approach in this advice, we have considered the impact of obligations and sanctions on children. Our main conclusion is that the application of any sanction to a parent has an impact on their children, though the nature and scale of the impact is difficult to quantify based on data we hold. The areas we have outlined for initial exploration include obligations and sanctions that only apply to families with children (for example social obligations apply to carers of dependent children).
- 22 Due to the complex nature of some obligations and sanctions, Cabinet agreed that a comprehensive review will take place as part of the medium-term welfare overhaul work programme [CAB-19-MIN-0578 refers].
- 23 Dist of Scope

The initial phase of the review will prioritise changes to obligations and sanctions that could improve client experience

- 24 We received funding to provide additional case managers in Budget 2019. MSD's investment in front-line staff has led to an increase in proactive employment engagements. This has resulted in more people exiting benefit into work. Given the anticipated increase in client volume, an employment-focused approach will ensure clients exit into stable and secure employment.
- 25 The use of graduated sanctions has been slowly reducing from 8.3 per cent in March 2015 to 5.6 per cent in March 2020. This reduction could reflect our investment into proactive employment-focused case management.
- 26 We propose that the initial focus of the review is on areas where changes may improve client experience by simplifying the system and facilitating continued employment-focused case management.
- 27 Proposed changes to achieve these aims include reviews of the:

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warrant to arrest obligations.

# Māori will be significantly impacted by any changes made to the obligations and sanctions regime

- 28 Māori make up approximately 36 per cent of all working age people receiving a benefit as a primary benefit recipient and are at risk of long-term welfare dependency. Māori have identified the ongoing impact of colonisation as an underlying cause of welfare dependency, and that the welfare system is individualised and fails to consider the role of whānau.<sup>1</sup>
- 29 For all types of work obligations, the proportion of Māori who have a sanction applied during a month has been consistently higher than the proportion of non-Māori who have a sanction applied.
- 30 Through the WEAG public consultation, Māori recommended significant improvements to the welfare system in its cultural awareness and responsiveness, providing opportunities for Māori to determine how their needs are met, and the inclusion of iwi in the design and delivery of welfare support.
- 31 Any changes that are made to the obligation and sanction regime are likely to significantly impact Māori. The welfare system must reflect the needs of Māori. To ensure that any proposed changes to the obligations and sanctions regime contribute to this goal, we will underpin the review of obligations and sanctions with the kaupapa Māori values included in MSD's working policy framework.<sup>2</sup> We will also consider both te ao Māori and Te Tiriti o Waltangi in the analysis of these issues. Engagement with Māori on any proposals will be incorporated into the engagement plan for the review.

#### Proposed criteria for reviewing obligations and sanctions

We have tested the areas proposed for an initial review against five criteria

- 32 The criteria for prioritising the review of some obligations include:
  - 32.1 Aligns with the Government's vision for the welfare system to ensure that we are making changes that move us towards ensuring that people have an adequate income and standard of living, are treated with respect, can live in dignity and are able to participate meaningfully in their communities.
  - 32.2 Aligns with the purposes in MSD's working policy framework the framework sets out purposes which reflect MSD's role as a provider of social and financial support [REP/19/7/628 refers]. This includes employment-focused support for people to find and remain in suitable employment and housing, while partnering with other providers and clients to build their own social and economic wellbeing in a way which best suits their needs.
  - 32.3 Aligns with the values in MSD's working policy framework MSD's working policy framework identifies four values that should underpin the approach to the overhaul of the welfare system [REP/19/7/628 refers]. To align with the rest of the welfare overhaul objectives, a review of obligations and sanctions should be underpinned by these values.
    - Manaakitanga: upholding people's dignity. We care for people and treat people with respect and compassion.
    - Kotahitanga: we are stronger when we work together. Kotahitanga is about partnering with government agencies, whānau, families, hapū, iwi, Māori and communities to deliver better outcomes.

<sup>2</sup> We provided this framework to you in July 2019 [REP/19/7/628 refers]. The purposes and values are outlined in paragraphs 32.2 and 32.3 respectively.

<sup>&</sup>lt;sup>1</sup> Views on New Zealand's welfare system; a summary of consultation responses to the welfare expert advisory group, December 2018, p 16.

- Whānaungatanga: relates to relationships and connections across the system and within communities. Relationships bind and strengthen a sense of belonging across groups and individuals.
- Takatutanga: the state of readiness and preparedness to go beyond traditional boundaries, and seek to become full participants in the social and economic development activities of communities.
- 32.4 *Simplifies welfare system settings for clients* this aligns with the goals of the welfare overhaul by streamlining processes where possible to improve the experience of clients.
- 32.5 Reduces unnecessary compliance-based activites for MSD staff and clients this is intended to respond to the high levels of unemployment and demand for MSD services. We want to ensure that MSD staff are not having to prioritise work that is administratively burdensome but adds little value, ahead of providing clients with adequate and appropriate support.



<sup>3</sup> This is set out in section 332(1) of the Social Security Act 2018.



Proposed approach for reviewing obligations and sanctions



Proposed approach for reviewing obligations and sanctions



Proposed approach for reviewing obligations and sanctions

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# The warrant to arrest obligation and sanction could be included in the initial phase of review

- 57 A warrant to arrest is issued in a range of circumstances. Usually it is for not attending a scheduled court appearance. If a client is officially deemed to be a public risk, their benefit is suspended immediately. A client who has a warrant to arrest may have their benefit reduced or suspended if they do not take reasonable steps to resolve it.
- 58 The policy intent of this sanction is to remove the possibility that benefit income is used to actively facilitate non-compliance with legal obligations (using money to "evade the law"), by encouraging clients who have a warrant to arrest to contact the Ministry of Justice. The rationale is that a sanction (or threat of) creates a greater incentive for clients to resolve their warrant to arrest and means that tax-payer money cannot be used for unlawful activities. A data matching agreement allows the Ministry of Justice to supply MSD with information about people with unresolved warrants.
- 59 We propose exploring alternatives to the existing sanction. Sanctions are likely to exacerbate existing difficulties that a client may be facing to resolve the warrant to arrest. Arrest and remand can have significant impacts on individuals and their whānau when payments are stopped. Housing and childcare arrangements can be affected. Taking a more proactive approach to contact these people early and support them through the process will better support their whānau.
- 60 The WEAG recommended that MSD remove the sanction suspending benefit payments if people have a warrant out for their arrest, continue data matching with the Ministry of Justice and take a proactive supportive approach to contacting these people.

61	The below table demonstrates the rationale against our criteria for review of the	
	warrant to arrest obligation and sanction:	

Criteria	Assessment Opportunity to ensure the settings of the welfare system are aligned with its core purpose, rebalance mutual expectations and ensure that clients live in dignity and are treated equitably to other New Zealand citizens.				
Aligns with the Governments vision for the welfare system					
Aligns with MSD's working policy framework	<b>Purposes:</b> The intent of the warrant to arrest sanction is to encourage compliance with Ministry of Justice obligations and to ensure that tax-payer money is not being used for unlawful activities.				
	Values: Supports manaakitanga by upholding client's dignity, treating clients equitably and takatutanga by challenging traditional punitive measures that have been implemented to encourage behavioural change, and being prepared to try new ways of working that work for Māori.				
Simplifies welfare system settings for clients	Potential to remove obligations and sanctions which would simplify welfare settings to better connect with and support clients.				

Reduces unnecessary	The time spent sanctioning clients for not resolving their warrant to
compliance-based activities	arrest may be better spent ensuring that they are receiving all the
for MSD staff managers and	support they need and to gain employment.
clients	

#### **Next steps**

- 63 If you agree to the proposed approach for reviewing obligations and sanctions, we will develop an engagement plan for the review which would align with the overall engagement plan for resetting the foundations of the welfare system. This includes the development of the kaupapa Māori values framework and the review of the purpose and principles of the Social Security Act 2018. We propose that our initial engagement for the review would consist of targeted consultation with key stakeholders.
- 64 We will provide you with advice on each of the identified areas in the proposed initial phase in early 2021.

Author: Graduate Policy Analyst, Welfare System and Income Support and Senior Policy Analyst, Welfare System and Income Support.

Responsible manager: Policy Manager, Welfare System and Income Support.



# Report

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Date: 6 November 2020

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development and Employment

### **Briefing on Welfare System and Income Support**

### Purpose of the report

1. This report sets out key issues and strategic choices and opportunities within the welfare system and provides a roadmap for upcoming advice on the welfare system.

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Please note that pages 10 - 18 have been removed in full as they are out of scope of your request.



#### Review of obligations and sanction of the Social Security Act 2018

135. We are undertaking a review of obligations and sanctions of the Social Security Act 2018, which would lead to changes that reduce operational pressure and shift our system towards a mutual expectations framework. The administration of some obligation and sanctions are potentially diverting front-line efforts away from effective employment focused-case management. Employment continues to be a priority for people who are able to work.



137. For now, our initial focus is to review obligations and sanctions that impacts children, which include the <sup>out of Scope</sup>

warrant to arrest.

138. As noted earlier in the paper, we can provide you with advice on whether to remove, replace or retain the <sup>throwscope</sup>

warrant to arrest before the end of the year.  $P^{(2)(0)(\gamma)}$ Walter Harrison



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