



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

25 November 2021

Tēnā koe

On 1 September 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *Reports provided by the Ministry of Social Development to the Minister for Disability Issues in the week commencing 2 August as at 20 August 2021*
 - *Memo: Information about hearing loss issues in Aotearoa New Zealand, REP/21/7/769, 2/08/2021*
 - *Aide memoire: RCOI Responsible Ministers quarterly meeting, REP/21/7/775, 3/08/2021*
 - *Aide memoire: Pre-meet with Pou Tangata Co-Chairs, REP/21/7/787, 4/08/2021*
 - *Report - Review of hardship assistance, REP/21/7/703, 4/08/2021*
 - *Children's Commissioner: Revised Accountability Documents, REP/21/7/803, 6/08/2021*

On 28 September 2021, the Ministry emailed you to advise that more time was required to respond to your request, and a decision was due to you on 20 October 2021. This was done in accordance with section 15(1) and 15A of the Act.

On 20 October 2021, the Ministry sent you a Notification of Decision, informing you that the Ministry would send you the information by 4 November 2021.

I would like to extend my apologies for the delay in responding to your request for information.

As requested, please see the following documents enclosed:

- REP/21/7/769 – Memo – *Information about hearing issues in Aotearoa*, dated 20 July 2021

- REP/21/7/775 – Aide Mémoire - *RCOI Responsible Ministers Quarterly meeting*, dated 29 July 2021
- REP/21/7/787 – Aide Mémoire – *Pre-meet with Pou Tangata Co-Chairs*, dated 27 July 2021
- REP/21/7/703 – Report – *Review of hardship assistance*, dated 3 August 2021
- REP/21/7/803 – Report - *Children's Commissioner: Revised Accountability Documents*, dated 3 August 2021

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.

The names of some individuals have been 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.

You will note that the names of some individuals are withheld and marked as 'outside scope' as you advised that you did not require the names of Ministry staff who are not decision-makers or below tier 4.

The principles and purposes of the Act 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
- 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 OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding reports provided by the Ministry to the Minister for Disability Issues in the week commencing 2 August 2021, 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

A handwritten signature in black ink, appearing to read 'Magnus', is positioned above the printed name.

Magnus O'Neill
General Manager
Ministerial and Executive Services

Aide-mémoire



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Meeting

Date: 27 July 2021 **Security Level:** IN CONFIDENCE

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

File Reference: REP/21/7/787

Pre-meet with Pou Tangata Co-Chairs

Meeting/visit details 3:25pm-4:25pm, 4 August 2021, Executive Wing 6.6, Office of
Hon Carmel Sepuloni

**Expected
attendees**

Pou Tangata

Hon Carmel Sepuloni, Minister for Social Development and
Employment, Pou Tangata Ministerial Lead

Dame Rangimārie Naida Glavish, Pou Tangata Co-Chair

Rahui Papa, Pou Tangata Co-Chair (via Zoom)

Pou Tangata Iwi Leaders Group (ILG) Advisors

Lorraine Toki, Pou Tangata Lead Advisor

Kirikōwhai Mikaere, Data ILG Lead Advisor (via Zoom)

s 9(2)(a), Mātauranga ILG Lead Advisor (via Zoom)

Dr Amohia Boulton, Whānau Ora ILG Lead Advisor (to be
confirmed - via Zoom)

Tania Blyth-Williams, Justice ILG Lead Advisor (to be confirmed –
via Zoom)

Maxine Graham, Pou Tangata Technician (via Zoom)

Pou Tangata Crown Agencies' Chief Executives (CEs)

Debbie Power, CE of the Ministry of Social Development, Pou
Tangata CE Lead

Mark Sowden, CE of Statistics NZ (via Zoom)

Iona Holsted, CE of Ministry of Education (via Zoom)

Dave Samuels, CE of Te Puni Kōkiri (via Zoom)

Tā Wira Gardiner, Interim CE of Oranga Tamariki (via Zoom)

Crown officials

Rhonda Paku, Director Te Tohu Rautaki, Angitu Māori, Statistics NZ (via Zoom)

Marama Edwards, DCE Māori, Communities and Partnerships, MSD

Manaia King, General Manager Māori, Partnerships and Programmes, MSD

Out of scope [REDACTED], Senior Advisor, Partnering with Iwi and Māori, MSD

Purpose of meeting/visit

The purpose of this meeting is to discuss:

- the progress of Pou Tangata priorities for the quarter period May – August 2021; and
- prepare your joint report back with Pou Tangata Co-Chairs for the National Iwi Chairs Forum quarterly hui on 6 August 2021 in Whanganui.

To support your meeting, attached to this Aide Memoire includes:

- **Appendix One:** Agenda
- **Appendix Two:** Annotated Agenda
- **Appendix Three:** Pou Tangata Status Report

Additional supporting information is also attached, including:

- Pou Tangata PowerPoint Presentation
- Skills and Employment Backpack Notes
- Mātauranga Māori Marae Ora Fund

Background

In your role as Pou Tangata Ministerial Lead, you have committed to meet with Pou Tangata Co-Chairs on a quarterly basis in preparation for each National Iwi Chairs Forum (NICF) quarterly hui.

At your previous pre-meet on 4 May 2021 with Dame Naida Glavish, you invited agencies' officials to attend the next pre-meet to provide a verbal update on their responsible priority area.

As Pou Tangata CE Lead, Debbie Power, extended the invitation to other Pou Tangata CEs and the respective Iwi Leaders Group (ILG) Lead Advisors as per the NICF - Crown Rangatira ki te Rangatira engagement protocols.

The meeting will be structured in two parts:

Part One: *focuses on the relationship between the Minister and Pou Tangata Co-Chairs*

Lorraine Toki, Pou Tangata Lead Advisor, emphasised the importance of dedicated time to build and strengthen the relationship between you and the Pou Tangata Co-Chairs.

The first part of the meeting will provide for an opportunity to discuss:

-
- the general health of the relationship across the Pou;
 - any matters of interest or concern; and
 - the strategic direction of Pou Tangata.

Both Debbie and Lorraine will attend this part of the meeting.

At this stage, Dame Naida Glavish will be attending in person, while Rahui Papa will attend via Zoom.

Part Two: *verbal updates from Pou Tangata CEs and Lead Advisors will be provided (via Zoom)*

CEs and Lead Advisors will Zoom into the second part of the meeting to provide a verbal update on their responsible priority.

A Zoom option has been made available to address the issues of:

- travel - many of the Lead Advisors will be in Whanganui for days one and two of the NICF quarterly hui;
- preservation of time between you and the Pou Tangata Co-Chairs; and
- room capacity.

This meeting will help inform and prepare for your joint presentation with Pou Tangata Co-Chairs to the NICF on 6 August 2021.

Key issues

Pou Tangata work programme

Each CE is responsible for developing and implementing their individual work programmes alongside NICF Lead Advisors.

On 28 June 2021, Pou Tangata CEs and Lead Advisors convened their quarterly meeting where verbal updates were provided on their responsible priorities.

Pou Tangata Lead Advisors and Agencies have also provided status reports on their responsible priority to inform:

1. Te Arawhiti's joint Ministerial briefing pack for the NICF quarterly hui on 6 August 2021
 - Pou Tangata priority status updates are attached as **Appendix Three: Pou Tangata Status Report**
 - Note that you will receive a copy of Te Arawhiti's joint Ministerial briefing pack via the Office of Hon Kelvin Davis
2. Your joint report back PowerPoint presentation with Pou Tangata Co-Chairs
 - This PowerPoint presentation is also attached.
 - Note that this may be subject to change following your pre-meet with the Pou Tangata Co-Chairs.

These attachments will support your conversation with Pou Tangata Co-Chairs, agencies' CEs and Lead Advisors when updates are provided in Part Two of the meeting.

Mātauranga Māori Marae Ora Fund

In your role as Minister for Arts, Culture and Heritage, the Office requested that information on the Mātauranga Māori Marae Ora Fund be circulated with the NICF.

The MSD Pou Tangata Secretariat shared this information with Lorraine, which was then forwarded to the NICF secretariat. This information was circulated twice; however, it is unknown who from the NICF applied for this fund. No feedback was received from the NICF.

The ad hoc advice your office provided on the Mātauranga Māori Marae Ora fund is included in this pack.

Next steps

1. MSD Officials will update the PowerPoint presentation to reflect the conversations from your pre-meet with Pou Tangata Co-Chairs, agencies' CEs and Lead Advisors.
2. You are scheduled to attend the NICF quarterly hui on 6 August 2021 in Whanganui.
3. Te Arawhiti will provide you with a joint Ministerial briefing pack via Hon Kelvin Davis' Office.

Author: Out of scope, Senior Advisor, Partnering with Iwi and Maori

Responsible manager: Manaia King, General Manager Māori, Partnerships and Programmes

Appendix One: Agenda



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Agenda

Pou Tangata Co-Chairs and Minister Sepuloni Pre-Meet

Date: 4 August 2021

Time: 3:25pm till 4:25pm

Venue: Executive Wing 6.6, the Office of Hon Carmel Sepuloni

Attendees: Pou Tangata

Hon Carmel Sepuloni, Minister for Social Development and Employment,
Pou Tangata Ministerial Lead

Dame Rangimārie Naida Glavish, Pou Tangata Co-Chair

Rahui Papa, Pou Tangata Co-Chair (via Zoom)

Pou Tangata Iwi Leaders Group (ILG) Advisors

Lorraine Toki, Pou Tangata Lead Advisor

Maxine Graham, Pou Tangata Technician (via Zoom)

Kirikōwhai Mikaere, Data ILG Lead Advisor (via Zoom)

s 9(2)(a) [REDACTED], Mātauranga ILG Lead Advisor (via Zoom)

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Mark Sowden, CE of Statistics NZ (via Zoom)

Iona Holsted, CE of Ministry of Education (via Zoom)

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Manaia King, General Manager Māori, Partnerships and Programmes,
MSD

Out of scope [REDACTED], Senior Advisor, Partnering with Iwi and Māori,
MSD

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No.	Agenda Item	Time	Who
1	Welcome <ul style="list-style-type: none"> Karakia timatanga – Manaia King Introductions 	3 minutes	Manaia King and Minister Sepuloni
2	Catch up <ul style="list-style-type: none"> Progress since the previous quarter Health of the relationship Matters of interest 	20 minutes	Minister and Chairs
3	Priority status updates <i>Refer to Pou Tangata Status Report.</i> <ul style="list-style-type: none"> CEs and Lead Advisors to be admitted into meeting via Zoom CEs and Lead Advisors to provide verbal updates: <ul style="list-style-type: none"> Data: Kirikōwhai Mikaere and Mark Sowden Whānau Ora: Dr Amohia Boulton and Dave Samuels Mātauranga: s 9(2)(a) and Iona Holsted Oranga Tamariki: Tania Blyth-Williams and Tā Wira Gardiner Skills and Employment: Lorraine Toki and Debbie Power 	25 minutes	CEs and Lead Advisors
4	Report back presentation <i>Refer to Pou Tangata PowerPoint Presentation.</i> <ul style="list-style-type: none"> Final thoughts 	10 minutes	Minister and Chairs
5	Close <ul style="list-style-type: none"> Karakia whakamutunga – Manaia King 	2 minutes	Manaia King

Appendix Two: Annotated Agenda

Annotated Agenda



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Pou Tangata Co-Chairs and Minister Sepuloni Pre-Meet

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Venue: Executive Wing 6.6, the Office of Hon Carmel Sepuloni

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Employment, Pou Tangata Ministerial Lead

Dame Rangimārie Naida Glavish, Pou Tangata Co-Chair

Rahui Papa, Pou Tangata Co-Chair (via Zoom)

Pou Tangata Iwi Leaders Group (ILG) Advisors

Lorraine Toki, Pou Tangata Lead Advisor

Maxine Graham, Pou Tangata Technician (via Zoom)

Kirikōwhai Mikaere, Data ILG Lead Advisor (via Zoom)

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MSD

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No.	Agenda Item	Time	Who
1	<p>Welcome</p> <p><u>Karakia timatanqa – Manaia King</u></p> <ul style="list-style-type: none"> Tēnā koutou, nau mai haere mai. Welcome, it is great to host you all today. Before we start, I'd like to invite Manaia to open our hui with a karakia. <p><i>Manaia King to lead karakia. No waiata required.</i></p> <p><u>Introductions</u></p> <ul style="list-style-type: none"> I suggest we do a quick round of introductions, so we all know who is in the room today. <p><i>Invite the Co-Chairs to start.</i></p>	3 minutes	Manaia King Minister Sepuloni
2	<p>Catch up</p> <p><u>Progress since the previous quarter</u></p> <ul style="list-style-type: none"> We were able to catch up briefly at the Pou Chairs and Pou Ministers meeting last week (Monday 26 July 2021) and touched on the progress made since the previous quarter. We will be joined by the other Pou Tangata Lead Advisors and their equivalent CEs shortly via Zoom to provide a more fulsome update on their responsible priority. Generally, it seems as though things are progressing, and decisions have been made as to how we intend on proceeding forward together. The Skills and Employment Iwi Leaders Group (ILG) met with MSD Deputy Chief Executives and their teams to workshop and agree to focus areas for the joint work programme. There has been mutual agreement by CEs and Lead Advisors on the redirection of the priorities regarding Oranga Tamariki and Whānau Ora. Stats NZ and the Data ILG continue to deliver their 2020/21 work programme which has been extended to November 2021 to continue the work that is underway and will look to confirm their 2021/22 work programme later this month. Meanwhile, the Mātauranga ILG is engaged with a number of parts of the Education sector. I understand that the Ministry of Education and the Mātauranga ILG have shared mutual priorities and a work 	20 minutes	Minister and Chairs

	<p>programme for Mātauranga will be agreed to in the next quarter.</p> <p><i>Open to Pou Tangata Co-Chairs for comment.</i></p> <p><u>Health of the relationship</u></p> <ul style="list-style-type: none"> While there is always room for improvement, the engagement and progress made to date, I believe reflects the Crown's renewed commitment to the NICF. <p><i>Open to Pou Tangata Co-Chairs for comment.</i></p> <p><u>Matters of interest</u></p> <ul style="list-style-type: none"> Are there any other matters you would like to discuss before we invite the Lead Advisors and CEs into the meeting? 		
3	<p>Priority status updates</p> <p><i>Refer to Pou Tangata Status Report.</i></p> <ul style="list-style-type: none"> We will bring the CEs and Lead Advisors into the meeting via Zoom now. I will call on each Lead Advisor and CE to provide a verbal update. <p><i>Minister's officials to admit CEs and Lead Advisors on Zoom.</i></p> <ul style="list-style-type: none"> Tēnā koutou katoa. This is the first time I am meeting many of you, thank you all for joining us. I am conscious of the time as I have to leave for Parliamentary Questions at 4:25pm, but I am interested to hear how your responsible priority areas are tracking. I will invite you all individually to provide a quick update. <p><i>CEs and Lead Advisors to provide verbal updates:</i></p> <ul style="list-style-type: none"> Data: Kirikōwhai Mikaere and Mark Sowden Whānau Ora: Dr Amohia Boulton and Dave Samuels Mātauranga: s 9(2)(a) and Iona Holsted Oranga Tamariki: Tania Blyth-Williams and Tā Wira Gardiner Skills and Employment: Lorraine Toki and Debbie Power Ngā mihi nui. I hope we continue this momentum in the next quarter and look forward to meeting with you all again, some sooner than others (in Whanganui). 	<p>25 minutes (5 minutes per priority)</p>	<p>CEs and Lead Advisors</p>

4	Report back presentation <i>Refer to Pou Tangata PowerPoint Presentation.</i> <u>Final thoughts</u> <ul style="list-style-type: none"> • I understand that you would have all received a copy of the PowerPoint presentation which agencies and Lead Advisors have contributed to. • Do we think the PowerPoint reflects today's discussion? If needed, my officials will update these. 	10 minutes	Minister and Chairs
5	Close <u>Karakia whakamutunga – Manaia King</u> <ul style="list-style-type: none"> • I look forward to seeing you all in a couple of days in Whanganui. • Manaia, can you close our hui please? 	2 minutes	Manaia King

Appendix Three: Pou Tangata Status Report

Pou Tangata Secretariat

Key Points

As part of strengthening the foundations of the relationships within Pou Tangata:

- Debbie and Lorraine continue to have monthly relationship meetings to discuss the overall health of the relationship within Pou Tangata and how priorities are progressing.
- Since the last quarter, Lorraine has weekly catch ups with MSD officials to discuss matters of interest and progress actions from meetings that have occurred at all levels.
- Debbie and Lorraine convened a quarterly meeting with Pou Tangata ILG Lead Advisors and CEs on 28 June 2021 where verbal updates were provided on their responsible priorities.
- Minister Sepuloni and Pou Tangata Co-Chairs met on 4 August 2021 to discuss the progress for the May-August 2021 quarter. At their previous quarterly pre-meeting, Minister Sepuloni extended the invitation to agencies' officials to provide a verbal update on their respective priority. At the pre-meeting on 4 August, CEs and Lead Advisors attended. At this meeting, it was also agreed that Minister Sepuloni and Co-Chairs will meet for dinner.
- MSD officials have been working with Lorraine Toki to draft a Pou Tangata relationship agreement which sets out how agencies and Pou Tangata ILGs intend to work together to progress Pou Tangata priorities. This will be circulated with Pou Tangata ILGs and Lead Advisors for input and will be finalised in the next August – November quarter.

COVID-19 Recovery – Skills and Employment

Key Points

- A Skills and Employment Iwi Leaders Group (ILG) has recently been established to develop and work alongside the Ministry of Social Development (MSD) to deliver a joint Skills and Employment work programme
- The Skills and Employment ILG met with MSD's Deputy Chief Executives and their respective teams on the 26 and 27 July 2021 to scope focus areas for a joint work programme.

Background

Given the global impact of COVID-19 and the critical importance of COVID-19 Recovery, this was introduced as a new priority area under Pou Tangata in December 2020. It was later agreed by Dame Naida Glavish, Rahui Papa (Pou Tangata Co-Chairs) and Minister Sepuloni (Pou Tangata Ministerial Lead) that the priority will have a specific focus on Skills and Employment.

Current Progress

- Initial conversations between Lorraine and Debbie emphasised that the Skills and Employment work programme take a whānau ora approach and make a difference to whānau wellbeing. This was endorsed at the May 2021 National Iwi Chairs Forum.
- The Skills and Employment ILG was recently established and met for the first time on 12 July 2021. Membership includes:
 - Member Chairs - Rhonda Kite, Wane Wharerau, Hinemoa Connor and Janis De Thierry
 - Technicians - Carol Berghan, Erena Kara, Shirleyanne Brown, Antony Thompson, Lorraine Toki and Maxine Graham.
- The Skills and Employment ILG are to determine the Lead Advisor and Lead Chair for this ILG.
- The Skills and Employment ILG met with MSD's Deputy Chief Executives and their teams on 26 and 27 July 2021 to share mutual aspirations for the joint work programme, and scope possible focus areas for the work programme under three engagement functions:
 - Monitor – monitoring the impact of existing activities within the Ministry's responsibility
 - Input/advice – providing strategic direction on policies, frameworks, strategies
 - New – areas for collaboration and co-creation
- From this workshop, a criteria for the work programme was jointly developed, which will consider:
 - Existing models that can be replicated and scaled up
 - Regionalised, targeted approaches
 - Whānau centred models (rangatahi, pākeke, kaumātua)
 - Have a national benefit
 - The ability and desirability to influence
 - System level changes and actions
 - Significant impact
 - Overall feasibility
- The Skills and Employment ILG will meet to prioritise the focus areas explored against this criteria.

- The Skills and Employment ILG and MSD commit to present the finalised work programme at the next NICF quarterly hui in November. To support the development of the work programme, MSD intend on hosting the Skills and Employment ILG for an Orientation Day.

Next steps

- Orientation Day of MSD with the Skills and Employment ILG.
- Skills and Employment ILG to prioritise focus areas explored in workshops with MSD.
- Skills and Employment ILG and MSD to finalise the details of the work programme to present at the next NICF quarterly hui in November 2021.
- Minister Sepuloni and Pou Tangata Co-Chairs to have a relationship meeting over dinner in the next quarter.

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Data

Key Points

- Te Whata, an online storehouse of data designed by iwi for iwi to make iwi data more relevant, accessible, and useful for iwi needs, was relaunched at Parliament with the support of Minister Whaitiri.
- The 2018 Census Iwi-Affiliation Estimated Counts and COVID-19 Benefit series were released and made publicly available on Te Whata.
- The 2023 Census Taumata was established including Data ILG representation and the inaugural hui was hosted by Stats NZ's in late May.
- Te Ara Takatū, a trial Stats NZ initiative service providing access to free, customised, and relevant data to iwi and iwi-related groups has been confirmed as a permanent offering.

Background

The Mana Ōrite Relationship Agreement was signed between Stats NZ and the Data ILG in October 2019. The agreement describes the Te Tiriti-derived relationship shared by Stats NZ and the Data ILG, as Crown and Māori representatives having equal explanatory power. The agreement is supported by a joint work programme defining annually agreed outcomes.

The 2020-21 Mana Ōrite work programme has been extended to the end of November 2021 to enable work that is underway to be completed.

Stats NZ is now working with the Data ILG to finalise the future (2021-22) work programme. s 9(2)
(f)(iv)

Current Progress

- Stats NZ Officials and the Data ILG's Lead Technicians and Chair meet to discuss operational matters on a fortnightly basis.
- The 2020-21 Mana Ōrite Work Programme's work streams include:
 - Māori Data Governance:
 - The co-design of the Māori Data Governance model resulted in two reports. The *Māori Data Governance Co-design Review* reflects on how the co-design process was undertaken, and *Tawhiti Nuku* focuses on the outcomes of the co-design process and recommended next steps. Next steps focus on refining the governance model and planning for implementation. Terms of Reference for an Ohu Raraunga (working group) were ratified and will be established in the next few weeks. The Ohu will focus on developing pae tata and pae tāwhiti (short- and long-term strategic goals), testing projects, and a means of embedding the model.
 - Data Innovation:
 - Te Ara Takatū is now a permanent service for iwi and iwi-related groups.

- Te Whata platform hosts the COVID-19 Benefits series, 2018 Census Iwi-Affiliation Estimated Counts.
- Legal
 - Data ILG has provided comments to Stats NZ on the draft Data and Statistics Bill. Discussions are ongoing.
- 2023 Census
 - Taumata established and inaugural hui was held at Stats NZ's Wellington office at the end of May.
 - High-level approach for Iwi-Led Collections plan is being developed with the Data ILG.
- Specialised Datasets
 - The Te Reo Rangatira RFP has not received much interest and the Data ILG is considering how to proceed.
- Data System
 - Stats NZ Officials and Data ILG to meet and confirm the Data ILG's involvement in the Data Investment Plan.
 - Stats NZ drafted an update to the Data Strategy and have proposed a series of initiatives to achieve the Strategy. The Data ILG continue to collaborate with Stats NZ on this kaupapa.
- Minister Whaitiri and Data ILG Chairs and Technicians met during their recent visit for the relaunch of Te Whata at Parliament in June.
- Mark Sowden, Stats NZ CE and Government Statistician, attended Pou Tangata CE and Lead Advisors quarterly hui.

Mātauranga

Key Points

- The Mātauranga Iwi Leaders Group (ILG) has been engaged with a number of different parts of the education sector. The work that is underway in this workstream has brought the sector and the Mātauranga ILG together in a new way.
- Together, the Ministry of Education and the Mātauranga ILG are working on several priorities to address inequity, including supporting a national dialogue about ending streaming, assisting the Māori Medium Peak Bodies to confirm focus areas, engaging with Statistics New Zealand around data and the digital divide, integrating learning of te reo Māori for all ākonga and supporting taura Māori into STEM careers.

Background

The Mātauranga Iwi Leaders Group (Mātauranga ILG) has met with the Ministry of Education (MoE) to identify the following priorities:

- Equity and streaming
- Equity and the digital divide
- Equity and te reo Māori
- STEM

While a joint-work programme is still to be confirmed, the Mātauranga ILG has been engaged with a number of different parts of the education sector and work is well underway in this workstream.

At the Pou Tangata CEs and Lead Advisors meeting on 29 June 2021, the Mātauranga ILG Lead Advisor acknowledged that this engagement has brought the sector and the Mātauranga ILG together in a new way.

Current Progress

- As a Mātauranga ILG priority, MoE provided support to the Call to Action from Tokona te Raki to end streaming. A highlight was the National Forum on ending streaming in May in Christchurch. MoE are interested to continue work with Tokona Te Raki to:
 - analyse responses from the 'Call to Action'; and
 - start plotting the course for the next phase of work.
- MoE has engaged with the Mātauranga ILG on programmes such as Aotearoa NZ Histories, NCEA changes and Iwi Professional Learning Development. The dialogue has increased significantly in this area.
- The Mātauranga ILG are supportive of the continued drive, however, note that with the increased level of engagement, there is an increase in expectations.
- The Mātauranga ILG have had their first meeting with the Kā Hikitia Board and are positive about engaging with the wider collective of Education agencies as a whole, in order to achieve consistency of response across the sector for iwi.

- At the Pou Tangata CEs and Lead Advisors meeting on 29 June 2021, agencies have committed to providing information on the activity (reviews, reports, policies, initiatives) in the pipeline to support ILGs to prioritise and determine where they might engage.
- MoE supported the Māori Medium Education Peak Bodies (MEPB), which includes the Mātauranga ILG, to meet on June 3 to confirm their new approach and how they will collaborate to develop a Māori Education Vision. Consensus was reached among the MEPB that strengthening the Kaupapa Māori Medium pathway is the top priority in their Māori Education Vision and Strategy.
- MoE are also engaged with Statistics New Zealand and the Data ILG to scope out what further education related opportunities for partnership may exist, including through the draft Digital Strategy group. Opportunities will exist to discuss how Government can best engage with Māori to support the wellbeing of whānau, hapū and Iwi.
- MoE is interested in establishing a working group to identify opportunities for further collaboration and areas of priority for the Mātauranga ILG as part of a joint work programme.
- The Mātauranga ILG and MoE will confirm their work programme in the next quarter.

Future direction of Whānau Ora

Key Points

- Te Puni Kōkiri has committed to hosting the Whānau Ora Iwi Leaders Group (ILG) in the next quarter to agree to focus areas for a joint work programme.
- Possible focus areas include planning hui across the motu with a broad range of Whānau Ora stakeholders to inform the future direction of the kaupapa for both iwi and the Crown.

Background

Te Puni Kōkiri acknowledge that the short and medium-term response to the recommendations from the Whānau Ora review has been largely carried out and implemented. For this reason, the Minister for Whānau Ora has signalled his intent to reposition the area of focus for a joint work programme going forward with the Whānau Ora ILG.

Early conversations have occurred between the Te Puni Kōkiri officials and the Minister for Whānau Ora, as well as between Te Puni Kōkiri officials and the Pou Tangata Chair, to scope possible focus areas including developing a work programme to determine the future direction of Whānau Ora and the possibility of supporting iwi-led hui on Whānau Ora.

Current Progress

- Te Puni Kōkiri officials met with Dr Amohia Boulton and s 9(2)(a) on 26 May 2021 to build the relationship between Te Puni Kōkiri officials and the Whānau Ora ILG and share mutual interests and priorities. The discussion, while touching on work related to the Whānau Ora Review, was broad ranging. It included discussion on various other government agencies which play a part in oranga whānau as well as the role of data and longer-term insights regarding whānau wellbeing.
- Dave Samuels attended the Pou Tangata CEs and Lead Advisors meeting on 29 June 2021 where it was agreed to reposition the priority going forward.
- Te Puni Kōkiri is in the early stages of engagement with the Pou Tangata Chair and technicians in relation to Whānau Ora to map out the parameters of a joint work programme.
- Te Puni Kōkiri and the Whānau Ora ILG will endeavour to agree the parameters and focus of a joint work programme in the next quarter.

Māori-led inquiry into Oranga Tamariki

Key Points

- In February 2020 the National Iwi Chairs Forum endorsed the Māori-led inquiry report, Ko Te Wā Whakawhiti, and supported all its findings and recommendations.
- Oranga Tamariki and the National Iwi Chairs Forum have a shared vision for the direction of Oranga Tamariki, which includes supporting a 'by Māori, with Māori, for Māori' approach and transferring decision making and resources to Māori.

Background

In February 2020 it was agreed that Iwi Chairs and then Minister for Children, Hon Tracey Martin, would agree a work programme to implement the recommendations. This did not occur, however, Minister Martin did table a response to the Māori-led Review at the National Iwi Chairs Forum in August 2020 which outlined the actions Oranga Tamariki had taken to date to address the issues raised and the recommendations made.

Current Progress

- At the Pou Tangata CEs and Lead Advisors meeting on 29 June 2021 it was agreed that there needs to be less of a focus on the recommendations of the Māori (Whānau Ora)-led inquiry report and more on other areas where Pou Tangata Co-Chairs have expressed interest, such as building capability and capacity to devolve Oranga Tamariki social services.
- It was also noted that Oranga Tamariki is at an important juncture with the Ministerial Advisory Board report being imminent and consequent decisions being taken on the strategic direction. This will have implications for Oranga Tamariki priorities and work programmes.
- Engagement will therefore occur over the coming weeks to reset the areas of work between Oranga Tamariki and the Minister for Children and Pou Tangata Chairs and Lead Advisors. The forthcoming report from the Ministerial Advisory Board will provide the basis for discussion to determine future work programmes and should identify new areas of priority and focus for engagement and collaboration with Pou Tangata Chairs and Lead Advisors.
- It is expected progress will be made on this ahead of the next NICF quarterly hui on 6 August 2021.

Aide-mémoire



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA

Meeting

Date: 29 July 2021 **Security Level:** IN CONFIDENCE

For: Hon Priyanca Radhakrishnan, Associate Minister for Social Development and Employment

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

File Reference: REP/21/7/775

RCOI Responsible Ministers quarterly meeting

Meeting details 12.00pm-12.45pm, 3 August 2021, Cabinet Committee Room, 8.5 Executive Wing

Expected attendees

Rt Hon Jacinda Ardern, Prime Minister and Minister for National Security and Intelligence

Hon Grant Robertson, Minister of Finance

Hon Chris Hipkins, Minister for the Public Service and Minister of Education

Hon Carmel Sepuloni, Minister for Social Development and Employment

Hon Andrew Little, Lead Coordination Minister for the Government's Response to the Royal Commission's Report into the Terrorist Attack on Christchurch Mosques

Hon Nanaia Mahuta, Minister of Foreign Affairs

Hon Poto Williams, Minister of Police

Hon Kris Faafoi, Minister of Justice and Minister of Immigration

Hon Jan Tinetti, Minister of Internal Affairs

Hon Meka Whaitiri, Minister of Customs

Supporting officials: Molly Elliott, General Manager, Social Development Child and Youth Policy will be the MSD official attending with you.

Purpose of meeting The purpose of the meeting is to:

-
- discuss updates from Ministers on initiatives relating to their portfolios as part of the Government's response to the RCOI into the terrorist attack on Christchurch mosques
-

Background

Royal Commission of Inquiry

Ko tō tātou kāinga tēnei: Royal Commission of Inquiry (RCOI) into the terrorist attack on Christchurch masjidain on 15 March 2019 made 44 recommendations to the Government. Government has agreed to all recommendations in principle.

As the Associate Minister for Social Development and Employment, you are responsible for recommendations related to providing ongoing support for whānau, victims and survivors. You are also responsible for a number of the social cohesion recommendations, including coordinating the whole of government approach to build greater social cohesion.

Social Cohesion

In March 2021, Cabinet endorsed the definition of social cohesion outlined in the RCOI report. This describes a socially cohesive society as one where all individuals and groups have a sense of:

- Belonging – a sense of being part of a community, trust in others and respect for the law and human rights
- Inclusion – equity of opportunities and outcomes in work, income, education, health and housing
- Participation – involvement in social and community activities and political and civic life
- Recognition – valuing diversity and respecting difference
- Legitimacy – confidence in public institutions.

In May, Cabinet agreed that the approach and objectives for strengthening social cohesion include:

- Engaging with communities to create a strategic framework based on a shared understanding of social cohesion
- Building on Government's existing work programme through tangible actions in the short, medium and longer term
- Identifying how to support and enable communities, the business sector, the cultural sector and central and local government to undertake actions to improve social cohesion in their communities.

Work to strengthen social cohesion needs to recognise our bicultural foundations and be underpinned by Te Tiriti o Waitangi.

The social cohesion engagement launched on Friday 25 June 2021 and phase one will run until 6 August 2021. Phase one has been progressed in collaboration with the Ministry of Justice (MOJ) and the Department of Internal Affairs (DIA) through a mix of online and in-person engagements with a wide range of individuals and communities.

Since 25 June, we have received approximately 157 submissions in relation to social cohesion. MOJ has received 1200 submissions to date. We expect to receive more online submissions as the face to face engagements continue to progress.

Even though, there has been good attendance at most of the focus groups, we have recently received feedback from Kāpuia that have highlighted concerns around the engagement process to date and the impacts it will have on the quality of the inputs.

Social Cohesion Engagement

Delivery of the next year of social cohesion work programme is underway – it has been divided into four phases:

- Phase one: May to August – Building Bridges and Broad Public Engagement.
- Phase two: August to December – Collaborating to develop the draft framework and identify further tangible actions.
- Phase three: January to June 2022 – socialising and confirming the deliverables with stakeholders and Cabinet.
- Phase four: Post June 2022 – Implementing the Actions.

On 28 July, concerns were raised by Kāpuia about the engagement process currently underway. We have provided you with a separate report outlining these concerns and proposing a possible way forward [REP/21/7/790]

You may want to share with your colleagues any decisions you have made regarding a possible extension to Phase 1.

Collective Impact Board

The Collective Impact Board was named in March and has now had three meetings, the first to elect the Chair and then two full Board meetings. The Board includes seven members of the Christchurch Muslim community and a small number of officials. The Board are still in the early stages of forming and so far, have worked on agreeing a draft terms of reference, and the selection of a community youth representative. The overall purpose of the Board includes:

- Agreeing on a specific work programme to support the on-going wrap-around services that best support the affected whānau.
- Bringing the collective voices of the affected community together to help inform recommendations to support the development of the current Kaiwhakaoranga Specialist Case Management Service.
- Supporting the across-government collaboration that enables the Kaiwhakaoranga Specialist Case Management Service to meet the needs of the affected community.

The draft terms of reference propose that the decision-making process will be based on consensus.

The Board's community representatives attended a full day of Governance training on 3 July 2021, and also attended a workshop on 17 July 2021 to receive an overview of the Kaiwhakaoranga Specialist Case Management Service and to meet with the Case Managers and others in the team.

The next Board meeting is scheduled for 12 August 2021 where the Board will develop their workplan for the next 6 months.

The provision of ongoing long-term support to affected whānau and survivors

The Ministry of Social Development provides the Kaiwhakaoranga Specialist Case Management.

There are now 254 family households who are attached to the Kaiwhakaoranga Specialist Case management Service. This is an increase of 33% since the release of the RCOI report.

The types of support being provided include but is not limited to:

- Access to MSD products and services (financial assistance and housing related) including those that are available to all clients, as well as the bespoke offerings available to the directly affected clients (e.g. Christchurch Mosques Attacks Welfare Payment, ESOL courses, driver's licence programmes, Waivered Residence criteria for Public Housing and Housing Support Products).
- Enabling and supporting individual clients to find employment through the Kaiwhakaoranga Services dedicated Work Broker and enabling access to culturally appropriate employment programmes
- A strengthened integrated response and access to services for both ACC and immigration issues achieved by having additional expertise in the service through the seconded case managers from ACC and Immigration NZ. This support has also included enabling access to Licenced Immigration Advisors
- Enabling access to a wide range of mental health support e.g. through GPs, Purupura Whetu and Christchurch Resettlement Services (contracted services funded through CDHB to provide culturally appropriate support to the affected community), and Victim Support
- Enabling and supporting individual clients to access study including the provision of practical assistance for scholarship applications
- Support people to navigate and book MIQ services
- Support people to appropriately raise concerns and access support from NZ Police
- Support people to select and enrol their children into preferred childcare centres
- Supporting clients to access public health services, well child, dentists etc.

The requests for case management from the Kaiwhakaoranga Specialist Case Management service are generally made

through advocates and/or NGOs and through the MSD Support email.

The increase in clients requesting service are generally those from the affected community who have tried to manage issues themselves since 15 March but are now turning to the service for support with increasing unresolved issues. The case managers are hearing improved confidence in the available mental health support, but this will be an ongoing challenge for this group.

Next steps

You will receive a high-level plan for social cohesion engagement on 6 August.

Authors: Out of scope, Chief Executive Advisor, Office of the Chief Executive; Out of scope Principal Analyst, Social Development, Child and Youth Policy; Out of scope Regional Commissioner Advisor, Canterbury Region.

Responsible manager: Molly Elliott, General Manager Social Development, Child and Youth Policy, MSD



Report

Date: 3 August 2021

Security Level: IN CONFIDENCE

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

Children's Commissioner: Revised Accountability Documents

Purpose of the report

1. This report provides you with advice on the final versions of the Children's Commissioner's: 2021-2024 Statement of Intent (SoI), 2021/2022 Statement of Performance Expectations (SPE), and 2021/2022 Memorandum of Understanding (MoU). It recommends that you sign the MoU, but that you delay presentation of the SoI and SPE until later this year.

Recommended actions

2. It is recommended that you:
 - a) **note** that the Children's Commissioner has provided you with final versions of its 2021-2024 SoI, 2021/2022 SPE and proposed 2021/2022 MoU
 - b) **note** that Children's Commissioner's 2021-2024 SoI provides a sound strategic framework within which the entity can operate, for the time being at least (noting that an updated version will probably need to be produced in 2022/2023)
 - c) **agree** that no further action is taken regarding the 2021-2024 SoI, other than asking that it published on the Children's Commissioner's website and presented to Parliament later this year
 - d) **note** that the 2021/2022 SPE has been refined and updated to more accurately reflect the funding that will be available to the Children's Commissioner in 2021/2022, and is a good starting point that can be updated and refined as key aspects of the transition plan are approved
 - e) **agree** that the Children's Commissioner should publish the 2021/2022 SPE on its website, but that it and the 2021-2024 SoI are not presented to Parliament until later in the year
 - f) **note** that the Children's Commissioner has also provided you with a proposed version of the 2021/2022 MoU setting out how it is proposed the entity will work with you over the coming year

Agree / Disagree

Agree / Disagree

- g) **sign** the attached MoU and letter to the Children's Commissioner advising him of your decisions regarding these documents.

Agree / Disagree

pp. Claire Lans.
Mark Frew
General Manager
Organisational Planning, Performance and Governance

3/8/21
Date

[Signature]
Hon Carmel Sepuloni
Minister for Social Development and Employment

5/8/21
Date

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Background

3. On 20 May 2021 we provided you with advice on draft versions of the Social Development Crown Entities' accountability documents [REP/21/5/519 refers]. In that report we noted that:
 - the Children's Commissioner's 2021-2024 SoI was statutorily compliant and provided a sound framework within which the Office of the Children's Commissioner (OCC) can operate (at least until the new Independent Children's Monitor process is in place and a new Commissioner is appointed)
 - the Children's Commissioner's 2021/2022 SPE was also statutorily compliant, but further work would be required to fully reflect decisions made as part of Budget 2021 (especially the need to develop a transition plan before extra funding could be allocated)
 - it is highly likely the "final version" of the SPE will need to be amended after 1 July 2021, and that its presentation to Parliament will need to be deferred until later in the year
4. You wrote to the Children's Commissioner on 24 May 2021 confirming this assessment and asking that all parties take a pragmatic approach toward the finalisation of these documents.
5. The Children's Commissioner has written to you agreeing to this approach and providing you with revised versions of the entity's 2021-2024 SoI and 2021/2022 SPE. Also attached was a proposed 2021/2022 MoU between you and the entity.

Comment

Revised 2021-2024 SoI

6. This document is largely the same as the document sent to you in May 2021. It is statutorily compliant and references: changes associated with the transition to the new proposed Independent Children's Monitor (ICM); associated changes to the Children's Commissioner's legislation; and the expected appointment of a new Commissioner later this year.
7. We believe that the attached document provides a sound strategic framework within which the OCC can operate, for the time being at least.
8. Looking ahead, it is likely that either you, or the new Children's Commissioner (and any new board members assuming proposed governance changes are made), will wish to produce an updated document once all the changes outlined above have been worked through¹. We expect this to happen sometime in 2022/2023. This means that the attached document is only expected to apply for the next two to three years, as opposed to the usual four-year minimum.
9. In the circumstances we recommend that no further action is taken regarding the attached document, other than asking the Children's Commissioner to publish it on its website as required by legislation, if it has not already done so.
10. While the attached document could be presented to Parliament now, we recommend that you use the discretion available under the Crown Entities Act 2004 and defer doing so until the 2021/2022 SPE is also presented (see below). In our opinion it is preferable to present an entity's SoI and SPE at the same time.

Revised 2021/2022 SPE

11. This document is also very similar to the document sent to you in May 2021. It has however, been refined and updated to more accurately reflect the funding that will be available to the OCC in 2021/2022. In particular, the extra \$1.2 million provided to the Ministry of Social Development as part of Budget 2021 is no longer included in the OCC's own appropriation, but instead is treated as Other Revenue.

¹ Section 148 of the Crown Entities Act 2004 specifically provides for this to happen where changes arise as a result of legislative changes and/or changes in an entity's operating environment. In addition, Section 139A also allows the responsible Minister to request a new SoI at any time they consider it necessary or desirable.

12. While this treatment of the additional funding may be premature (it is up to you and the Minister of Finance to jointly decide whether this funding can be transferred to the OCC or not), it is not an unreasonable starting point for planning purposes, pending the development of a more detailed transition plan which will determine how this funding is treated.
13. This transition plan, once approved, will almost certainly have an impact on the way the OCC operates (especially in the second half of the year when a new Commissioner has been appointed and there is more certainty about the changes associated with ICM). The transition plan is also likely to have an impact on the OCC's organisational structure and the precise mix of output deliverables produced during 2021/2022.
14. In the interim the attached document provides a good starting point, that can be updated and refined as key aspects of the transition plan are approved. For this reason, we recommend that the attached document is not presented to Parliament until as late as possible. This depends upon when the OCC's 2020/2021 Annual Report is presented (it is unlikely that this will be before December 2021).
15. Again, the Crown Entities Act requires that the attached document is published on the OCC's website as soon as possible, at least until it is replaced by another more up-to-date version.

2021/2022 Memorandum of Understanding (MoU)

16. While there is no requirement for Crown entities to produce a MoU, they are a useful way to set out how the responsible Minister and the entity will work with each other over the coming year.
17. In particular, MoUs are a way to document:
 - details of how the entity will keep the responsible Minister informed of progress to deliver its outputs, along with any other performance-related issues
 - details of how the entity will receive its Crown funding
 - any additional matters on which Ministers and entities may agree each year relating to the delivery of outputs specified in the entity's SPE.
18. The attached MoU is very similar to that produced in previous years. It has been updated, however, to formally acknowledge that *up to \$1.2 million may be paid* to the OCC subject to the development of an agreed transition plan as set out above. The MoU also contains an acknowledgement from the Children's Commissioner that the OCC will continue to support the transition to the new ICM. We recommend that you sign the attached MoU.

Next steps

19. A letter to the Children's Commissioner advising him of your decisions regarding these documents is attached, should you agree.
20. Given recent incidents where the Children's Commissioner gave your Office relatively short notice of his intention to release some sensitive documents under the Official Information Act 1982, we have included in this letter a brief statement reminding him of the undertaking contained in the MoU to provide "sufficient prior notice" when releasing these types of documents.

File ref: 0000 REP/21/7/803

Author: Out of scope Principal Advisor, Crown Entities

Responsible manager: (Mark Frew, General Manager, Organisational Planning, Performance and Governance)

Hon Carmel Sepuloni

MP for Kelston

Minister for Social Development and Employment

Minister for ACC

Minister for Arts, Culture and Heritage

Minister for Disability Issues



Judge Andrew Becroft
Children's Commissioner
PO Box 5610
Lambton Quay
WELLINGTON 6149

Tēnā koe Judge Becroft

Children's Commissioner: Revised Accountability Documents

Thank you for providing me with revised versions of your 2021-2024 Statement of Intent and your 2021/2022 Statement of Performance Expectations.

In keeping with the pragmatic approach outlined in my letter to you dated 20 May 2021, I have no further comment to make regarding your 2021-2024 Statement of Intent. If you have not already done so, could you please ensure that it is published on your website. The document should also be prepared for presentation to Parliament.

Regarding your 2021/2022 Statement of Performance Expectations, I note that this has been amended to better reflect the decisions made as part of Budget 2021.

As you know, it is likely, however, that further changes will be required as key aspects of the transition plan for your Office are approved. In recognition of this I have decided to defer presentation of this document to Parliament until later in the year, most likely sometime in early December. It makes sense from a practical point of view that your 2021-2024 Statement of Intent is also presented at that time. In the interim, if you have not already done so, could you please ensure that it is published on your website.

I have also signed your 2021/2022 Memorandum of Understanding (copy attached for your records). This will allow you to receive your existing funding and as well as continuing to provide a basis for how we propose to work together over the coming year. I note that on page 4 of the MoU you state that your Office will continue to operate a "no surprises" approach, and this includes an undertaking to provide "sufficient prior notice" when releasing material, especially to the media.

Ngā mihi nui

Hon Carmel Sepuloni
Minister for Social Development and Employment

Memo

To: Hon Carmel Sepuloni, Minister for Disability Issues

From: Brian Coffey, Director

Date: 20 July 2021

Security level: IN CONFIDENCE

Information about hearing loss issues in Aotearoa New Zealand

Purpose of this memo

The purpose of this memo is to inform you about:

- current research on hearing loss issues in Aotearoa New Zealand
- solutions put forward by various organisations supporting people with hearing loss.

Summary

The following are the key issues that emerged from research commissioned by or undertaken by various organisations supporting people with hearing loss in New Zealand. The response to these issues will sit across a number of agencies, including but perhaps not exclusively, the Ministry of Health, Accident Compensation Corporation (ACC), and the Ministry of Culture and Heritage (Broadcasting).

The issues identified through the meetings and submissions have been aligned under the following themes: Public awareness/prevention, Improved access to evidence-based services, Accommodations for those with hearing loss, Monitoring and evidence, and Workforce development.

These themes resemble a public health response to the range of issues identified through the meetings and submissions received, and provide a framing for a potentially more comprehensive, Ministry of Health-led interagency response.

Public awareness/prevention

- Public awareness campaigns on hearing loss services and subsidies offered by government agencies, and hearing loss services provided by private providers are required.
- A whole-of-government approach to expanding access to screening for hearing loss is called for.

Improved access to evidenced-based services

- A review of government funding support for people with untreated hearing loss is needed, which could include a focus on:
 - affordability of hearing devices
 - equity of access to assessment and hearing devices
 - models to improve affordability of hearing devices.

Accommodations for those with hearing loss

- Information needs to be made more accessible to people with hearing loss (e.g., compulsory captioning across all media and video platforms).

Monitoring and evidence

- Data on degrees of hearing loss (mild, severe etc.) needs to be collected in government surveys (e.g., *2023 Disability Survey, New Zealand Health Survey*).
- Evidence needs to be collected on the economic benefits of investment in early assistance and improved access to services, including the well-being benefits.
- A review of government funding support for people with untreated hearing loss is needed.
- Are there other models that could be considered to meet the unmet needs of people with untreated hearing loss?

Workforce development

- Initiatives to increase the audiology workforce should be considered.

The details relating to these issues are contained in the following memo.


Brian Coffey
Director

20/7/2021
Date

Various organisations support people with hearing loss in New Zealand

The **New Zealand Hearing Industry Association (NZHIA)** is a professional organisation representing the majority of private audiology service providers and manufacturers. NZHIA members are responsible for the testing, assessment, and fitting of over 90 percent of the hearing devices used in New Zealand.

NZHIA's recent work has focused on improving data on hearing loss and its impact. The organisation commissioned two research reports, *New Zealand Trak* (2018), and *Economic effects of hearing loss: A CGE modelling analysis* (June 2020) (which was published in partnership with the Employers and Manufacturers Association).

The data in NZHIA's *Briefing for the Incoming Minister* (16 November 2020) which your office received is taken from these reports.

Hearing New Zealand (HNZ), founded in 1932, is the oldest and largest organisation working with deaf and hard-of-hearing people. HNZ is comprised of 20 member associations across New Zealand. The organisation provides one-to-one support and services (e.g., advice, equipment repairs, rest home visits) for the hearing impaired. HNZ is also involved in:

- educating (particularly, workshops in schools for youth) about noise damage to hearing
- commissioning and funding research on hearing and hearing loss.

HNZ provided your office with the briefing, *We can't afford not to...* (November 2020) in December 2020.

National Foundation for the Deaf and Hard of Hearing (NFDHH), established in 1978, is a consortium of ten consumer and hearing-health professional member organisations. NFDHH is a charity that advocates for the hearing wellbeing of deaf and hard-of-hearing New Zealanders. The Foundation raises awareness of hearing loss and hearing loss prevention through:

- education
- sponsorship of screening programmes
- events (e.g., Hearing Week, Silent Leadership Challenge)
- national advocacy and support to improve public funding for hearing loss and access to services.

Of note is that NFDHH holds a more medical perspective on hearing loss.

NFDHH commissioned the research report, *Social and economic costs of hearing loss in New Zealand* (December 2016).

You, in your role as Minister for Disability Issues, met recently with a few organisations supporting people with hearing loss

- On 15 April 2021, you met with Hearing New Zealand (HNZ) to discuss matters raised in their November briefing to you, *We can't afford not to...*, on hearing loss and associated issues. HNZ sought your support in progressing actions to address these hearing loss issues.
- On 20 May 2021, you met with the New Zealand Hearing Industry Association (NZHIA) and the Employers and Manufacturers Association (EMA) to discuss NZHIA's *Briefing for the Incoming Minister*. The discussion focused on:

- economic impact of hearing loss
- actions that can reduce the impact of hearing loss and maintain/increase employment
- opportunities for NZHIA and EMA to work with the Government to deliver economic and social gains.

Hearing loss is relatively common in New Zealand

Hearing is the ability to detect vibrations through the ear and perceive and understand sound. It is a primary sense which makes communication possible. A hearing loss restricts one's ability to communicate and participate in social life, in the absence of appropriate supports.

The prevalence of hearing loss in New Zealand

There are a range of estimates of the prevalence of hearing loss among the New Zealand population. The prevalence varies from 7.5% to 20.8% of the population. Explanations for variation in the estimates include:

- self-reported hearing loss bias (e.g., *2013 Disability Survey*)
- various definitions of hearing loss which can include disability, impairment, age-related effects, and occupational induced hearing loss.

The New Zealand Hearing Industry Association and the New Zealand Institute of Economic Research (NZIER)¹ have used the hearing loss prevalence of approximately 10% (i.e., 511,671 people) from Anovum's (2018) *New Zealand Trak* for the following reasons:

- It was the most recent estimate.
- It represented a middle ground from among the quoted estimates.
- The estimate was conservative.

Given New Zealand's ageing population, the proportion of people living with hearing loss is expected to increase significantly over the next 20 years.

Some population groups experience greater hearing loss and a range of associated issues²

- Potentially, half of the New Zealand prison population has a hearing loss. Poor hearing in childhood may contribute to anti-social behaviour, leading to prison.
- An estimated 60,000 children are affected by Auditory Processing Disorder (APD), that is, one child per classroom. APD affects the brain's ability to understand what is heard. APD also affects adults, particularly older people.
- Māori and Pacific peoples are over-represented in congenital hearing loss and middle ear disease. Causes of hearing loss among Māori also include noise damage (e.g., from high noise occupations).
- Given a 39.4% hearing loss prevalence among older people in both the 75-79 and 80-84 age groups (Anovum 2018), hearing aid management can be challenging for rest home residents with hearing loss.

¹ NZIER (June 2020), *Economic effects of hearing loss* (commissioned by NZHIA).

² See Hearing New Zealand (2020). *We can't afford not to...*

- Tinnitus (sound in the head or ears that has no external sound source) affects up to 240,000 New Zealanders. The main causes are noise-induced hearing loss and ageing.

Research points to a significant gap between need and access to treatment for people experiencing hearing loss

The *New Zealand Trak* (2018) data indicates that approximately 42% of people with hearing loss (i.e., close to 215,000) have accessed hearing devices. This leaves under 300,000 people (58% approximately) living with untreated hearing loss.

Of those surveyed in *New Zealand Trak*:

- 95% of hearing aid wearers stated that their hearing aids improved their quality of life
- 64% wished they had got their hearing aid sooner.

The New Zealand Institute of Economic Research (2020) estimated that 80,723 people aged 65 and over had an unmet need for hearing aids or other mitigations in 2019.

There are significant barriers to accessing hearing loss supports and audiological services

- Cost is seen by many New Zealanders as a major barrier to accessing hearing loss services. 67% of those surveyed in *New Zealand Trak* stated that they "cannot afford a hearing aid".
- The Government funds the provision of hearing aids at different amounts through various agencies and mechanisms (e.g., ACC, Ministry of Health Hearing Aid Funding Scheme, Veterans Affairs, Children's Hearing Aid Fund, Hearing Aid Subsidy Scheme). Funding availability is inequitably based on agency funding and the age of the person. The level of funding does not cover the full costs of hearing aid provision (National Foundation for the Deaf and Hard of Hearing 2016).
- Lack of public information about the available (but limited) Government support is an access issue.
- Cultural factors such as stigma attached to disability and fear of social rejection in certain communities (e.g., Pacific, Asian and African) lead to access issues. Of those surveyed in *New Zealand Trak*, only 26% said they are never made fun of because of their hearing loss.
- The lack of greater and targeted access to hearing health information and culturally responsive services for Māori with hearing loss (e.g., lack of Māori hearing professionals) are a potential breach of the Treaty of Waitangi, particularly, the focus of Article 3 on equal citizenship rights (Hearing New Zealand 2020).
- Geographic location restricts access in both remote rural areas and low socio-economic areas. In addition, there is no service prescription for what hearing services District Health Boards must provide. Services vary from district to district. Hospital audiology clinics largely restrict their adult services (Hearing New Zealand 2020).
- The Covid-19 context has intensified the impacts of hearing loss and made it more difficult for people to cope with everyday life. For example, isolation during lockdowns is a major concern for people with hearing loss who cannot, or struggle to, use the phone. In addition, physical distancing is a challenge for those relying on proximity to cope with hearing loss.

Hearing loss points to significant economic and social impacts on the wellbeing of New Zealanders

Hearing loss reduces employment and productivity

The New Zealand Institute of Economic Research (2020) identified three channels through which hearing loss affects labour productivity:

Reduced employment – People experiencing hearing loss are at higher risk of being unemployed due to challenges such as the additional difficulty in job search and self-selection out of the labour market. The probability of being employed decreased by 10% for those experiencing hearing loss.

Absenteeism – Workers living with hearing loss are more likely to take days off work. It has been estimated that the total economic cost associated with absenteeism in 2016 was NZ\$66.7 million.

Presenteeism – Workers living with hearing loss are likely to be less productive than other workers. A 3% productivity decrease due to presenteeism has been estimated for 2016.

NZIER (2020) estimated that the likely economic effects of treating hearing loss include:

- The labour productivity effects would lead to an annual GDP growth of between NZ\$556 million and NZ\$716 million.
- The economy-wide employment increases would lead to an annual GDP growth of between NZ\$294 million and NZ\$558 million
- The social benefit from increasing participation in society, by mitigating hearing loss in those over-65s, was estimated to range from NZ\$795 million to NZ\$1.4 billion, depending on the social value of participation.

Hearing loss is a major factor in social disengagement

Hearing loss can make it increasingly difficult for people to participate in social activities (e.g., eating out, going to a movie or show, joining a club) and, thereby, lead to increased social isolation and loneliness.

Hearing loss has a negative impact on overall health

NZIER's research indicates that hearing loss is correlated with increased use of healthcare services and a higher burden of illness in older adults, even when all other relevant factors are controlled for. The health conditions that hearing loss is associated with include:

- more frequent falls
- increased prevalence of sight loss
- increased risk of stroke
- increased risk of diabetes
- accelerated risk of cognitive decline and dementia among older adults

The *New Zealand Trak* report identified that the risks of reduced mental health (e.g., depression) and wellbeing increased substantially for people with untreated hearing loss. Reduced mental wellbeing also correlates with decreased social participation consequent upon hearing loss.

Various solutions to tackle unmet hearing loss needs have been put forward by organisations supporting people with hearing loss

The lack of robust hearing loss data must be addressed

There is a clear need for valid and reliable data and more research on hearing loss to better understand the best policy interventions, including:

- increasing hearing aid adoption rates
- funding the unmet need for hearing loss mitigations.
- understanding the impacts of hearing loss on children and the effects over their life-course
- understanding the impacts of hearing loss in the workplace.

It was noted that there is a clear need for better data to be reported on hearing loss by the Government. For example, the National Foundation for the Deaf and Hard of Hearing (2016) could not locate any publicly available expenditure data on District Health Board hearing loss services.

The inclusion of hearing impairment questions in government surveys (e.g., New Zealand Health Survey) would be a good starting point.

Building public awareness of available hearing loss services and the subsidies available to access these is necessary

This would include promotion through a range of stakeholders across the working age population and older people, concentrating on both prevention and treatment. It was noted that an increased focus on awareness raising is urgently needed by both the Ministry of Health and ACC.

Information needs to be accessible to people with hearing loss

According to Hearing New Zealand (2020), research shows that 68+% of people with hearing loss rely on subtitles for television news and entertainment. However, many areas of communication, particularly live streaming, do not have subtitles. Currently, there is no compulsion to provide captions. What is required, includes:

- compulsory captioning across all media and video platforms (including streaming platforms) and advertising (particularly government advertising).
- access to software that enables live-captioned phone calls on mobile devices.

Initiatives to increase audiology workforce scale, flexibility and location are called for

Various proposals have been put forward by the New Zealand Hearing Industry Association in their *Briefing* (16 November 2020) to you to build up the audiology workforce, including:

- supporting initiatives by tertiary institutions to increase the number of audiologists being trained
- putting in place mechanisms to recruit overseas qualified audiologists
- working with NZHIA and the wider audiology service sector to develop a plan that addresses geographic locations and access for at risk communities
- enabling audiology workforce flexibility such as implementing changes in ACC regulations to make it possible for audiometrists to undertake hearing tests
- ensuring legislation supports the implementation of technology advances.

Expanding access to screening for hearing loss is needed

This would require a whole-of-government approach to address the gap between the unmet needs of people with hearing loss and access to treatment.

In this regard, the National Foundation for the Deaf and Hard of Hearing is promoting a Public Health Programme (2021-2026) to improve the wellbeing of the Deaf and hard of hearing community.

Reviewing government funding support for people with untreated hearing loss is called for

Various services are available to people with hearing loss in New Zealand, including:

- screening and audiometric services
- hearing aids and cochlear implants
- access services (e.g., hearing loops and captioning)
- other specialist disability, hearing and employment services for people who are deaf and hard-of-hearing.

The provision of these services is primarily through the public health system (Ministry of Health). However, hearing aids for adults are mainly provided through private clinics.

It has been noted by organisations supporting people with hearing loss that, without a significant contribution of resources from the Government, it will not be possible to address the issues experienced by New Zealanders with untreated hearing loss.³

Author: Dr [Out of scope], Advisor

Responsible manager: Brian Coffey, Director

File ref: A13378253

³ See National Foundation for the Deaf and Hard of Hearing (2016), New Zealand Hearing Industry Association (2020), New Zealand Institute of Economic Research (2020).



Report

Date: 3 August 2021

Security Level: BUDGET SENSITIVE

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

Review of hardship assistance

Purpose of the report

9(2)(f)(iv)

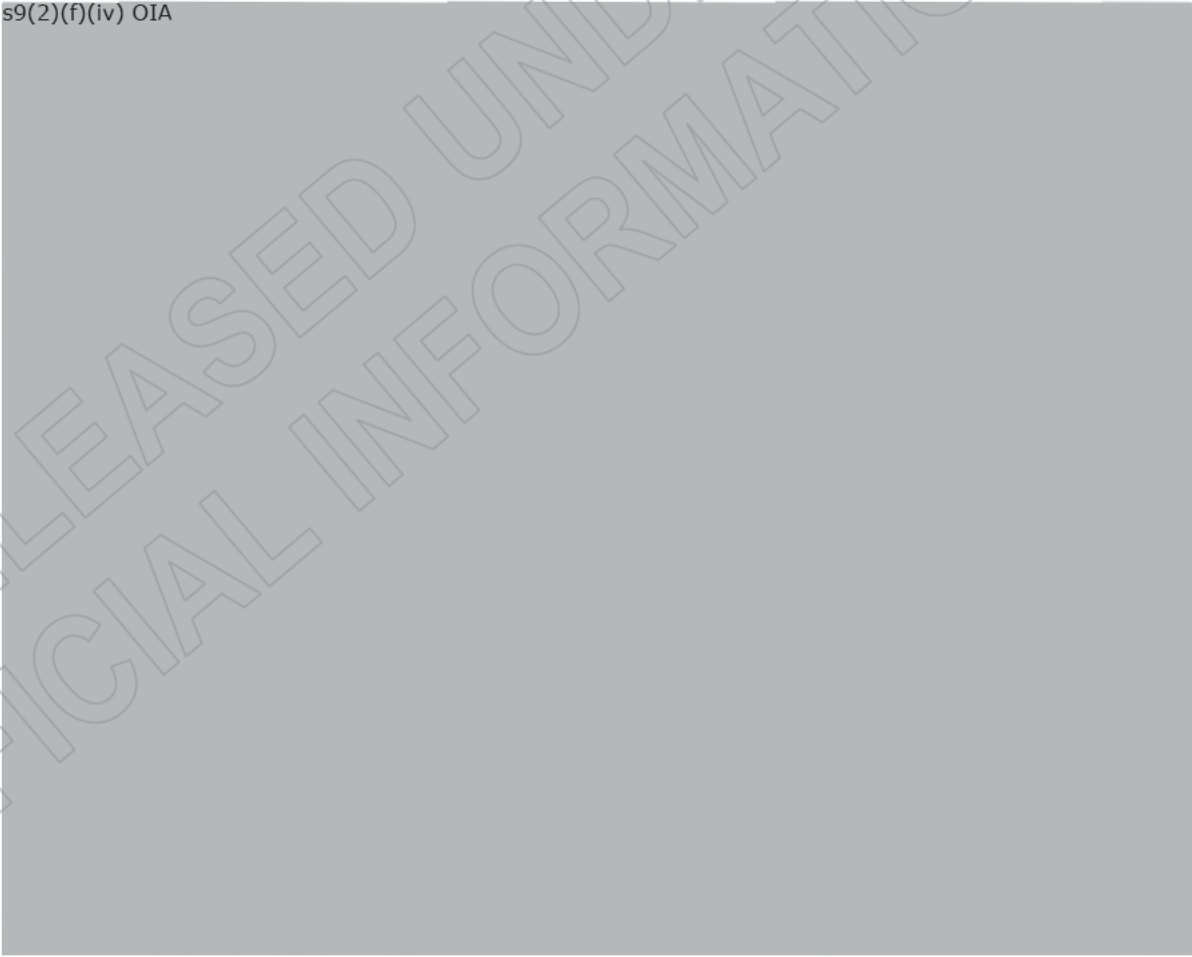
Executive summary

- 2 Hardship assistance is the tightly targeted third tier of the welfare system. It consists of Special Needs Grants (SNG), Advance Payments of Benefits (Advances), and Recoverable Assistance Payments (RAPs)¹ and is intended to help people with immediate needs and essential costs that cannot be met from any other income or assets.
- 3 In your 2019 Cabinet paper on the welfare overhaul, you agreed that the three-tiered benefit system is fit-for-purpose, and that there will always be a need for hardship assistance, though you emphasised that reliance on hardship assistance needed to be reduced. You also agreed that the Ministry for Social Development (MSD) continue reviewing hardship assistance in response to the Welfare Expert Advisory Group's (WEAG) recommendation that (in addition to increases to main benefits), hardship assistance be reviewed to ensure it is adequate, appropriately designed, and easy to access [CAB-10-MIN-0578].
- 4 Hardship assistance has existed in the welfare system since 1951 and has been subjected to numerous ad hoc changes over recent decades. However, a comprehensive review and reform of settings has not been undertaken since at least the early 1990s. Outdated policy settings have led to increased pressure on how hardship assistance is operationalised (e.g. needing work arounds to compensate for outdated policy settings), which has led to several issues relating to the eligibility, accessibility, and adequacy of hardship assistance. Some of these issues may have been exacerbated by the impacts of the COVID-19 pandemic.
- 5 Officials' view is that a review of hardship is well overdue. We recommend that the review continue as improvements to hardship assistance would support the dignity of people with no other resources available to them and ease the pressure on how it is operationalised. Reviewing settings^{9(2)(f)(iv)}
9(2)(f)(iv) is also an opportunity to contribute toward the government's child poverty reduction targets and complement the debt to government work programme led by the Minister for Child Poverty Reduction.

¹ The third tier also includes on-going support in the form of Temporary Additional Support (TAS), but this report focuses on one-off grants only. The review also excludes Emergency Housing Special Needs Grants (EHSNGs) and Housing Support Products (HSPs).

- 6 The purpose of the review is to ensure that hardship assistance is accurately targeted to those in need and continues to serve its intended purpose of providing one-off assistance with costs to people with little or no other resources available to them. Alongside the review, we are progressing work to improve operational settings with a particular focus on reducing reliance on hardship assistance by providing case management support to clients with high and complex needs. We provided you with an update on this work on 2 July 2021 [REP/21/7/674 refers].
- 7 The first stage of the review has focused on understanding how hardship assistance is currently functioning within the wider welfare system. We have identified the following issues:
- accessing hardship assistance is a disempowering experience for some clients
 - recoverable hardship assistance adds to the debt burden for clients
 - grant maxima have diverged from actual costs
 - income and asset limits have eroded in value over time
 - increasing reliance on discretion contributes to inequities
 - ad hoc operational changes made over time have had impacts on how hardship assistance is functioning.

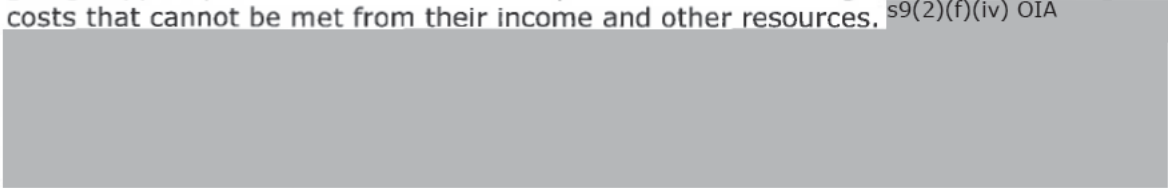
8 s9(2)(f)(iv) OIA



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- 12 Temporary Additional Support (TAS) is also part of the third tier and provides on-going support paid as a last resort to help clients with their regular essential living costs that cannot be met from their income and other resources. s9(2)(f)(iv) OIA
- 

9 **forward** a copy of this report to the Minister for Child Poverty Reduction.



Bede Hogan
Policy Manager, Income Support Policy

3-8-2021
Date



Hon Carmel Sepuloni
Minister for Social Development and
Employment

9/8/21
Date

Government made a manifesto commitment to continue the welfare overhaul towards implementing the WEAG's recommendations

- 13 In your 2019 Cabinet paper on the welfare overhaul, you agreed that the three-tiered benefit system is fit-for-purpose, though you emphasised that reliance on hardship assistance needed to be reduced. You also agreed that MSD continue work to review hardship assistance in response to WEAG's recommendation that (in addition to increases to main benefits), hardship assistance be reviewed to ensure it is adequate, appropriately designed, and easy to access [CAB-10-MIN-0578].

The Government has increased first tier assistance to lift the incomes of individuals and families in need

- 14 Since 2017, the Government has made a number of changes to increase support to individuals and families in need, including increasing main benefit rates by \$25 net, per family as part of the initial COVID-19 response, indexing main benefits to average wage growth in Budget 2019, and increasing the amount people can earn before their benefit begins to reduce in Budget 2020. With the increases to main benefits through Budget 2021, weekly main benefit rates will be between \$67 and \$86 per adult higher from 1 April 2022, as a result of cumulative changes made by Government since 2017. These changes will also impact the Government's child poverty reduction targets².
- 15 Although recent increases to first tier assistance are likely to have an impact on reducing reliance on hardship assistance, some groups, particularly those that have sustained high housing costs and face high levels of private and/or government debt, may still require hardship assistance to meet their immediate and essential needs. At an aggregate level, officials expect that the increases to the first tier are likely to result in a modest reduction in hardship assistance overall [REP/21/3/264].

As part of the welfare overhaul work programme MSD is leading several reviews of second tier assistance

- 16 MSD is leading several key reviews of second tier assistance including Working for Families, Childcare Assistance, and the Accommodation Supplement. The outcomes of these reviews are likely to have an impact on hardship assistance and officials are working closely to ensure any changes maintain the overall coherency of the welfare system.

A review of third tier hardship assistance is well overdue

- 17 Hardship assistance has existed in the welfare system since 1951 and has been subjected to numerous ad hoc changes over recent decades. However, a comprehensive review and reform of settings has not been undertaken since at least the early 1990s. Outdated policy settings have led to increased pressure on how hardship assistance is operationalised (e.g. work arounds are used to compensate for outdated policy settings) which has led to several issues relating to eligibility, accessibility, and adequacy of hardship assistance.

- 18 These issues include:

18.1 Accessing hardship assistance is a disempowering experience for some clients-multiple sources such as WEAG's consultation document, academic research about the barriers faced by people living in poverty, data from MSD's client survey 'Heartbeat', as well as recent consultation with frontline staff, reveal key themes about accessing assistance, including that clients can feel:

² Child poverty projections estimate that by 2022/23 the number of children in poverty will have reduced by between 31,000 and 85,000 children (a 3.4% to 8.2% point reduction) compared to the 2017/18 baseline year on the after-housing-cost measure.

- *Disempowered*-as clients feel like they have to re-tell stories of despair to access hardship assistance.
- *Stigma*-feeling ashamed due to an inability to provide for their family.
- *Meeting immediate need with debt*-immediate needs are met with recoverable assistance and loans from third party high-interest lenders contributing to ever-growing debt balances.
- *Employment impacts*-accessing employment in the immediate future is challenging for low-income people due to the realities of meeting daily needs.

18.2 Recoverable hardship assistance adds to the debt burden for clients-

living in a state of poverty makes people particularly vulnerable to incurring debt. The average amount of recoverable assistance debt owed to MSD is \$3,119 per person. High debt levels have been demonstrated to have significant impacts on people's emotional and physical wellbeing, including depression, stress, shame and anxiety, and their social relationships.

18.3 Grant maxima have diverged from actual costs-grant maxima are not indexed, and in almost all cases have remained entirely unchanged for over two decades. As a result, the available support for some categories no longer represents the real costs they seek to cover. Data shows that MSD staff are increasingly relying upon their discretion to exceed the current grant maxima to ensure adequate grants for people in routine circumstances.

18.4 Income and asset limits have eroded in value over time-current limits are indexed to the Consumer Price Index. Due to wage growth increasing by more than inflation, income and asset limits have eroded in value relative to wages. This means some cohorts who were previously eligible for hardship assistance are no longer able to access it to meet their immediate and essential needs. Currently, a single person can work just under 30 hours a week on the minimum wage before losing access to hardship assistance.

18.5 Increasing reliance on discretion contributes to inequities-the discretionary nature of hardship assistance allows MSD to cater to people in a wide range of life circumstances and with little or no other resources available to them. Discretion provides frontline staff with the responsibility of exercising their judgment to determine eligibility and the level of assistance required. However, due to hardship assistance settings being largely unchanged for decades, discretion is increasingly relied upon to meet people's needs. The over-reliance on this form of discretion pushes MSD's operational practice further away from the policy intent of hardship assistance (to apply discretion in exceptional circumstances only) and creates inconsistencies for clients

18.6 Ad hoc operational changes made over time have impacted how hardship assistance is functioning-these changes have been primarily focused on streamlining the application and grant processes with the goal of improving client experience and allowing frontline staff more time to dedicate to proactive engagement with clients including supporting people into employment. However, this has given rise to tensions between improving accessibility of support and administering hardship assistance in its intended targeted and discretionary form.

- 19 Officials' view is that a review of hardship is well overdue. We recommend that the review continue as improvements to hardship assistance would support the dignity of people with no other resources available to them and ease the pressure on how it is operationalised. Reviewing settings ^{9(2)(f)(iv)} is also an opportunity to contribute toward the government's child poverty reduction targets and complement the debt to government work led by the Minister for Child Poverty Reduction.

We are reviewing hardship assistance to ensure it is adequate, appropriately designed and accessible

- 20 The purpose of the review is to ensure that hardship assistance is accurately targeted to those in need and continues to serve its intended purpose of providing one-off assistance with costs to people with little or no other resources available to them.

We have identified some overarching objectives to guide the review of hardship assistance

- **Dignity of the client**—This objective considers the impact the change will have on those it is intended to serve. It raises the questions: do people feel empowered to access hardship assistance? And are they treated with dignity? Does hardship assistance reduce the burden of debt on clients?
- **Te Tiriti o Waitangi/The Treaty of Waitangi**- This objective considers the implications of policy change on Māori and asks the questions: does hardship assistance uphold the Crown's obligations under Te Tiriti O Waitangi/The Treaty of Waitangi?
- **Coherence and behavioural impacts**-This objective considers the way in which hardship assistance functions within the wider welfare system. It raises the questions: do hardship assistance settings maintain the overall coherency of the welfare system? Does hardship assistance cover essential costs? Does hardship assistance function with integrity by creating appropriate incentives and ensuring it is applied/delivered with consistency? And, is it future proofed?
- **Administrative ease**-This objective considers the way in which MSD's systems can support the policy intent of hardship assistance. It raises the questions: is hardship assistance simple to understand for clients to access and staff to administer? Is hardship assistance flexible to ensure we can cater to the complexities of people's lives?
- **Cost to government**-This objective considers the fiscal constraints faced by the government and raises the question: is hardship assistance appropriately targeted?

s9(2)(f)(iv) OIA

- 25 We recognise that the welfare overhaul is taking place in the context of significant fiscal constraints. The recent increase to main benefit rates alone involved funding of \$3.3b over four years across both the Budget 2021 and Budget 2022 allowances.

9(2)(f)(iv)

s9(2)(f)(iv) OIA

The Government has a manifesto commitment to increase the grant maxima for emergency dental treatment Special Needs Grants (SNGs)

- 26 The Government made a manifesto commitment to increase the maximum emergency dental treatment SNGs rate from \$300 to \$1,000 every 52-weeks (non-recoverable).^{9(2)(f)(iv)}

9(2)(f)(iv)

s9(2)(f)(iv) OIA

Grant maxima are not indexed and have diverged from the actual costs they seek to cover

- 28 This manifesto commitment acknowledges that the current grant maxima for emergency dental SNGs is inadequate and no longer represents the actual cost of dental treatment for adults in New Zealand. This is true for many other hardship categories.
- 29 There are currently 43 different cost categories covering a wide range of essential needs such as food, bedding, clothing, essential home repairs, school costs and emergency medical treatment. Each category has a grant maxima applied to it however, it is unclear what rationale is behind the current maxima. Staff are able to use their discretion to exceed grant maxima in 'exceptional circumstances' allowing MSD sufficient flexibility to respond to people's wide range of life circumstances.
- 30 Where the maxima and discretion within hardship assistance are operating as the policy intends, the maxima should provide an indication to staff as to the value of most grants. As discretion is intended to cover 'exceptional circumstances' only, it should be that in most cases, needs are being met by grants that are within the grant maxima.
- 31 However, as outlined in paragraph 18.3, grant maxima are not indexed and have diverged from the actual costs they seek to cover³. Data shows that MSD staff are increasingly relying upon their discretion to exceed the current grant maxima to ensure adequate grants for people in routine circumstances. The over-reliance on this form of discretion pushes MSD's operational practice further away from the policy intent of hardship assistance (to apply discretion in exceptional circumstances only) and creates inconsistencies for clients.
- 32 The below table shows some of the categories with the biggest discrepancies between the current grant maxima and the average payment amount. The table also shows the proportion of grants where staff are exercising discretion to exceed the maxima:

³ The maximum grant size for food was effectively doubled in 2008 when the frequency at which the limit could be granted increased from annually to every 6 months. The limit was also temporarily increased by \$400 in response to COVID-19. These have been the only changes to these rates over time.

Payment category	Maximum grant amount	Average grant amounts	Proportion granted above maximum (December 2019)
Beds, chairs, tables	\$200	\$722	94%, up from 86% in December 2016
Car repairs	\$400	\$924	79%, up from 71% in December 2016
Electricity assistance	\$200	\$602	83%, up from 74% in December 2016
School uniforms	\$300 (per dependent child)	\$415 (per dependent child)	28%, up from 22% in December 2016

s9(2)(f)(iv) OIA

- 41 There are currently 43 different cost categories covering a wide range of essential needs as outlined in paragraph 29. Cost categories have been added into hardship assistance over time in an ad hoc way and there is no clear rationale for why some categories have been established.
- 42 We have completed a review that considers whether the current cost categories are meeting people's immediate and essential needs and identified several key issues including:
- **Some cost categories are out of date and may no longer be required**-for example, between September 2017 and June 2020, 107 grants were made under the 'telephone installation' category and 18 grants were made under the 'laser therapy for birthmark removal' category indicating a reducing need for such assistance over time.
 - **The generic 'other' category⁴ is heavily relied on to cover a range of essential needs/costs that current main categories do not cover**-for example, petrol, cell phones, public transport, and storage costs are commonly granted under the 'other' category. For the 12-month period ending May 2021, 'other emergency situations' payments made up the majority of expenditure on hardship assistance (approximately \$316m) representing 55 per cent of overall expenditure on hardship assistance⁵.
 - **The use of the 'other' category leads to inconsistent practice**-the 'other' category is discretionary, which means essential costs might be covered for some clients, but not for others-depending on the varying use of judgment by individual staff. Use of the 'other' category is usually because there is not an existing category to capture a person's costs. This can result in a lack of transparency for both clients and staff around what costs are covered by hardship assistance and means staff are having to exercise their discretion frequently in order to meet people's needs.

s9(2)(f)(iv) OIA

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Over a 12-month period (1 May 2020 to 30 April 2021) MSD provided 57,294 hardship assistance grants for the cost of a cell phone under the 'other' category. s9(2)(f)(iv) OIA

s9(2)(f)(iv) OIA

9(2)(f)(iv)

Recoverable assistance contributes to the debt burden for clients

- 50 As at March 2021, recoverable hardship assistance debt was at \$793 million which represents around 41% of all debt owed to MSD⁸. In the quarter to March 2021, total recoverable assistance debt grew by \$41 million (or 2.1% of all debt to MSD) and is still the main driver of growth in the overall debt balance, accounting for around 96% of the growth in total debt in the quarter to March 2021. The average amount of recoverable assistance debt owed to MSD is \$3,119 per person. Approximately 64% of recoverable assistance debt to MSD is owed by households with children.
- 51 Debt and poverty are inextricably linked, as living in a state of poverty makes people particularly vulnerable to incurring bad or avoidable debt. Debt has significant impacts on families suffering under its burden. High debt levels have been demonstrated to have significant impacts on people's emotional and physical wellbeing, including depression, stress, shame and anxiety, and their social relationships.

There is no coherent rationale behind the current recoverability settings

- 52 Currently, Advances and RAPs and some SNGs are recoverable (have to be paid back by the client) and some SNGs are non-recoverable (do not have to be paid back). There is no clear rationale as to why some hardship assistance is recoverable and why some is non-recoverable. However, non-recoverable hardship assistance generally covers costs that are not intended to be covered by the first and second tiers of the welfare system, as well as additional health costs.

s9(2)(f)(iv) OIA



⁸ The remaining debt is made up of overpayment debt (52%) and fraud debt (7%).

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We are progressing work to improve operational settings

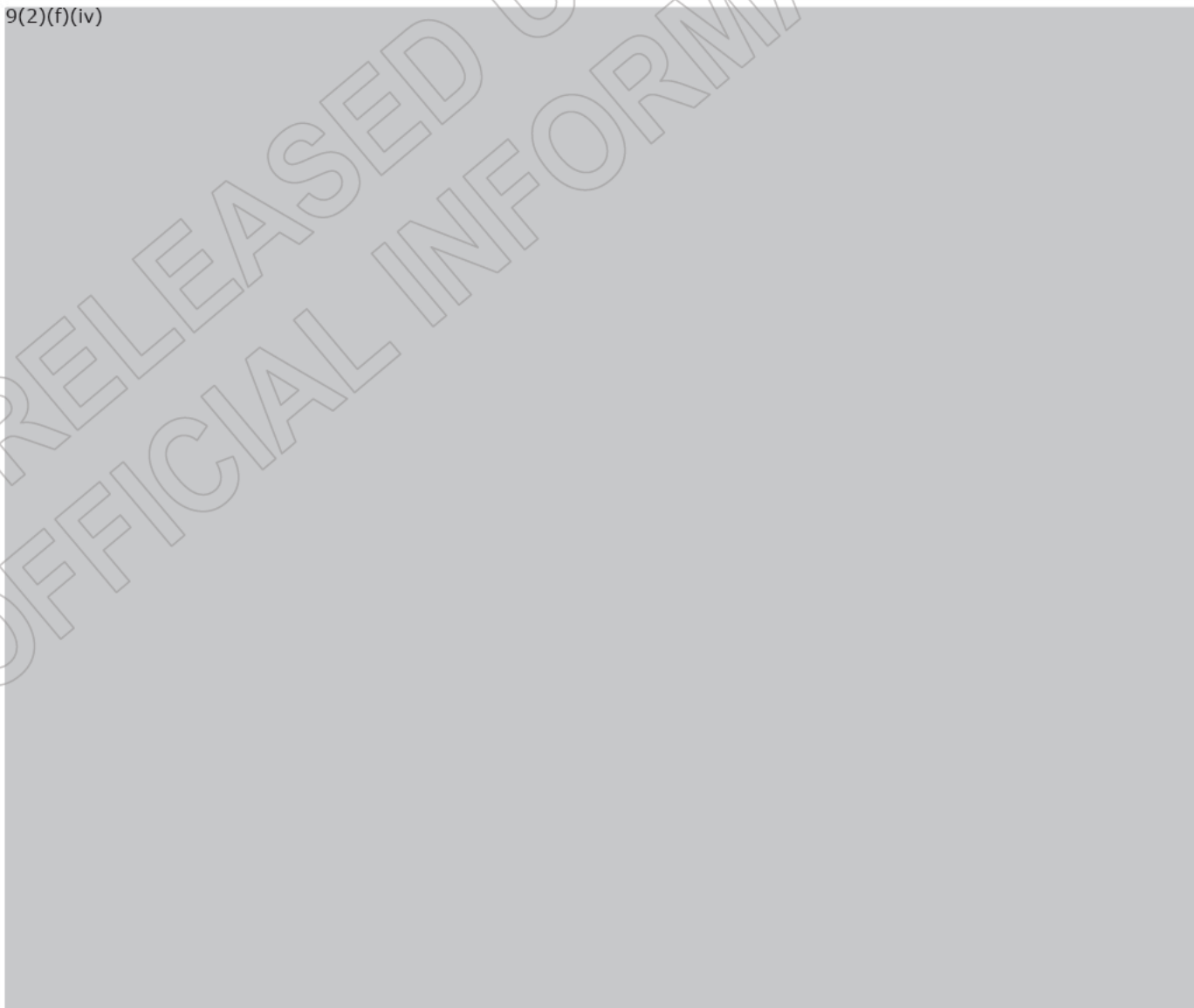
80 Alongside the review of hardship, we are continuing to progress work to improve the operational settings for hardship assistance. This work aligns with the objectives of the review outlined in paragraph 18 and has particular focus on reducing reliance on hardship assistance by providing case management support to clients with high and complex needs. This work includes:

- extending case management for high hardship assistance users to support the client's end-to-end needs and taking all of their circumstances into consideration

- developing a new service response for specific need types to triage some clients (who are not already in case management) to a dedicated team of experienced customer service representatives to have a more intensive conversation about their circumstances
- embedding best practice around manager sign off and client conversations
- building staff capability in processing hardship assistance to ensure consistency in practice and confidence in exercising discretion
- promoting Building Financial Capability services and redesigning the referral process to make it easier for clients and staff
- producing regular reporting on hardship assistance to monitor client outcomes for those in integrated case management
- exploring future improvements to our system to support staff with better access to information and to guide decision making
- conducting monthly sample quality checks for specific need types to inform future service response and guidance to staff
- strengthening supplier management processes, and building on these relationships, to support hardship assistance improvements
- strengthening operational linkages between frontline and staff to support capability and practice improvements.

81 We provided you with an update on this work on 2 July 2021 [REP/21/7/674 refers].

9(2)(f)(iv)



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Appendices

9(2)(f)(iv)

89 **Appendix Two:** Status quo recoverability settings

9(2)(f)(iv)

File ref: REP/21/7/703

Author: Out of scope Senior Policy Analyst, Income Support Policy

Responsible manager: Bede Hogan, Policy Manager, Income Support Policy

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Appendix Two: Status Quo recoverability settings

Status Quo		
Summary		
Currently there are 43 categories (excluding EHSNGs, and food). 23 categories are recoverable, 16 categories are non-recoverable and 4 categories are part recoverable and part non-recoverable.		
Recoverable	Non-recoverable	Part recoverable and part non-recoverable
<ul style="list-style-type: none"> • Driver licence • Assistance during initial stand-down and/or benefit application • Assistance when client is on strike for partners of people on strike with dependent children • Appliances and furniture (excluding whiteware) • Attendance at funerals and tangihanga • Beds (including cots, bassinets, and pepi-pods), chairs, and tables • Child restraints for motor vehicles and safety helmets • Electricity, gas, water • School costs • School stationary • Telephone installation • Travel for stranded clients • Bonds and rent • Car repairs • Clothing • Dentures and hearing aids • Essential home repairs • Fire loss and burglary (replacing essential items) • Glasses • Safety footwear • School uniforms • Tenancy tribunal fees • Fridges, freezers and washing machines (whiteware) 	<ul style="list-style-type: none"> • Bedding (if there is an illness that causes extraordinary wear and tear) or (an additional child has been incorporated into the family by way of birth or adoption) • Designated health practitioner assessment travel • Health travel costs (travel costs to a secondary health service recommended by a health practitioner) • Laser therapy for the removal of birthmarks • Vasectomies and abortions (travel, accommodation and surgery costs) • Wigs and hairpieces • Effluent treatment system maintenance and repair • Emergency dental treatment • Emergency medical treatment • Accompanying medical treatment overseas • Assistance for people who become sick or injured during a non-entitlement period • Civil defence payment for any person who is affected by a civil defence emergency or an adverse event to meet the cost of immediate needs • Clients transferring from a main benefit to NZS • Domestic violence programme for victims of domestic violence with a work visa who are applying or intending to apply for a residence class visa • International custody dispute payment for parents awaiting the outcome of an international custody dispute who have no other means of support and are in hardship • Water tank refills 	<ul style="list-style-type: none"> • Other emergency grants • Domestic violence-sole parents for sole parents who are victims of family violence and need to relocate • Long term patients (for people leaving hospital or residential care after 6months and re-establishing themselves in the community) • Ambulance subscription fees (both and SNG and a RAP/ADV)

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⁹ One off big costs of approximately \$500 or more.