



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

27 January 2021

Dear

On 31 August 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *Any reports or briefings received by the Minister for Social Development since 17 August 21*

I would like to extend my apologies for the long period it has taken to respond to your request for information.

It might also be helpful for me to explain that each week the Ministry publishes the titles of all reports we provide to the Minister for Social Development and Employment. Specifying the particular reports, or topics, you are interested in will help us in future requests. You can locate the titles at the following link: [Reports to the Minister for Social Development and Employment - Ministry of Social Development \(msd.govt.nz\)](https://msd.govt.nz/reports-to-the-minister-for-social-development-and-employment)

The attached document table outlines which documents are in scope of your request and enclosed, unless specified otherwise. The Ministry has interpreted your request for papers received by Hon Carmel Sepuloni in her Social Development portfolio. The email sent to you on 16 November 2021 outlined four further papers that the Ministry initially considered to be in scope. However, the Minister did not receive these papers in her Social Development portfolio. Therefore, these papers are not enclosed.

You will note that two documents are withheld under section 18(d) of the Act, as they will be released to the public soon. In addition, the Income Weekly Report is published on the Ministry's website at the following link: msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/weekly-reporting/index.html. Therefore, these reports are not enclosed.

During the August 2021 COVID-19 lockdown, the weekly Social Development and Employment Update (SDEU) was put on hold while the Ministry focussed its resources on supporting New Zealanders through COVID-19 by administering welfare support during the unprecedented time. As such, the Minister did not receive this paper from 17 August 2021 to 31 August 2021.

Some information is withheld under section 6(a) of the Act as if released, it would likely prejudice the international relations of the Government of New Zealand.

Some information is withheld under section 6(c) of the Act, where making that information available would be likely to prejudice the maintenance of the law, including the prevention, investigation, and detection of offences.

The names and contact details of some individuals are withheld under section 9(2)(a) of the Act, to protect the privacy of natural persons. The need to protect the privacy of these individuals outweighs any public interest in this information.

Some information is withheld as it is out of scope, such as Ministry staff names below tier 4.

Some information, including the document REP/21/8/838 – *Bilateral Meeting with Minister Davidson to discuss Budget 2022 Family Violence and Sexual Violence Longlist Initiatives*, 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.

Some information is withheld under section 9(2)(g)(i) of the Act, to protect the effective conduct of public affairs through the free and frank expression of opinions. The greater public interest is in the ability of individuals to express opinions in the course of their duty.

Some information is withheld under section 9(2)(j) of the Act, to enable the Ministry to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). The greater public interest is in ensuring that government agencies can continue to negotiate without prejudice. I do not consider there are any other reasons in the public interest which would outweigh the need to withhold this information.

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, 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



Magnus O'Neill
General Manager
Ministerial and Executive Services



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

No.	File number	Date	Document type	Title	Decision	OIA Section(s)
1.	REP/21/8/810	27/8/2021	Report	Wage Subsidy Scheme: quarterly update on our on-going approach to integrity	Release in part.	6(c)
2.	REP/21/8/835	9/8/2021	Aide-memoire	Meeting with Zespri and NZ Kiwifruit Growers Incorporated	Release in part.	9(2)(a) Out of scope
3.	REP/21/8/854	19/8/2021	Report	Strengthening Oversight of the Oranga Tamariki System Programme – Monthly Progress Update – July 2021	Release in full.	N/a.
4.	REP/21/8/860	24/8/2021	Aide-memoire	Meeting with the Carers Alliance – 26 August 2021	Release in part.	9(2)(a) 9(2)(f)(iv) Out of scope
5.	REP/21/8/867	19/8/2021	Report	Changes to the Ministry of Social Development's operating model in response to the move to Alert Level 4	Release in full.	N/a.
6.	REP/21/8/872	20/8/2021	Report	Ministry of Social Development: Performance Exceptions Report as at 30 June 2021	Release in full.	N/a.
7.	REP/21/8/873	26/8/2021	Report	Timing of engagement for Working for Families and Accommodation Supplement Review	Release in part.	9(2)(a) 9(2)(f)(iv) Out of scope
8.	REP/21/8/874	19/8/2021	Aide-memoire	Cabinet discussion on change in Alert Levels	Release in part.	9(2)(f)(iv)
9.	REP/21/8/875	19/8/2021	Aide-memoire	Ministerial meeting with Iwi Chairs	Release in part.	Out of scope
10.	REP/21/8/877	20/8/2021	Report	Monthly Housing Register Management Report - 30 July 2021	Release in part.	Out of scope

No.	File number	Date	Document type	Title	Decision	OIA Section(s)
11.	REP/21/8/878	20/8/2021	Aide-memoire	One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu	Release in part.	6(a) 9(2)(f)(iv) 9(2)(j) Out of scope
12.	REP/21/8/881	23/8/2021	Aide-memoire	Discussion on access to food and other social services during lockdown	Release in full.	N/a
13.	REP/21/8/886	23/8/2021	Memo	Legal framework and integrity measures for the Wage Subsidy August 2021	Release in part.	6(c)
14.	REP/21/8/887	24/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
15.	REP/21/8/889	24/8/2021	Joint Report	Wage Subsidy August 2021 scheme: Revenue test period	Withhold in full.	18(d)
16.	REP/21/8/891	20/8/2021	Treasury Report	COVID-19 Wage Subsidy August 2021 Scheme: Second payment	Withhold in full.	18(d)
17.	REP/21/8/892	25/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
18.	REP/21/8/896	26/8/2021	Aide-memoire	Housing provider meeting, Thursday 26 August	Release in part.	Out of scope
19.	REP/21/8/901	26/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
20.	REP/21/8/906	27/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
21.	REP/21/8/908	27/8/2021	Aide-memoire	Update: One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu	Release in part.	6(a) 9(2)(f)(iv) 9(2)(g)(i) 9(2)(j) Out of scope
22.	REP/21/8/914	30/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
23.	REP/21/8/922	31/8/2021	Aide-memoire	Update: One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu	Release in part.	6(a) 9(2)(a) 9(2)(f)(iv)

No.	File number	Date	Document type	Title	Decision	OIA Section(s)
						9(2)(j)
24.	REP/21/8/923	31/8/2021	Report	COVID-19 Update and Responses to Date	Release in part.	9(2)(a)
25.	REP/21/8/926	31/8/2021	Aide-memoire	Meeting with representatives of the National Beneficiaries Advocacy Consultative Group (NBACG)	Release in part.	9(2)(a) 9(2)(f)(iv)
26.	N/a.	20/8/2021, 27/8/2021	Income Weekly Report	Income Weekly Report	Withhold in full.	18(d) https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/weekly-reporting/archive/index.html



Report

Date: 27 August 2021

Security Level: IN CONFIDENCE

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

Wage Subsidy Scheme: quarterly update on our on-going approach to integrity

Purpose of the report

- 1 This report provides an update on the Ministry of Social Development's (MSD) approach to integrity of the Wage Subsidy Schemes (WSS).
- 2 This is the fifth quarterly report (to 30 June 2021).

Executive summary

- 3 Wage Subsidy investigations are ongoing, and enforcement and recovery decisions are being taken.
- 4 Work to address recommendations made by Audit NZ and the Office of the Auditor-General (OAG) has commenced, and initial results are expected in three months.
- 5 Integrity settings for the Wage Subsidy August 2021 scheme (WSSAUG21) are as per those for the Wage Subsidy March 2021 scheme (WSSMAR21), and include improvements made following receipt of the OAG recommendations.
- 6 The next quarterly report, to 30 September 2021, will be due October 2021.

Recommended actions

- 7 It is recommended that you:
 - a) **note** our continuing approach to WSS integrity, as outlined in this report
 - b) **agree** to forward a copy of this report to the Minister of Finance.

agree / disagree


Viv Rickard
DCE Service Delivery


Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

Integrity of the Wage Subsidy Schemes

8 In June we advised you that:

- the establishment of WSSMAR21 saw Fraud Intervention Services (FIS) staff diverted from progressing on hand WSS investigations and benefit integrity work to support the payment and integrity of new applications
- around 45 FIS staff (out of around 100 investigators) continue to manage ongoing WSS work
- the balance of these staff have returned to benefit integrity work, including reviewing cases that were paused during COVID-19
- work was underway to address recommendations made by Audit NZ and the OAG, and that this would inform future integrity work across the schemes
- investigations into WSS misuse are ongoing.

9 Appendix 1 provides the quarterly WSS integrity programme volumes. This is point in time operational data which is subject to change as case information or reporting processes are updated.

We continue to balance Wage Subsidy and benefit system integrity work.

10 Since early 2021 we have been gradually transitioning investigators back to benefit integrity work.

11 Around 1,000 benefit investigations were paused from March 2020, however investigations of serious fraud and those nearing prosecution stages continued. To support the transition back to benefit integrity work, we have been reassessing these cases, and new allegations received, and responding accordingly.

12 Prior to WSSAUG21, our pool of around 100 FIS investigative staff were allocated as follows:

- around 60 investigators are focused on progressing WSS investigations
- around 40 investigators are managing benefit integrity work.

13 With the initiation of WSSAUG21, we have had to quickly revert investigator resources into supporting pre-payment integrity checks for large employer applications, and integrity checks for previously identified risk areas. We are also responding to allegations relating to WSSAUG21.

14 The Ministry will continue to progress key Wage Subsidy and benefit investigations and will transition further staff back on to this work depending on the workload associated with WSSAUG21.

15 The Ministry is considering recruitment of additional investigators to support ongoing demands.

Work is underway to provide further assurance over the WSS integrity programme.

16 Audit NZ and OAG made recommendations in their assessments of the WSS to seek further assurance over our integrity programme, including:

16.1 that the Ministry seek positive confirmation (which could be targeted towards larger or risk-indicated recipients) that recipients confirm compliance with eligibility criteria and obligations

16.2 that the Ministry sample clients with whom we did a random post payment integrity check to seek documentary confirmation that they met the criteria.

17 From July 2021, work began to address these recommendations. A sample of 1,000 early Wage Subsidy recipients, and weighted towards larger employers, were contacted by email to confirm their eligibility and compliance with obligations for the subsidy received. A further sample of 339 early Wage Subsidy recipients (representing 486 applications), who were subject to random post-payment integrity

checks, are being contacted to discuss their eligibility and asked to provide documentary evidence to confirm their entitlement.

- 18 Nine Inland Revenue (IR) staff have been seconded to MSD to assist with this work, until September 2021.


Investigations into Wage Subsidy misuse are ongoing.

- 19 As at 20 August 2021, there were 1,058 WSS cases referred for investigation of which 541 have been resolved. Further cases may be referred for investigation because of WSSAUG21 integrity work.
- 20 We continue to work with Police to gather evidence to support investigations, via production orders as provided for in the Search and Surveillance Act 2012.
- 21 The WSS Recovery and Response Panel (the Panel) was convened from 22 February 2021. All cases referred to the Panel have been reviewed by MSD's Principal Lawyer and by Crown Solicitors, Meredith Connell.
- 22 MSD takes civil proceedings against applicants in cases where they were not entitled to the wage subsidy and have not repaid it. This may arise where there is no suggestion of criminal behaviour or the threshold for proving criminal behaviour (beyond reasonable doubt) cannot be made based on the evidence.
- 23 MSD takes criminal proceedings against applicants where the evidential sufficiency and public interest tests for criminal prosecution as set out in the Solicitor-General's guidelines have been met.
- 24 Decisions will continue to be made as further investigations are finalised.

Integrity settings for the Wage Subsidy August 2021 payment are as per the March 2021 payment.

- 25 MSD has continually improved integrity settings for the WSS and for each subsequent scheme since its inception in March 2020. This has included enhancing integrity check processes.
- 26 Integrity improvements made for WSSMAR21, including to address the recommendations made by the OAG, are being applied to WSSAUG21.
- 27 These settings were outlined to you in the memo *Legal framework and integrity measures for the Wage Subsidy August 2021*, dated 23 August 2021 (REP/21/8/866).

28 s6(c)



Next steps

- 29 The next quarterly report, to 30 September 2021, will be due October 2021.
- 30 MSD will continue to verbally update you on WSS integrity work at MSD Officials meetings.

File ref: REP/21/8/810

Author: Brett Davies, Team Manager Information and Advice, Integrity and Debt
Manager: Warren Hudson, General Manager, Integrity and Debt

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Appendix 1: Quarterly WSS integrity reporting update*

**This is point in time operational data which is subject to change as case information or reporting processes are updated*

	As at Friday 26/06/20	As at Friday 25/09/20	As at Friday 18/12/20	As at Friday 30/04/21	As at Friday 25/06/21
Total integrity checks resolved	7,448	9,760	11,172	11,517	11,614
Pre-payment integrity checks completed (80+ employees)	1,725	1,789	1,789	1,848	1,849
Pre-payment exception checks completed (WSX/WSR/WSSMAR21)	Nil	1,502	2,075	2,558	2,602
Post-payment checks completed (random and targeted)	5,723	6,469	7,308	7,111	7,163
Total complaints (MSD, MBIE, IR)	8,269	11,123	11,824	12,230	12,401
MSD complaints received	2,690	4,095	4,631	4,910	5,022
MSD complaints resolved	1,366	3,124	4,534	4,897	5,003
Referred for investigation	449	802	982	1,028	1,041
Investigations resolved	Nil	253	415	477	518
Total refunds requested	11,990	18,259	20,363	22,286	22,777
Employer-initiated refunds requested	11,354	16,842	17,962	19,318	19,624
MSD-initiated refunds requested	636	1,417	2,401	2,968	3,153
Value of refunds requested	\$309.7m	\$478.1m	\$594.7m	\$813.1m*	\$778.5m
Repayments received	7,146	15,714	16,467	17,904	18,414
Value of refunds received	\$210.3m	\$461.5m	\$544.1m	\$705.2m	\$724.8m

* An error occurred in the recording of refunds resulting in figures being overstated. This has been rectified, including in refund data on MSD's website.

Aide-mémoire



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

Meeting

Date: 9 August 2021 **Security Level:** In confidence

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

File Reference: REP/21/8/835

Meeting with Zespri and NZ Kiwifruit Growers Incorporated

Visit details 12.00pm – 12.30pm, Thursday 2 September 2021, Zoom Teleconference

Zoom Details:
s9(2)(a)

Expected Attendees

Dan Mathieson – Zespri Chief Executive Officer
Carol Ward - Zespri Chief Grower, Industry and Sustainability Officer
Michael Fox - Zespri Director of External Relations
Amy Porter - Zespri Māori and Community Relations Manager
Colin Bond - New Zealand Kiwifruit Growers Incorporated Chief Executive Officer
Ruth Isaac, General Manager for Immigration and Employment, Ministry of Business, Innovation and Employment
Megan Beecroft, Manager Employment Policy, Ministry of Social Development

Purpose of Visit	Zespri and New Zealand Kiwifruit Growers Incorporated (NZKGI) have asked to meet to discuss immigration impacts on the industry as well as provide an update on how the New Zealand kiwifruit season is tracking.
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Relationship with MSD	<p>MSD have a positive relationship with Zespri, primarily with their audit and compliance team. We share information aimed at identifying those employers who do not meet “good employer” practices, in an attempt to uplift the standards of employment practice across the sector. Zespri share with MSD those employers they have found not to meet the standards, so that in turn clients are not referred to them.</p> <p>At an operational level, the Ministry works more closely with New Zealand Kiwifruit Growers Incorporated (NZKGI), which is housed in the same offices.</p> <p>NZKGI and the Bay of Plenty region are actively involved in the Labour Utilisation Group (which meets monthly) to assess and come up with actions to address attraction and retention of staff in the industry. This group is led by NZKGI and its membership includes both packhouses and orchard-based contractors.</p> <p>The new CEO of NZKGI, Colin Bond, has on a number of public occasions, stated how positive the relationship with MSD is. Currently NZKGI is collating the results of a survey of workers from last season to see what they regard as the positives and negatives of working within the industry. The Bay of Plenty region are also working with NZKGI’s Training and Education group to introduce Virtual Reality training to help speed up skills acquisition (particularly in the orchards).</p>
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Key issues

Perceived labour shortages

While employers are reporting skill and labour shortages, there is still slack in the labour market and it is likely that labour markets are facing unique complexities.

There are more individuals looking for work than the official measure of underutilisation suggests. We have not seen a significant change to employer’s behaviour across sectors (for example through making jobs more attractive by offering increased wages or better conditions of work). Annual wage growth is at 2.1 per cent, which is below the 10-year average (based on average ordinary time hourly earnings).

Workforce Retention

It is expected that Zespri and NZKGI will raise concerns around workforce retention in the industry. The issue of workforce retention is complex and includes issues regarding absenteeism, mental health, and poor pay and working conditions among horticulture and viticulture workers.

The Bay of Plenty region, in particular, as part of the Labour Utilisation Group working group, raised issues with retention and absenteeism as top of the agenda for a recent meeting.

Feedback received from industry is that absenteeism in the Bay of Plenty region was consistent across the board, affecting New Zealanders, those on work visas and Recognised Seasonal Employer (RSE) employees. Employers maintain that reliable workers are retained for winter pruning/repacking work.

NZKGI have advised that there was a 16% average absenteeism at any point in time across multiple regions, and that the issue was worse in packhouses than orchards.

There are a number of strategies that good employers are implementing to attract and keep workers:

- Providing transport options
- Paying the living wage as a starting point. Some employers are paying a bonus for staff who stay for the whole season.
- Providing flexible working hours
- Assisting with accommodation solutions and offering discounted accommodation
- Some larger companies are beginning to be less reliant on contractors and building their own teams of local orchard workers
- Partnering with MSD on possible solutions to attract and retain workers
- Identifying options to make New Zealand staff permanent and providing training and upskilling for staff
- Investigating how new technology may be able to assist with solutions in the future
- Providing pastoral care to all workers; including provision of sports activities, ice blocks, barbecues
- Some employers are offering cadetships.

Regional feedback clearly demonstrates that employers that treat their workers well often have higher rates of job retention. MSD continues to encourage employers to establish equity of pay and conditions between New Zealanders and other groups, including RSE workers. Employers are encouraged to offer transport, training, accommodation and pastoral care elements as strategies to grow and retain the New Zealand workforce.

Immigration impacts on industry

Border closures have caused disruption to labour supply for the horticulture and viticulture industries. Most significantly this has been due to the large reduction in numbers of Working Holiday Visa holders but also due to the disrupted flows of RSE workers.

However, numerous immigration policy changes have been made to allow greater flexibility within the RSE scheme, including the ability for RSE workers to stay in New Zealand on successive visas (rather

than the normal 7-month limit). Two RSE border exceptions have also been agreed to for RSE workers, the first enabled entry of over 2000 workers earlier this year (the largest border exception granted) and the Prime Minister recently announced the Government's intention to pursue quarantine-free travel for RSE workers from Samoa, Tonga and Vanuatu.

The industry has had to manage a significant reduction in the number of RSE workers coming through the border.

This has provided us with the opportunity to think innovatively as to how we can place more New Zealanders into seasonal work. Supporting New Zealanders into long-term sustainable employment is a top priority for this Government.

The horticulture and viticulture sectors are expecting strong growth over the next few years, and it is now a critical time for the sector to tap into domestic labour supply and ensure there are good pathways for New Zealanders to upskill and gain better sustainable employment opportunities.

This comes with labour market challenges. The industry needs to be prepared to recruit, train, and upskill New Zealanders for roles in seasonal employment.

The barriers that New Zealanders face when entering into seasonal work need to be addressed, including improved work and pay conditions, providing transport, training, accommodation and pastoral care to support more New Zealanders into the horticulture and viticulture industry.

Insights from the Regional Skills Leadership Groups

The kiwifruit sector is the largest horticulture subsector for the Bay of Plenty providing the bulk of the country's production and represents the largest horticulture employer in the region. Kiwifruit exports are worth \$2.3 billion per year (2019) to the New Zealand economy and 80% are produced in the Bay of Plenty.

Parts of the kiwifruit sector has put recent effort to shift reliance away from migrants and onto locals. This is mitigating the effect of the border closure to some extent. This means kiwifruit is faring better than other sectors in the region.

Over 70% of the Kiwifruit sector's permanent staff are locals. This is a change for the sector and now they are working to replicate the same rebalancing within its seasonal workforce. This is happening through a number of initiatives such as career progression co-ordinators and an attraction strategy.

Flexible approaches to working are being investigated to better leverage the in-region domestic labour pool. Various mechanisms are being considered to better utilise the people who currently work in the sector. This includes multiemployer contracts, banked hours,

and re-structuring semester breaks to allow tertiary students to line up with seasonal demand.

**Response to
labour
shortages**

The recent announcement around seasonal workers from Tonga, Samoa and Vanuatu being able to come to New Zealand without having to go into managed isolation from September will help to address some of these labour issues.

MSD has implemented a number of initiatives in partnership with the horticulture and viticulture industries to increase the number of New Zealanders undertaking seasonal work.

New Zealand Seasonal Work Scheme (NZSWS)

NZSWS supports people who want to take up seasonal horticulture or viticulture work of 6 weeks or more and require support. The Seasonal Work Scheme is made up of three types of support, and someone can receive more than one type, depending on their situation. It includes supporting New Zealanders to relocate to a seasonal region, along with accommodation payments, payments for gear or equipment required for the role, daily transport costs and an incentive payment (for work of 6 weeks or longer).

Since the scheme was relaunched in November 2020 over 500 New Zealanders have received assistance under the scheme to take up seasonal work. MSD has also expanded eligibility for transport assistance under the NZSWS, which allows for more locals to take up seasonal work.

Seasonal Work Assistance Payment (SWAP)

SWAP provides financial assistance for seasonal workers who are no longer getting a benefit and have lost wages because of work missed due to bad weather. Someone may receive Seasonal Work Assistance if:

- they stopped getting a benefit within the last 26 weeks to go into seasonal horticultural work;
- have lost wages because they could not work due to bad weather; and
- are a New Zealand citizen or permanent resident.

For the 2021 Financial Year 1,736 grants have been paid totalling \$451,507. For the 2020 Financial Year 845 grants have been paid totalling \$140,558. For 2021, the highest user of the scheme was the Bay of Plenty region with 980 grants, followed by Northland (320 grants) and East Coast (232) grants.

MSD is currently reviewing the NZSWS and the SWAP.

Work the Seasons website

MSD also supports the Work the Seasons website which connects New Zealand jobseekers with seasonal employers and accommodation options across New Zealand.

Ultimately, improvements to job retention will come from industry, with support from government. MSD looks forward to seeing more industry-led solutions to the challenges facing the industry.

MSD continues to work proactively with the horticulture and viticulture industry at a national and regional level. We will continue to support possible solutions to the retention of workers.

Author: Out of scope , Advisor, Issue Resolution

Responsible manager: Bridget Saunders, Manager, Issue Resolution

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Report

Date: 19 August 2021

Security Level: IN CONFIDENCE

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

Strengthening Oversight of the Oranga Tamariki System Programme – Monthly Progress Update – July 2021

Purpose of the report

- 1 This report provides you with a progress update for the Strengthening Oversight of the Oranga Tamariki System Programme for the period ending 31 July 2021.
- 2 Key points of interest are included in this cover report with a summary provided in the attached A3.

Recommended actions

- 3 It is recommended that you:
 - 3.1 **note** the contents of this Strengthening Oversight of the Oranga Tamariki System Programme Monthly Progress Update which covers May 2021.

YES / NO

Arran Jones
Executive Director, Independent Children's Monitor

Date

Hon Carmel Sepuloni
Minister for Social Development and Employment

1 September 2021

Date

Summary and key points of interest

Programme summary

- 4 Overall programme status is on track.
- 5 We have completed the six community visits that will inform our first report on the full National Care Standards, which is due with the Minister for Children in November.
- 6 We have now commenced our late July visit to Nelson and are well underway for our August visit to North/West Auckland. Planning has also now begun for our next block of scheduled visits to Canterbury and Te Tai Tokerau later this year.
- 7 We have started planning the transition of the Monitor from MSD to be hosted by ERO and have held initial meetings with the ERO Chief Executive and Deputy Chief Executive Corporate Services, and the Ministry's Programme Sponsoring Group now includes the Chief Executive of ERO.

Policy/Legislation workstream

- 8 Work continues on the revised version of the Bill and LEG paper to go to Cabinet prior to introduction. A draft LEG paper, and Version 21.1 of the Draft Oversight of Oranga Tamariki Bill was circulated for agency consultation on 2 August 2021.
- 9 Version 21.1 of the Bill has been provided to the Ministry of Justice, to be vetted in accordance with the New Zealand Bill of Rights Act 1990.
- 10 Following consideration of agency feedback, a further draft will be provided to Ministers, before the LEG paper is lodged in early-mid September

Independent Children's Monitor monitoring and establishment workstreams

Monitoring Operations

- 11 During the first half of 2021, community visits were completed in Gisborne/Tairāwhiti, West Coast, Porirua/Kapiti, Kaitiaki and Mangere/Otahuhu. We received a positive response from these communities and there were many groups willing to connect and share their experiences. Across the six visits we engaged with over 700 people. Feedback has now been delivered to all of the Oranga Tamariki sites visited and analysis of the combined qualitative data gathered from these communities has begun for the Monitor's Annual report.
- 12 Oranga Tamariki delivered their response to the Monitor's information request on 16 August 2021. We provided this information request to Oranga Tamariki in March, to provide a view of their compliance with all of the National Care Standards for the 2020/21 reporting period. We made the request in lieu of Oranga Tamariki having established their own self-monitoring system and measures for the National Care Standards. Oranga Tamariki previously advised that would be able to respond to 107 queries, or 64% of the information request. The majority of their response is based on information found through case file analysis with some additional information from financial information's and other business reporting. The other three monitored agencies (Dingwall, Barnardos and Open Home Foundation) have also provided their responses. Analysis of the requested data will be undertaken in the coming weeks in preparation for the Monitor's Annual Report.
- 13 Our late July visit to Nelson has commenced and teams are meeting with a variety of organisations and people to hear their experiences in the community of the Oranga Tamariki system. Planning for the August scheduled visit to West/North Auckland is well underway. Preparation for the October/November visits to Canterbury and Te Tai Tokerau has begun and planning is in its early stages.

Key engagements and communications

- 14 The July meeting with Te Kahui focussed on the current version of the drafted legislation, and their feedback. Discussions were also held on updates for our Monitoring visits and approach.
- 15 The Executive Director, Chief Monitor and Manager of Corporate, Strategy and Insights met with the Chief Executive of ERO to commence discussions around how the Monitor and ERO will work together before, during and after the Monitor's transition. ERO has also been included in the Monitor's Programme Sponsoring Group and will provide ongoing input into the Monitor's oversight programme.

IT infrastructure and information management establishment requirements

- 16 Work to develop the data and analytics platform was not completed in the last quarter. MSD are currently prioritising work for the next quarter. Although having the platform in place is not critical to completing our next report, it will make the analysis of information more efficient.
- 17 At a time suitable to ERO, the Monitor will begin working on a process of discovery on the systems and support that they currently have. This work will have two goals – the first to refine the future state for the Monitor and the second to map out transition steps, timeframes and interim processes or systems that are needed before or during the transition.

- Attached as Appendix One is the Monthly Progress Update A3 for the period ending July 2021.

File ref: REP/21/8/854

Author: (Arran Jones, Executive Director, Independent Children's Monitor)

Responsible manager: (Stephen Crombie, Deputy Chief Executive, People and Capability)

Aide-mémoire



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

Meeting

Date: 24 August 2021 **Security Level:** IN CONFIDENCE

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

File Reference: REP/21/8/860

Meeting with the Carers Alliance – 26 August 2021

Meeting/visit details 9:00am – 9:45am, 26 August 2021

The meeting is to be held over Zoom.

s9(2)(a)

Expected attendees

Hon Andrew Little, Minister of Health

Janine Stewart, IHC, Co-Chair Carers Alliance

Catherine Hall, Alzheimers NZ, Co-Chair Carers Alliance

Laurie Hilsген, Carers NZ CEO; Secretariat of the Carers Alliance

Vivienne Jenner, Policy Manager, Social Sector, Ministry of Social Development

Adri Isbister, Deputy Director-General, Disability, Ministry of Health

Purpose of meeting/visit

The Carers Alliance has regular scheduled meetings with the Minister for Social Development and Employment and the Minister of Health.

For this meeting the Alliance will likely want to discuss the recent COVID-19 community outbreak and what this means for carers.

They have also indicated to your office that it would like to discuss:

- progress around their key priorities for *Mahi Aroha: Carers' Strategy Action Plan 2019-2023*
- an update on young carers
- initial results from their State of Caring survey.

As the Minister of Health will also be attending this meeting, we recommend sharing this briefing with his Office.

Background

The Carers Alliance is a collective of approximately 50 not-for-profit organisations seeking progress for family, whānau and āiga carers. Carers NZ acts as the Secretariat for the Alliance.

The Carers Alliance is a partner in the development and delivery of *Mahi Aroha: Carers' Strategy Action Plan 2019-2023* (launched in December 2019). It has been involved with the development of all three action plans and the Carers' Strategy (launched in 2008).

Key talking points

In your meeting with the Carers Alliance, you could:

Acknowledge the efforts of the Carers Alliance to support carers during COVID-19 alert level changes.

Advise that the Ministry of Social Development (MSD) has updated their online COVID-19 information for carers to help ensure carers can access information about support during the pandemic.

Ask what the emerging issues are for carers from the move to Alert Level Four.

Advise that officials are working to ensure that the Alliance's request for a letter enabling carers to travel flexibly during Alert Level Four is considered by relevant decision-makers.

Affirm that the Government is committed to progressing *Mahi Aroha* actions relating to the Carers Alliance's four priorities of:

- respite
- flexible funding models
- carer payment, and
- continence support.

Affirm your support for the work that Carers NZ is doing to improve understanding of young carers and their needs.

Affirm that the Young Carers Leadership Group will be an important resource for the Government as it scopes work to better identify and support young carers.

Acknowledge the initial findings from the State of Caring survey and the issues that it has raised.

Advise that officials will take the results of the State of Caring survey into consideration in the implementation of *Mahi Aroha*.

The Government's carer-related response to the recent COVID-19 outbreak

During the first COVID-19 lockdown, carers faced additional challenges

During the first lockdown in March – May 2020, the Carers Alliance surveyed almost 700 carers about their experiences. Survey insights suggested that the first lockdown intensified existing challenges for carers, with the closure of day programmes and respite services resulting in reduced opportunities to take breaks and experiences of burnout. Carers also reported difficulties in accessing supplies such as food and Personal Protective Equipment (PPE), financial pressures due to increased spending on household costs, and employment impacts including the need to reduce paid work hours due to the closure of services.

Following the recent alert level change, MSD has updated their COVID-19 information for carers

To ensure that carers are kept up to date with key changes across the welfare and social sector, MSD has updated their online COVID-19 information for carers. The information includes advice on topics such as financial support for carers who work and access to food and other essentials. MSD will continue to update this information to ensure that it remains current.

The Mahi Aroha Working Group will be meeting weekly during the lockdown to discuss carers issues

This will provide the opportunity for the Carers Alliance to raise any issues for carers emerging from the pandemic, and for Mahi Aroha partners to work together to look at solutions.

The Alliance's response to the recent COVID-19 outbreak

The Alliance is seeking formal recognition of carers as an essential service/workforce, to enable them to travel more flexibly during Alert Level Four

The Alliance has raised concerns that carers who support people with complex care needs may rely on travel to support the person that they are caring for (for example, taking them for a drive may help to calm them down if they are experiencing behavioural issues). The Alliance wants to provide these carers with a letter that they can use if stopped by Police, to verify that they are an essential worker travelling for a legitimate purpose.

To respond to the Alliance's concerns, MoH officials are working to ensure that the Alliance's request is considered by relevant decision-makers, such as the COVID-19 All-of-Government Response Group.

The Alliance is continuing to support carers through We Care Kiwi, and also plan to hold wellbeing workshops

We Care Kiwi is an initiative developed by Carers NZ and IHC that focuses on strengthening companionship, community participation and support for carers, including when people are unable to access their usual services during COVID-19 lockdowns. MSD provided funding last year to assist with ongoing work to add new community participation capability to the We Care Kiwi website and repurpose We Care Kiwi as an online gateway to sources of connection and support.

Following the change in alert levels, We Care Kiwi has been providing carers with access to check-ins and practical help from IHC's Police vetted volunteers. The Alliance has also indicated plans to run wellbeing workshops through We Care Kiwi over Zoom if the lockdown is prolonged.

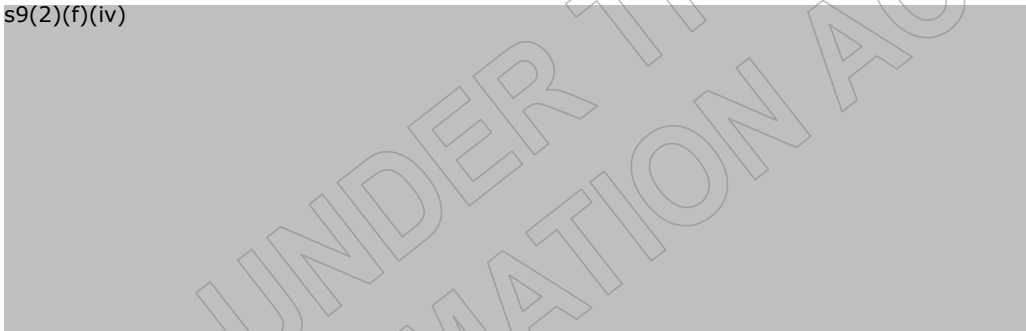
**The Alliance's
priorities in
Mahi Aroha**

The Carers Alliance has indicated that they consider that progress towards their key priorities is tracking well

In a previous report we advised you that the Carers Alliance was concerned with the apparent lack of progress the Government had made in *Mahi Aroha* relating to their priorities of respite, flexible funding models, carer payment and continence support. The Carers Alliance co-chairs have since met with senior MoH and district health board managers to discuss concerns.

Ahead of your meeting with the Alliance today, the Alliance confirmed that they now consider progress to be tracking well. Monthly updates on the MoH's progress towards the Carers Alliance's priorities are being provided to your office.

s9(2)(f)(iv)



Following its 12 August meeting, the Alliance has added as a new priority advocating for a Minister or Commissioner for Carers

This may come up in the Alliance's discussions with you.

Young carers

The Alliance has indicated it would like to discuss young carers with you

Young carers are carers under the age of 25. Because of their age, young carers can experience unique challenges. Caring can impact on their participation in school and study, their transition into paid employment, and other usual things children and young people do. It can also have significant impacts on young people's mental health.

MSD is currently undertaking workshops with Mahi Aroha partners to better understand the challenges facing young carers and opportunities to address these

To help build cross-agency engagement for this work, MSD has been hosting a series of workshops. Representatives from government agencies, as well as a former young carer and previous leader of Young Carers NZ, have been attending these.

This is complementary to work Carers NZ has done to establish a Young Carers Leadership Group and to survey young carers

The Young Carers Leadership Group has been established to help ensure that there is a voice for young carers in policy development and decision-making. The group includes eight current young carers from across New Zealand aged 13-22 and the first meeting is currently being planned.

The leadership group will be an important resource for *Mahi Aroha* partners. MSD provided \$21,000 in funding to help support the establishment of the group.

Carers NZ has also undertaken a survey on the kinds of activities that young carers undertake in their caring role. Analysis of the resulting data will be available soon and will help to inform the scoping work of *Mahi Aroha* partners.

**State of
Caring survey**

The Alliance would like to discuss the progress and results of its State of Caring survey with you

The Alliance has been running a State of Caring survey to help build a picture of New Zealand carers. The survey is expected to be open until October 2021.

Emerging issues from the survey results include:

- the financial impacts of caring
- the vulnerability of working carers
- carers' poor mental health.

These issues are recognised in *Mahi Aroha*, and findings from the survey will help inform relevant actions. There is some work already underway related to these issues, including:

- the implementation of the CareWise programme to assist workplaces to become carer friendly. CareWise is run by Carers NZ, with funding support from MSD.

- s9(2)(f)(iv)

In response to your concerns about ensuring responses are representative of the diverse populations involved in caring, MSD funded the Alliance \$8000 to specifically target Māori and Pacific populations

The Carers Alliance has advised that it intends to use this funding to carry out engagement activities with Māori and Pacific communities in the last six to eight weeks of the survey.

Author: Out of scope, Policy Analyst, Social Sector policy

Responsible manager: Vivienne Jenner, Policy Manager, Social Sector Policy



Report

Date: 19 August 2021

Security Level: IN CONFIDENCE

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

Changes to the Ministry of Social Development's operating model in response to the move to Alert Level 4

Purpose of the report

- 1 This report provides information on a number of changes the Ministry of Social Development (MSD) has begun making to its operating model in response to New Zealand's recent move to Alert Level 4.

Recommended actions

It is recommended that you:

- 1 **note** that the Ministry of Social Development's service centres across the country are now closed to public access, with client services provided online or on the phone instead
- 2 **note** that the Ministry of Social Development has begun making a number of operational changes (as outlined in Appendix One) in response to the move to Alert Level 4
- 3 **note** that officials are looking at what further changes to the operating model may be required should there be an extension to the lockdown period.


Viv Rickard
DCE Service Delivery
Ministry of Social Development

19/08/2021
Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

New Zealand is currently at Alert Level 4

- 2 New Zealand is currently at Alert Level 4 following the recent COVID-19 cases in Auckland. MSD service centres across the country are now closed to public access, with client services provided online or on the phone instead.
- 3 The benefit system remains available for those requiring financial assistance and MSD is also continuing to administer the COVID-19 Wage Subsidy Scheme, COVID-19 Leave Support Scheme and the COVID-19 Short-Term Absence Payment during this period.

MSD will be making changes to its operating model in response to the move to Alert Level 4

- 4 To manage demand for our services during this period and ensure people can continue to access support, MSD has begun making a number of changes to its operating model in line with the changes made during the first lockdown in March 2020. These changes include:
 - 4.1 Deferring reviews of clients' circumstances
 - 4.2 Streamlining application and verification processes, and
 - 4.3 Removing the need for existing clients to provide medical certificates to continue their eligibility for a main benefit.
- 5 Appendix One provides a table outlining the various operational changes MSD has begun implementing from 18 August 2021.
- 6 No regulatory changes are required to implement these changes as MSD has the discretion to do so. Officials also do not anticipate there will be any material fiscal impact as these changes are largely about maintaining support for clients who are already entitled to financial assistance from MSD.

Further changes may be required if the lockdown is extended

- 7 While the current lockdown has been announced for seven days in Auckland and the Coromandel region, and three days for the rest of the country, there is a possibility that the lockdown measures may be extended beyond this period.
- 8 Officials are currently looking at what further changes may need to be implemented should there be an extension to the lockdown period, such as looking at changes to the Temporary Additional Support reapplication requirement and the 52-week reapplication requirement for Jobseeker Support and Sole Parent Support. Note that these changes may require urgent regulatory changes.

Next steps

- 9 Officials will continue monitoring the situation and will provide further advice on any other changes that need to be made to MSD's operating model as and when required.

File ref: REP/21/8/867

Appendix One - High level options and advice for pausing work during COVID-19 Alert Levels

From Day One:

Topic	Description	Rationale
Processing standards	MSD is reverting to the processing standards that were used previously under Alert Level 4. This enables staff to: <ul style="list-style-type: none"> accept supporting documents submitted verbally and electronically (e.g. email) complete forms on a client's behalf use existing evidence already held for known clients clients applying for ongoing assistance only need to provide verification for their legal name (including partner and children) and bank account where we do not already have the verification. 	To enable our people to focus on assisting with other essential support during Alert Level 4.
Appointment of Agent Requests and Redirection of Benefit Payment Requests	Reverting to the Alert Level 4 process, so that clients can request appointment of an agent or add a redirection of benefit payment over the phone or electronically (by email).	To enable our people to focus on assisting with other essential support during Alert Level 4.
Funeral Grants	Applicants will be able to apply for a funeral grant over the phone or electronically and provide digital copies of supporting documentation. Less supporting documentation will be required from the applicants.	To enable our people to focus on assisting with other essential support during Alert Level 4.
Childcare Assistance	MSD will continue paying childcare providers. Legislative changes were made last year which enables continuation of payment during lockdown even when childcare services are not being provided.	Under Alert Level 4, childcare providers are required to close. Continuation of payment ensures viability of the sector.
Suspension of Warrants to Arrest	MSD and the Ministry of Justice (MOJ) will continue to share information. Imposing sanctions on new information will now have a lower priority, the information will be used to clear sanctions where appropriate. MSD and MOJ are looking to reintroduce the process where MOJ enables clients to clear their warrant over the phone. This is through a three-way call between MOJ, the client and an MSD staff member.	Client can address their warrants when the courts are closed so that payments to clients can resume.
Obligation Failures	Reverting to the previous Alert Level 4 process where employment-related obligation failures were not initiated.	Proactive engagement with clients in relation to employment are stopped under Alert Level 4.
Granting benefits without medical certificates	MSD will use its existing discretion to grant Emergency Benefit in place of Jobseeker Support (health condition and injury) and Supported Living Payments without an initial medical certificate.	To ensure clients can access income support and to reduce pressure on the health sector.
Granting Disability Allowance without medical certificates	MSD will be granting Disability Allowance and adding new costs without an initial medical verification. MSD has the authority to do this when an epidemic notice is in force.	To ensure clients can access income support and to reduce pressure on the health sector.
Verification of Disability Allowance costs	Applicants will be able to provide verbal information about the new cost. They will not need to provide written verification of the costs during this period. MSD has the authority to do this when an epidemic notice is in force.	To enable our people to focus on assisting with other essential support during Alert Level 4.
Supporting high users of hardship assistance	New Service Response – a new service response was planned to go live on 28 August 2021, which would triage some clients (who are not already in case management) to have a more intensive conversation at the time of application. Clients applying for a relevant need type	To enable our people to focus on assisting with other essential support during Alert Level 4.

Topic	Description	Rationale
	<p>would be directed towards a dedicated group of experienced staff member if they are applying for one of the following within a 12-month period:</p> <ul style="list-style-type: none"> • Car repairs • Electricity Assistance, Whiteware, Bed or stranded travel grant • Food Assistance at count • Other Emergency grants/payments <p>Implementation of this new service will be delayed by four weeks.</p> <p>Case management for clients with high hardship needs – integrated case management services has been put on hold for seven days and will be reviewed later next week.</p> <p>Embedding best practice around manager sign off and client conversations – leader-led communications to clarify and reinforce consistent expectations for manager sign-off on hardship applications have been ongoing and have provided clear guidance for what managers should look for when reviewing decisions about applications. Due to anticipated demand, we are temporarily reducing expectations around manager approval. This will be reviewed after seven days.</p>	
Hardship payment expiries	Options are being considered to extend the expiry dates on grants that are currently on payment cards.	To enable our people to focus on assisting with other essential support during Alert Level 4.
Medical reassessments for SLP clients	MSD is deferring any Supported Living Payment (SLP) medical reassessments that are due in the next two weeks. The deferral will be for four weeks.	To alleviate pressure on the health sector and SLP clients during Alert Level 4.
Child Disability Allowance reviews	MSD is deferring Medical and annual reviews that are due in the next two weeks for Child Disability Allowance by four weeks.	To enable our people to focus on assisting with other essential support during Alert Level 4.
Annual reviews (including Disability Allowance)	MSD is deferring annual reviews of client circumstances and income due in the next two weeks. The deferral will be for four weeks. This includes Annual Circumstances Letter, confirming your circumstances, DA reviews, review of income and life certificates.	To enable our people to focus on assisting with other essential support during Alert Level 4.
Housing reviews	All annual housing Income Related Rent reviews (milestones) that are due in the next two weeks will be deferred by four weeks.	To enable our people to focus on assisting with other essential support during Alert Level 4.

Options under consideration:

Topic	Change description	Rationale for change
Temporary Additional Support reapplications	<p>MSD is investigating options to defer TAS reapplications.</p> <p>This would require Cabinet decision as there are BORE and implementation costs, and may also require legislative changes.</p>	To enable our people to focus on assisting with other essential support during Alert Level 4.
52-Week reapplications	<p>MSD is also looking at options to defer 52-week reapplications for Jobseeker Support and Sole Parent Support clients.</p> <p>This may require Cabinet decision as there are BORE and implementation costs.</p>	To enable our people to focus on assisting with other essential support during Alert Level 4.



Report

Date: 20 August 2021

Security Level: IN CONFIDENCE

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

Ministry of Social Development: Performance Exceptions Report as at 30 June 2021

Purpose of the report

1. This Performance Exceptions Report provides you with an overview of the Ministry of Social Development's (MSD) 2020/21 accountability performance at financial year-end.

Recommendations

2. It is recommended that you **note:**
 - 2.1 in 2020/21 MSD has a total of 81 appropriation performance measures
 - 2.2 as at 30 June 2021, 51 out of 60 performance measures have met Budget Standard (85%)
 - 2.3 nine measures (11%) have not met year-end Standard for 2020/21
 - 2.4 we don't yet have results for 20 measures (25%)
 - 2.5 one measure does not have a target as it is setting a baseline to establish a target for future years.

Mark Frew

20/08/2021

Mark Frew
General Manager
Organisational Planning Performance and
Governance

Date

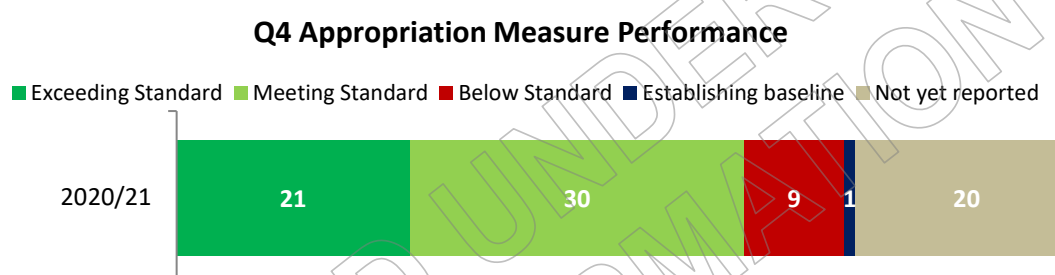
Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

Background

3. The Ministry of Social Development (MSD) has not always provided you with a full Quarter 4 MSD Performance report.
4. Last year there was no Quarter 3 MSD Performance report written, as a result of work being diverted during the COVID-19 lockdowns. Instead, at the end of May 2020 we provided you with an Exceptions Report to give an update on measures not expected to meet year-end targets. MSD also did not provide a Quarter 4 Report, capturing the end of year performance narrative through the Annual Report process.
5. This year we have chosen again to forego writing a full Quarter 4 Performance Report in favour of focusing on the narrative through the 2020/21 Annual Report.
6. This Quarter 4 Performance Exceptions Report is intended to give you an overview of accountability performance measures that have not met the 2020/21 Budget Standard, prior to the Annual Report being published (Attachment 1).

Summary of Performance Results



7. In the 2020/21 financial year, MSD had a total of 81 measures. Of these:
 - 7.1 1 does not have a target as it is setting a baseline to establish a target for future years.
 - 7.2 2 are multi-year measures with targets set for out-years.
8. Of those with targets set for 2020/21, we have received results so far for 60 out of 78 measures. Of those 60 measures, 51 have achieved year-end Standard (85%). Of the remaining 20 measures, the business is signalling 1 will not meet target.
9. It is likely that overall performance will be comparable to 2019/20, where standard was achieved for 78%.
10. Given the continuing impact of COVID-19 on MSD and the sector, this is a positive result.

Summary of impact indicator results

11. At 30 June 2021, six out of eight MSD long-term indicators are not yet trending in the desired direction. It is important to note that the wider environment and factors that MSD has limited direct control over also affect results.
12. This year shows an improvement in exits measured in the short and medium term, while the sustainability of longer term exits has declined:
 - 12.1 **Increase in sustainable exits to work:** There has been an increase in sustainability of exits from the main benefit into employment (measured at 6 months after exit). The result is showing us the recovery from the 2019/20 COVID-19 lockdown period, with an overall improved result from last year.
 - 12.2 **Decrease overall in clients who exit main benefit (for any reason) and return within 13 weeks:** The result had been slowly increasing overtime until the COVID-19 lockdown. This year has, however, shown a sharp decline from this figure, indicating that people are finding and retaining work post the COVID-19 lockdowns.

- 12.3 **Decrease in clients who exit and return within 1 year:** There has been another increase in the result this year. This is because clients being measured in this indicator are still in the peak COVID-19 lockdown environment due to the 12 month lag in the data. In Q4 we have started to see this trend reverse, and we should expect to see results continue to come down in the coming quarters.
13. With the impacts of the COVID-19 lockdowns, the **average future years on benefit** has expectedly continued to increase for another year. This indicator has increased across all benefit types. The largest increase has been for recipients of Youth Benefits and Sole Parent Support clients. The smallest increase has been for recipients of the Supported Living Payment. The most recent result is calculated at September 2020 whilst previous results were calculated at June. This means that some of the impacts of COVID-19 on the benefit system have been included in these estimations.
14. **Median time to house clients on the Housing Register has increased since last year.** There was a sharp increase post the 2019/20 COVID-19 lockdown, which has not recovered although the rate of increase seems to be more stable since then, with results starting to decrease prior to Quarter 4, where there was another small increase. The needs of New Zealanders are changing, and many families are finding it harder to access the private rental market. This is particularly true for those who have been renting for a while, and now need to find a place to live in a more expensive and competitive housing market.
15. **The Client Net Trust Score** for MSD has declined slightly on last year's result. This can most likely be attributed to the surveys no longer being collected from service centre conversations as explained in the report. The result of +39.8 is still a positive one.
16. Note that a review of MSD's impact statements and indicators is underway, to be delivered alongside the MSD's Business Case and Future State strategy work.

Further Reporting

17. The Ministry's 2020/21 year-end results will be presented to you in the Annual Report in October 2021.
18. The Quarter 1 2021/22 quarterly performance report is expected to be delivered to you in November 2021.

Appendix

19. Attachment 1: MSD Performance Exceptions Report 2020/21

REP/21/8/872

A13351759

Performance Measures

This report provides you with an overview of MSD's 2020/21 accountability performance measures which did not meet year-end target. The reporting information provided is based on actual performance results as at 30 June, where this information has been available (i.e. this does not include 20 measures where reporting has to yet to receive results are not yet available).

Currently, MSD has results for 60 measures out of 80 measures. Out of these 60, nine did not meet Standard. Of the remaining 20 measures, the business is signalling one measure will not meet Standard.

Income Support and Assistance to Seniors

The percentage of entitlement assessments for payment of entitlements to older people finalised within standard timeframes will be no less than

- Standard as at 30 June - 90%
- Actual result as at 30 June - **88.9%**

Over 2020/21, Services to Seniors timeliness increased to 88.9%, which is just below the Standard of 90%. This is a significant improvement on last year's result of 79.2% and the highest year-end result in 7 years.

Our ability to meet Standard continues to be impacted by an increase in work caused by COVID-19 lockdowns, additional work with the Annual General Adjustment Exceptions and additional site support.

Regional Directors have been tasked with applying additional focus to this area to ensure that Seniors Case Managers are actively undertaking required tasks to improve the timeliness result. It is possible we will meet Standard in 2021/22.

Investigation of Overpayments and Fraudulent Payments and Collection of Overpayments

The percentage of fraud cases responded to through an investigations process that result in an entitlement change will be no less than

- Standard as at 30 June - 55%
- Actual result as at 30 June - **50.5%**

With significant investigator resources diverted to Wage Subsidy Integrity work, MSD changed its focus to pursuing the most severe cases of fraud only, resulting in significantly less overall cases in 2020/21. Due to this smaller volume any cases that ended up not resulting in an entitlement change had a greater impact on the result. A reprioritisation of the workload meant that a number of cases referred for investigation were handled through non-investigative means, further lowering possible results.

In 2021/22, as we progress and resolve Wage Subsidy investigations we will continue to transition staff back to benefit integrity work. This will increase the number of benefit investigations being completed and support a normal reflection of results in the future.

Promoting Positive Outcomes for Seniors

By 30 June 2021 the Action plan for Better Later Life He Oranga Kaumatua 2019 - 2034 will be finalised.

- Standard as at 30 June - Achieved
- Actual result as at 30 June - **Not Achieved**

COVID-19 resulted in MSD being focused on responding to the impacts of the pandemic on older people.

With the Government and other agencies similarly focused on the response, MSD was unable to progress the development of the Action Plan in the early part of the financial year. The delay in the elections also compounded these impacts.

The Action Plan is now nearing completion, with the release scheduled for Q1 2021/22.



Community Participation Services

The number of disabled people supported to participate in their communities will be no fewer than

- Standard as at 30 June – 16,000
- Actual result as at 30 June – **15,578**

Disabled people are disproportionately effected by the COVID-19 lockdowns. To assist this cohort during these times, providers have had to shift their operating model from in person services to online services including the use of Facebook and mailbox drop offs.

MSD used additional funding made available from the COVID-19 Response and Recovery Fund to provide disabled people with grants to support their wellbeing during the last year.

The number of disabled people placed or supported to remain in open paid employment will be no fewer than

- Standard as at 30 June – 5,800
- Actual result as at 30 June – **5,206**

Disabled people are disproportionately effected by the COVID-19 lockdowns. The labour market changes as a result of COVID-19 lockdowns continue to impact disabled people. The employment opportunities have reduced as people from other impacted industries filled available roles. To assist this cohort during these times, providers have had to shift their operating model from in person services to online services including the use of Facebook and mailbox drop offs.

MSD used additional funding made available from the COVID-19 Response and Recovery Fund to provide disabled people with grants to support their wellbeing during the last year.

MCA Community Support Services Place-based Approaches

Manaaki Tairāwhiti report is delivered to the National Social Wellbeing Board by 30 June 2021

- Standard as at 30 June – Achieved
- Actual result as at 30 June – **Not achieved**

Manaaki Tairāwhiti is the regional leadership group for social wellbeing in Tairāwhiti. It is an iwi-led and place-based initiative, aiming to explore an evidence based alternative to social sector service delivery, for improved outcomes for whānau. As of 30 June 2021, the report has not been delivered as planned.

The confirmation of a new iwi co-chair did not occur until late May 2021. And more inter-sector work at all regional levels is needed to be done to prepare this report, which has no precedent to reference.

The report and presentation to the Social Wellbeing Board is expected to be received in Q1 2021/22.

Improved Employment and Social Outcomes Support - Administering Income Support

The proportion of benefit entitlement assessments completed accurately will be no less than

- Standard as at 30 June – 95%
- Actual result as at 30 June – **88.2%**

As at 30 June 2021, the YTD result has reduced to 88.2% from 89% last year.

The result was largely impacted by the clearing of unverifiable cases (cases that require further investigation), which also reduced nationally.

MSD will take this learning to better understand the impact of accurate entitlement assessment completion work to improve this result in 2021/22.



Improved Employment and Social Outcomes Support – Improving Work Readiness Outcomes

The percentage of Employment Assistance programmes related to Work Readiness funding rated 'effective'

- Standard as at 30 June – 90%
- Actual result as at 30 June – **39.4%**

The low performance of this measure is primarily driven by the effectiveness rating for the Youth Service (Young Parent Payment) rated as making 'no difference'; Youth Service (NEET) rated as 'negative effectiveness' and Flexi-wage Self Employment programme (rated as 'negative effectiveness') programmes.

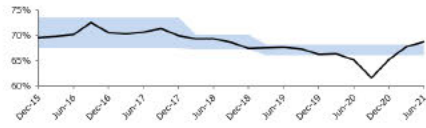
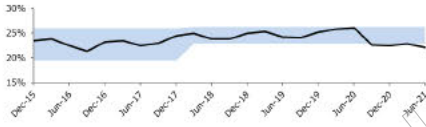
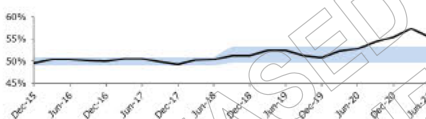
These results are based on the most recent group of people who started each programme that we can measure effectiveness for. For Youth Service (YPP), this was for participants starting between 2012-2014, for Youth Service (NEET) this was for 2018 participants and Flexi-wage Self Employment this was for participants starting between 2013-2016. For Flexi-wage Self-employment the participant numbers are low so it takes longer before there are enough participants to undertake the analysis.

Changes have been made to the Youth Service in recent years to improve its effectiveness and the new flexi-wage self-employment was designed to learn from the evaluation. It will be several years before the effects of these changes appear in the evaluation results.

The effectiveness result for the Employment Outcomes category of the MCA was 94.2%. From 2021/22 the total effectiveness of Employment Assistance programmes will be reported, representing effectiveness across all funded initiatives, rather than as two separate results.

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Impact Indicators

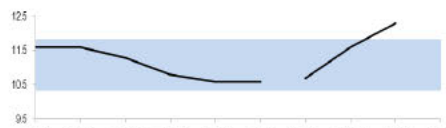
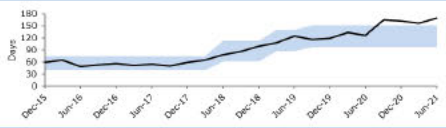
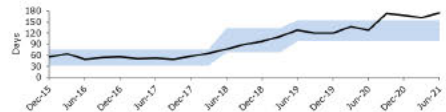
Measure	2019/20 YE result	2020/21 YE result	Performance trend
Increase the percentage of clients who remain off main benefit having secured sustainable work <i>Measured quarterly</i>	65.2%	68.7%	
Decrease the percentage of clients exiting main benefit who will return to main benefit: within 13 weeks <i>Measured quarterly</i>	26.0%	22.1%	
Decrease the percentage of clients exiting main benefit who return to main benefit: within one year <i>Measured quarterly</i>	52.8%	55.3%	

Commentary for above measures

The strength of the labour market contributes to the ease and speed with which people find and stay in work. Overall, as New Zealand exited from lockdown, economic conditions improved throughout the 2020/21 financial year.

This resulted not only in an increase in the number of work exits, but has also helped New Zealanders to retain employment (as seen with the improved sustainability of work exits result and the decrease in clients returning to benefit within 13 weeks of exit).

The percentage of clients returning to main benefit within one year of exit has worsened compared to the previous year's result as the 2020/21 figure represents clients who exited between July 2019 to June 2020, so were likely to be negatively affected by COVID-19 and lockdown.

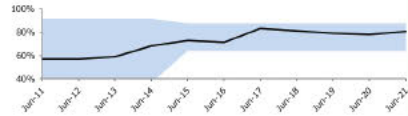
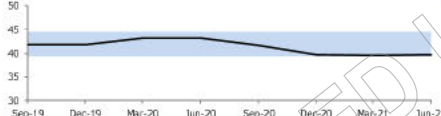
Measure	2019/20 YE result	2020/21 YE result	Performance trend
Decrease average future years on benefit <i>The gap in data is due to the change in modelling to the StatsNZ IDI. As a result, the 2018 values are not directly comparable to values prior to 2018.</i> <i>Measured annually</i>	11.6 years	12.4 years	
Commentary for above measure The estimation of future years on main benefit for current main benefit clients takes into account the historical, current and estimated future dynamics of the benefit system. This is an average figure across all main benefit types – changes to the dynamics of the benefit system will impact the estimated future years on benefit in different ways for different benefit types. For example, increases in the rate at which people exit the benefit system into sustainable employment would likely reduce the average estimated future years on main benefit for Jobseeker Support - Work Ready clients.			
Decrease the median time to house clients on the Housing Register: Overall clients <i>Measured quarterly</i>	126 days	168 days	
Decrease the median time to house clients on the Housing Register: Priority A clients <i>Measured quarterly</i>	128 days	175 days	

Commentary for above measures

There are many contributing factors to the Housing Register. The needs of New Zealanders are changing, and many families are finding it harder to access the private rental market. This is particularly true for those who have been renting for a while, and now need to find a place to live in a more expensive and competitive housing market.

The broader housing market situation contributes to a growing public housing register. The social housing assessment measures an applicants' need to move, and their ability to access, afford and sustain private rentals. If an applicant meets the eligibility criteria, needs a home, and has very limited options in the private rental market, then they will likely qualify for public housing. MSD is seeing more New Zealanders with fewer options in the private market, and this is also reflected in higher numbers in Emergency Housing and Transitional Housing.

Impact Indicators

Measure	2019/20 YE result	2020/21 YE result	Performance trend
Increase the percentage of our spend evaluated as effective <i>Measured annually</i>	78.1%	80.9%	
Commentary for above measure The percentage of spend evaluated as effective is measured across two categories of the multi-category appropriation Improved Employment and Social Outcomes Support: Improving Employment Outcomes and Improving Work-readiness Outcomes. This year has seen a small improvement on 2019/20's result.			
Increase our overall client net trust score <i>Measured quarterly</i>	+43.2	+39.8	
Commentary for above measure For 2020/2021, the result of +39.8 for Net Trust in the Ministry of Social Development is lower than the previous year, however, this is still a positive result. From July 2020, only Contact Centre Customer Service Representative interactions have been surveyed. The IT systems that we previously used to trigger Service Centre surveys are no longer being used operationally. Historically, results for conversations with Contact Centres have scored lower than for conversations with Service Centre staff so this result is not unexpected. In 2019/20 the result for Contact Centres was +37.9 for Net Trust, compared with the score for Service Centres of +51.6 for Net Trust. From July 2021 we will re-start Service Centre surveys in addition to Contact Centre surveys and expect to see our result lift accordingly.			



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

Report

Date: 26 August 2021

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development and Employment
Hon David Parker, Minister of Revenue

Timing of engagement for Working for Families and Accommodation Supplement Review

Purpose of the report

- 1 This report seeks decisions on timing of public and targeted engagement for the Working for Families and Accommodation Supplement Review, s9(2)(f)(iv)

Recommended actions

It is recommended that you:

- 1 **note** as Ministers are s9(2)(f)(iv)
Ministers have choices on the timing of engagement with the public and targeted engagement with key experts and stakeholders

- 2 **agree** for public engagement to be deferred to April/May 2022 with submissions open for eight weeks

Agree / Disagree
**Minister for Social Development and
Employment**

Agree / Disagree
Minister of Revenue

- 3 **note** improvements to the guidance material to support engagement can be made if public engagement is deferred to next year, which will require Ministers to agree to the changes

- 4 **agree**, if public engagement is deferred to next year, to revisit the guidance materials

Agree / Disagree
**Minister for Social Development and
Employment**

Agree / Disagree
Minister of Revenue

5 **agree** for targeted engagement with key experts and stakeholders to begin either:

5.1 later this year, 2021

Agree / Disagree
**Minister for Social Development and
Employment**

Agree / Disagree
Minister of Revenue

OR

5.2 early next year, 2022 [**recommended**]

Agree / Disagree
**Minister for Social Development and
Employment**

Agree / Disagree
Minister of Revenue

6 **note** s9(2)(f)(iv)

7 **forward** this report to the Minister for Child Poverty Reduction, Minister of Finance, Minister for Children, Minister of Housing.

Agree / Disagree
Minister for Social Development and Employment



Polly Vowles
Policy Manager
Ministry of Social Development



s9(2)(a)
Policy Lead
Inland Revenue

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Hon David Parker
Minister of Revenue

Background

- 2 To inform the Working for Families (WFF) and Accommodation Supplement (AS) Review (the Review), Income Support Ministers have agreed to public engagement and targeted engagement with key stakeholders and experts. Both streams of engagement will cover WFF and AS [REP/21/6/614 refers].

3 s9(2)(f)(iv)

s. Decisions are needed on the timing of the combined WFF and AS public and targeted engagement.

Officials recommend deferring public engagement to April/May 2022

Public engagement is currently planned to begin 6 September 2021, with four weeks for submissions

4 s9(2)(f)(iv)

officials do not recommend continuing with the current plan for a four-week public engagement to begin on 6 September 2021. This engagement was planned quickly s9(2)(f)(iv)

. The submissions window of four weeks is also very short, which may limit the quality and quantity of responses we receive. In addition, the current uncertainty surrounding the COVID-19 resurgence would make engagement very difficult.

- 5 Based on the Ministers' meeting on 11 August 2021 and a subsequent officials' meeting with the Minister for Social Development and Employment, officials have paused work on preparing engagement. Service delivery resources have been diverted from engagement to support delivery of the Wage Subsidy and other work programmes, in response to the recent COVID-19 Alert Level changes. Officials are now asking Ministers to confirm the deferral of public engagement and agree to new timeframes.

Officials recommend deferring public engagement until April/May 2022

- 6 Officials recommend Ministers defer public engagement until April/May 2022, with a submissions window of at least eight weeks. This will allow greater time to have submissions open and s9(2)(f)(iv)

Deferring to next year will also allow more time to plan engagement with Māori, and to enable translation into additional languages and accessible formats.

- 7 It will be important to consider the timing of engagement s9(2)(f)(iv)

- 8 Officials also recommend that the materials to support engagement are re-worked if public engagement is deferred to 2022. These materials were prepared very quickly, and, in particular, before further direction was provided regarding a two-track review of AS.

- 9 If the materials are revisited, officials do not recommend creating a substantive discussion document s9(2)(f)(iv)

Instead, the current materials could be improved and slightly expanded. In particular, officials would look to improve the proposed s9(2)(f)(iv)

s9(2)(f)(iv)

- 10 As these materials have already been agreed by Ministers, any changes would need to be agreed to again. The materials have also already been translated into Te Reo (at a small cost) and would need to be re-translated if changed. Other translations into NZSL and accessible formats had only just started and have now been paused, so there is no/little cost associated with work already completed. Improving the guidance material s9(2)(f)(iv) will also involve additional policy resource, which could otherwise be used to support the advice on WFF and AS.

There are also decisions on timing of engagement with targeted stakeholders

Targeted engagement could begin this year as planned

- 11 Targeted engagement could be conducted later this year with key experts and stakeholders, through a limited number of workshops and meetings. This would allow early discussions to feed into the direction of the Review and help to manage the interest of key stakeholders.

- 12 s9(2)(f)(iv)

Officials recommend that targeted engagement is deferred until next year

- 13 Deferring targeted engagement until early 2022 would s9(2)(f)(iv)

It would also allow officials more time to plan engagement with key iwi/Māori stakeholders.

- 14 Deferring to early 2022 somewhat reduces the opportunity for experts and stakeholders to contribute to the early stages of the Review, which will shape the direction of the Review going forward.

- 15 There are resourcing trade-offs between the two options, as targeted engagement will require some policy resource from all agencies involved in the Review to be diverted from supporting the development of substantive advice.

s9(2)(f)(iv)

Next steps

- 18 Decisions are needed quickly on whether public and targeted engagement will proceed as planned or be deferred to 2022, given resourcing implications for agencies.
- 19 Once decisions are made, officials will organise public and targeted engagement and keep Minister's offices informed on progress.
- 20 If Ministers agree to update the guidance materials, officials will provide updated versions for Ministers ahead of engagement.

File ref: REP/21/8/873, IR2021/374

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

Responsible manager: Polly Vowles, Policy Manager, Income Support Policy

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Aide-mémoire



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

Meeting

Date: 19 August 2021 **Security Level:** IN CONFIDENCE

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

File Reference: REP/21/8/874

Cabinet discussion on change in Alert Levels

Meeting details	1pm, 20 August 2021, Cabinet
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Expected attendees	Cabinet Ministers
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Purpose of meeting/visit	Cabinet are meeting to either continue or adjust the existing public health alert level settings across New Zealand
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Key issues	Cabinet paper discusses alert level settings
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We understand Cabinet are meeting to consider the existing public health alert level settings.

Alert Level 3 or 2 boundary around Auckland and the Coromandel

If a boundary for Auckland and the Coromandel is proposed (keeping these regions at Alert Level 4 or 3, with other regions at Alert Level 3 or 2), we would recommend establishing a single area including Northland, Auckland and cutting across the Waikato region (ie excluding Taupo). In this scenario we would advise against isolating Northland.

This approach would make a comparatively easier boundary to manage than creating an additional boundary in the north, and a very long boundary in the south around Taupo. It also best assures communities' access to essential goods and services. We understand that the inclusion of Northland is also recommended by Te Arawhiti, and the Department of Internal Affairs.

Should Northland be included within the higher alert level boundary, it would need to be carefully monitored to avoid unintended economic and social impacts from a prolonged period at higher alert levels without reported cases in the region.

We would also strongly recommend additional engagement on further boundary decisions with iwi.

Mitigating social impacts from prolonged periods at Alert Level 4 and 3

Any Alert Level change puts increased pressure and challenges on New Zealand communities. Given the impacts of moving to higher Alert Levels are not always immediately experienced, the cumulative shocks could worsen over time.

Measures are in place to mitigate against some of the known impacts, but continued careful monitoring will be required, especially around:

- **Youth mental and social wellbeing** - we have seen through Youthline, a significant surge in support being sought, even at this early stage. We would anticipate that at an extended Alert Level 4 or Alert Level 3 there will be a need to bolster funding for this service and potentially others, that are supporting this cohort.
- **Accessibility of disabled people to essential goods and services** - We have heard from the Disabled People's Organisations (DPO) coalition that because of the strong communications that people must shop alone, wear face masks, it has meant that some disabled people who rely on buddy shoppers may not have access to super market shopping. The DPO have also reported that because some COVID-19 testing sites have been set up quickly some are more accessible than others, leaving disabled people waiting
- **Communities, especially low income households' access to food** - Whilst there has been increased demand, particularly in the area of foodbanks, there is consistent feedback (predominantly from outside of Auckland), that people are not too concerned about coping long term, as post Friday they are anticipating this to be a Auckland Regional issue only. This may change should there be an extension of an Alert Level 4 or a change to Alert Level 3 in some areas.
- **Accessibility of face coverings** - we continue to hear that some low income and isolated families struggle accessing good quality face coverings (ie masks). MSD have worked with MoH and anticipate that we will secure over 1 million masks for distribution through food hubs.

MSD will continue to monitor the social impacts of the change in Alert Levels, and any additional support that might be required for people and communities.

General operational situation

MSD is well placed operationally. On day one of Alert Level 4, MSD received 20,407 calls with an average wait time of approximately 9 minutes. This is comparative to 18379 in the previous week.

There was a decrease in most areas (seniors, housing and study link), however, there was an 11% increase of calls for Work and Income.

We have focused front line staff to bring down processing work on hand in preparation for the processing of Wage Subsidy which goes live 19 August. This has been successful with the focus bringing work to the lowest levels we have seen in recent times. Clients accessing MSD online services have reached approximately 58000 through MyMSD on day one of lockdown. Food hardship grants doubled to 9100 from the previous two days (4500) with an average of \$105 per grant.

Requests for advances on main benefits dropped to just under 1000 on 18 August, while non-beneficiaries' payments are sitting only slightly lower than normal at 400.

Readiness for wage subsidy

The technical build and testing of the on-line application for wage subsidy is complete. The declaration, which outlines the employer obligations and eligibility criteria, has been finalised and is part of the application process. The application will be available to employers to apply via the Work and Income Website at 9am tomorrow (20 August).

The MOU has been signed between MSD and IR to enable access to the IR portal and information sharing. The Wage Subsidy rate increases are in place (increases to Leave Support Scheme and Short-Term Absence Payment will be in place Tuesday 24 August).


A processing team of 440 people has been identified and trained ready to begin processing applications from 9am. Application volumes will be actively monitored, and additional resources are ready to be applied to processing should this be required.

Internal and external communications have been developed. The Work and Income website has been updated with holding messages and full information and links will be made available at 9.00am tomorrow. An email update registration form has also gone live on the website.

Changes to MSD's operating model in Alert Level 4

MSD has made operational changes to free up staff capacity and ensure continuity of service during lockdown, such as deferring reviews of clients' circumstances (including medical reassessments) and streamlining application and verification processes. At this stage, we have not made any changes to SNG settings, but we will continue to monitor the situation.

s9(2)(f)(iv)



Childcare for Alert Level 4 workers

The Ministers of Education and Finance have approved parameters for an improved Childcare for Essential Workers scheme. This streamlines the current approach.

MSD considers MOE's proposed scheme will be sufficient to address the childcare needs of essential workers. OSCAR providers who are registered childcare workers may participate in the scheme and may still claim the Wage Subsidy and continue receiving their OSCAR subsidy if impacted by COVID-19-related closures.

Responsible manager: Nic Blakeley, Deputy Chief Executive Strategy and Insights

Aide-mémoire



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

Meeting

Date: 19 August 2021

Security Level: IN CONFIDENCE

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

File Reference: REP/21/8/875

Ministerial meeting with Iwi Chairs

Meeting/visit details
3.00pm-3.45pm
Via Zoom
Friday 20 August 2021

Expected attendees
Hon Kelvin Davis
Hon Andrew Little
Hon Nanaia Mahuta
Hon Kris Faafoi
Hon Willie Jackson
Hon Kiritapu Allan
Hon Meka Whaitiri
Iwi chairs

Purpose of meeting
This meeting is an opportunity for Ministers to give an update on their relevant portfolios to iwi chairs and to also provide an opportunity for iwi chairs to ask questions of Ministers.

You will be able to provide information on current assistance available through the Ministry to those who need it and provide an update on engagement with our social service community providers.

Key Messages ***COVID-19 support***

Support is available for individuals, families, employers, and self-employed people affected by COVID-19.

- Work and Income may be able to help if you can't work from home, if you're working fewer hours, or if you've lost your job.

-
- Work and Income can help with essential costs like food, your rent or mortgage, and other urgent bills.
 - Talk to Work and Income to see how they can help.
 - Check out the 'COVID-19 Support' page on the Work and Income website, workandincome.govt.nz
 - At Alert Level 4, our service centres are closed to the public. If you have an appointment, we'll be in touch. Regular payments will continue, and we'll help you over the phone and through MyMSD where we can.

The Government is supporting New Zealand businesses during the current lockdown in a variety of ways. Some support measures are delivered by MSD and others by Inland Revenue.

Support delivered by MSD:

- **The Wage Subsidy Scheme August 2021** helps eligible businesses to continue paying employees and keep them on. The subsidy will pay \$600 for full-time employees and \$359 for part-time employees and applications can be made from 20 August.
- **The Short-Term Absence Payment** provides businesses with a one-off (once per 30 days) payment of \$359 for employees who must miss work due to a COVID-19 test and can't work from home.
- **The Leave Support Scheme** provides businesses with a two-week lump sum payment of either \$600 per week for full-time employees or \$359 per week for part-time workers who must self-isolate and can't work from home.

Support delivered by Inland Revenue (should refer them to IR for further information):

- **The Resurgence Support Payment** for businesses that experience at least a 30% drop in revenue or a 30% decline in capital-raising ability over a relevant 7-day period. This payment, which is to assist with business costs like wages or fixed costs, will be available from 24 August 2021 until one month after a nationwide return to Alert Level 1.
- **The Small Business Cashflow Scheme** supports small to medium businesses struggling with a loss of revenue due to COVID-19. Applications are open until 31 December 2023.

Emergency food requests

MSD can assist people who need food urgently. If they are a current client an application can be made via MyMSD, if they are

receiving support they can call MSD on 0800 009 559 to talk to someone about their circumstances.

If support for food through Work and Income is not suitable as a first option, people can search the Family Services Directory for a local foodbank.

The Ministry of Social Development also supports foodbanks and community food providers who are distributing food in the community.

Youth Service Support

Youth Service providers are available by phone only during Alert Level 4. Contact details for youth providers can be found on the Youth Service website.

During this Alert Level 4 period, regular payments will continue, and a Youth Coach will continue to provide support.

Provider and community update

Social and community-based services have guidance around who can operate at Alert Level 4 and how to do this safely and within the boundaries of the public health order. The guidance factors in that we are wanting to minimise the amount of people out and about whilst at the same time making sure people can access critical services.

Foodbanks that are operating are seeing increased demand but generally the feeling is that it is manageable currently, however, if it was a longer-term issue supply, staffing and PPE will be things that they might need support on. A small amount of additional funding has been put into the New Zealand Food Network so far.

For the most part other providers and community-based services have changed back to contactless service provision however where face to face is required, they have the correct information on how to operate safely.

We have reactivated the community inbox, and this has seen less than 50 emails since the lockdown announcement, there is not the sense of uncertainty or confusion like there was the first time we entered Alert Level 4 in 2020.

We are accessible to providers through our relationship managers and the community inbox over extended hours and 7 days, however we are mindful that feedback from last time was not to overwhelm them with information requests or have duplication of requests so that they can just get on with what they need to do.

We are working with the Ministry of Health around any mask distribution that might come up however at this time the general view is that many people have access to masks and we also need to remember that it is face coverings, so people should not be

prevented from accessing services if they do not have a 'mask' specifically.

We are working with providers to ensure they are treated fairly if their contracted delivery of services are impacted by the current Alert Level 4 restrictions. If affected providers have to reduce services temporarily, we will seek to maintain current funding levels for the period of the contract. We will look to provide as much certainty on future funding as possible.

In line with the Prime Ministers announcement and the new COVID-19 Public Health Response Act order that face coverings will be mandatory for business and/or services operating at Alert Level 4, we have sent out a message to our providers to ensure they understand what it means to meet this requirement to continue to deliver services.

Next steps

We are working on a plan around what additional support may be needed should the lockdown continue or if there are regional variations.

Author: Out of scope , DCE Advisor, Maori, Communities and Partnerships

Responsible manager: Rebecca Brew-Harper, Director, Maori, Communities and Partnerships



Report

Date: 20 August 2021

Security Level: IN CONFIDENCE

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

Monthly Housing Register Management Report – 30 July 2021

Purpose of the report

- 1 To provide you with the latest *Public Housing Register Management* report and inform you of our intention to make changes to this reporting over the coming months.

Recommended actions

It is recommended that you:

- 1 **Note** we have developed the third *Public Housing Register Management* monthly report, which describes the number of Register and Emergency Housing clients as at 30 July 2021
- 2 **Note** that while this report shows a decrease in Public Housing Register numbers, this is largely the result of MSD restarting Register management from July this year
- 3 **Note** we intend to further develop the content of this regular reporting and will provide an updated version of this report from next month.
- 4 **Note** that Register Management has been paused during level 4 lockdown so that staff can assist with larger inbound call volumes.

Viv Rickard
Deputy Chief Executive
Service Delivery

20 August 2021

Hon Carmel Sepuloni
Minister for Social Development and
Employment

1 September 2021

Background

- 2 For the previous two months, you have received a monthly Public Housing Register Management report, which updates you on the number of people on the Register and an overview of our proactive Register management activity. It also includes some information on Emergency Housing numbers and operational activities linked to Emergency Housing.
- 3 The attached report is the third report in this series and provides information up to the end of July 2021.

Key messages

Changes to the Emergency Housing sections of this report

- 4 Households and clients who have been relocated into Contracted Emergency Housing in Rotorua are no longer receiving Emergency Housing Special Needs Grants and as such are no longer included in this reporting.
- 5 A section on security deposit claims for those living in Emergency Housing has been included in this report. Security Deposit claims are estimated based on client event notes and payments made under 'Other Emergency Grants' hardship type. These estimates are rounded and are unable to be further broken down due to their estimated nature. Updates to MSD's system will be made in the future to allow official and accurate reporting on security deposit claims.

We have completed phase one of the Register management restart and are now beginning phase two

- 6 Phase one of the Register management restart was completed on 16 July. This phase involved contacting clients with priority ratings of A11-A9 or B. Through this process staff engaged with almost 5,000 clients.
- 7 Key findings from this phase were:
 - 55% of the clients we contacted had a change in circumstances
 - 19% of successful contacts resulted in an exit from the Register
 - Most of these exits (80%) were at the clients' request
 - 54% of clients couldn't be contacted by phone after up to four attempts.
- 8 Phase two of the Register management restart began on 5 July. This phase will initially involve contacting A12 and A13 applicants. This work is still underway, but initial findings suggest the needs of these applicants are largely unchanged, and this group are less likely to exit from the Register than the lower priority applicants in phase one.
- 9 As Register management extends to higher priority clients, we are likely to see a reduced number of exits associated with this process. This is because higher rated applications are more likely to still be eligible and in need of Public Housing, as they face more barriers than lower priority applications to accessing adequate and affordable housing.
- 10 The scale of outbound calling will also reduce as the number of inbound calls increases, as a result of us sending mail to uncontactable clients. The same resources who are conducting the outbound calling will need to be pivoted to answer the increased volume of inbound calling.

Register management has been paused during level 4 lockdown

- 11 MSD staff assigned to Register management are now assisting with answering inbound calls during level 4 lockdown and as such Register Management is currently on hold.

While Public Housing Register numbers decreased, this largely reflects operational process changes

- 12 Over the month of July, we have seen a decrease in the number of applications on the Register of around 1,200. It is important to understand the key drivers for this change, including the extent to which this decrease reflects operational process like MSD resuming proactive Register management.
- 13 To understand what is causing the 1,200 difference, we investigated how clients flow through different Register statuses. Our initial analysis shows that this decrease has not been completely driven by an increase in applications leaving the Register.
- 14 As shown in Table One, while there has been an increase in the number of applications exiting the Register in July, it does not equate to the 1,200 decrease on the Register. This analysis indicates that the Register should have stayed relatively stable, as the 1,782 new applications would have been counteracted by the 1,817 register exits. This indicates the decrease in Register numbers has been driven by other factors.

Table one: High level monthly register flow for May to July 2021

Month	New applications live on the Register	Number Housed	Register Exits (not housed)	Total Register Exits (Housed and Other)	Difference between new applications and Exits
May	2,143	606	790	1,396	747
June	1,790	513	812	1,325	465
July	1,782	687	1,130	1,817	-35

- 15 Our analysis also shows that resuming Register management has resulted in a large number of applications moving from a 'live' application to another Register status, particularly 'on hold'. When looking across all possible status types, there has been no change in the total number of applications between 2 July and 30 July, just movement between the statuses.
- 16 For example, on 2 July 2021 there were a total of 32,187 applications on the Register, comprised of 29,086 'live' applications. The total number of applications on 30 July was the same (32,188), comprising 27,845 'live' applications. There has been a significant increase in the number of applications 'on hold' and in 'closure pending' as a result of the Register Management process.

Table two: Register status comparisons for 2 July 2021 and 30 Jul 2021

Week ending	Register Status				Total applications
	Live on Register	Closure Pending	On Hold	Provisional Offer Approved	
2-Jul-21	29,086	2,043	751	307	32,187
30-Jul-21	27,845	2,753	1,320	270	32,188
Change	-4%	35%	76%	-12%	0%

- 17 When a client is unable to be contacted as part of Register Management, their application is put 'on hold' while a letter is sent asking them to contact MSD. If the client has not contacted MSD about their Register application within 20 working days, the system automatically moves their application to 'closure pending'. After 8 weeks in a status of 'closure pending' the system moves these applications to 'closed' and they cannot be re-opened from here.
- 18 This analysis indicates we should interpret the recent decrease in Register numbers with caution, as these changes are primarily associated with the resumption of proactive Register management. We may also see increases in 'live' Register numbers in the future, as applications moved to the 'on hold' status can cycle back once the reason for their application being placed on hold is resolved.

Next steps

- 19 MSD have recognised the importance of developing more in-depth insights and reporting on the public and emergency housing systems and have established a new Housing Analytics function to support this work.

- 20 An initial priority of the function will be to further develop our approach for regularly reporting on the Public Housing Register. We intend to make the form of this report more consistent with our regular reporting on the benefit system. We will also refresh the content of this reporting to ensure it provides insights at a broad systems level, rather than having a more operational focus.
- 21 We will take a phased approach to delivering this new reporting approach. The next version of this report you receive (covering data up to the end of August) will include new content, which will be iterated further over the coming months. We will engage with your office to seek feedback on the updated reporting and ensure the information provided meets your needs.

Appendix

Public Housing Register Management Report – 30 July 2021

REP/21/8/877

Author: Out of scope , Principal Analyst, Service Delivery)

Responsible manager: (Karen Bishop, Group GM Client Experience and Design, Service Delivery)

PUBLIC HOUSING REGISTER

↓ **27,834**

Decreased -1,239 since 2 Jul

HOUSING REGISTER

↓ **23,262**

Decreased -1,137 since 2 Jul

TRANSFER REGISTER

↓ **4,572**

Decreased -99 since 2 Jul

NEW CLIENTS ON REGISTER

↓ **1,782**

Decreased -9 in July

PLACED INTO PUBLIC HOUSING

↑ **687**

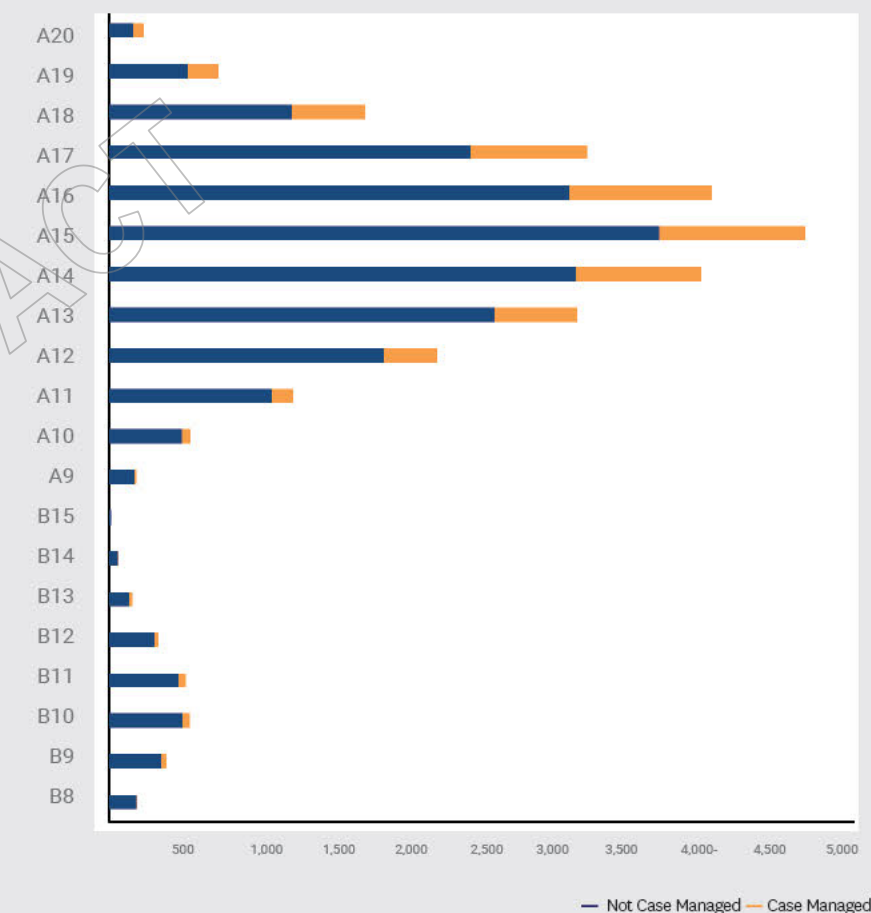
Increased +174 in July

REGISTER BY REGION

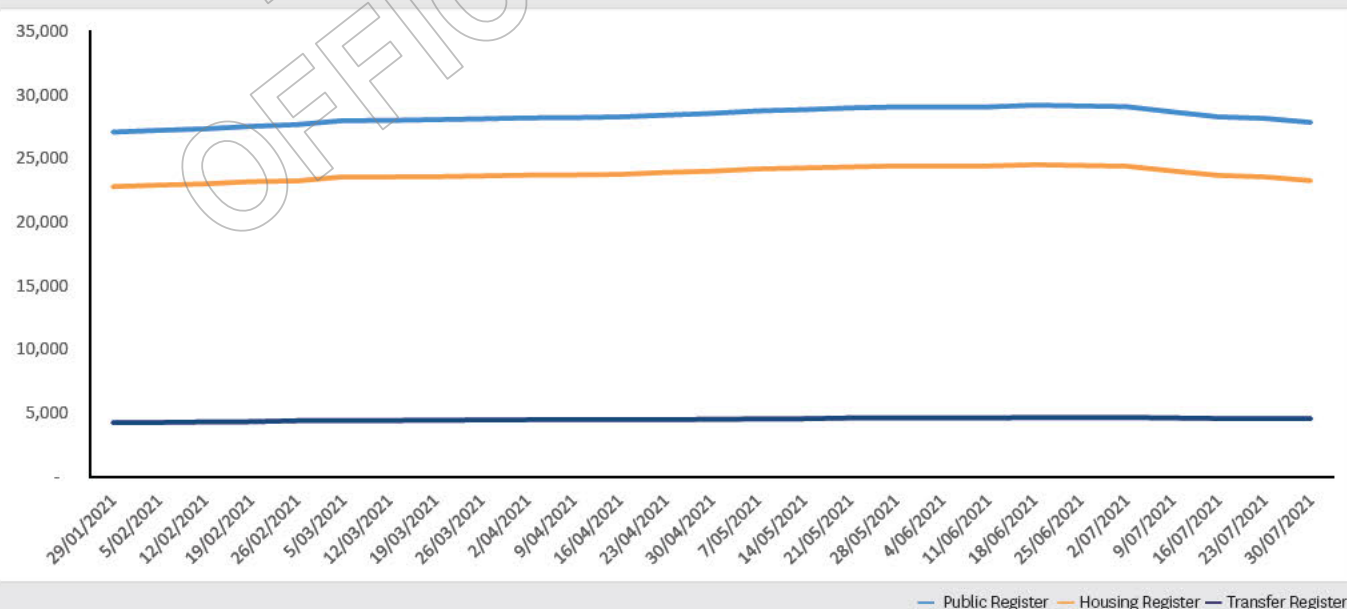
	Housing Register			Transfer Register			Public Housing Register		
	30 Jul 21	Difference	Direction	30 Jul 21	Difference	Direction	30 Jul 21	Difference	Direction
MSD Region									
Northland	987	-60	▼	153	0	▼	1,137	-60	▼
Auckland Metro	8,013	-405	▼	2,130	-45	▼	10,143	-450	▼
Waikato	2,064	-93	▼	312	-15	▼	2,373	-105	▼
Bay of Plenty	2,178	-99	▼	150	-3	▼	2,331	-102	▼
East Coast	2,127	-84	▼	297	0	▼	2,427	-84	▼
Wellington	1,950	-75	▼	537	-21	▼	2,487	-96	▼
Taranaki	1,161	-51	▼	153	-6	▼	1,314	-57	▼
Central	1,431	-60	▼	195	0	▲	1,626	-60	▼
Nelson	819	-54	▼	111	-3	▼	930	-57	▼
Canterbury	1,860	-108	▼	450	-9	▼	2,310	-114	▼
Southern	666	-51	▼	81	0	▲	747	-48	▼
Other	9	-3	▼	0	0	-	9	-3	▼
National Total	23,262	-1,140	▼	4,572	-99	▼	27,834	-1,239	▼

Note: Figures in table may not add up to the total due to random rounding.

PRIORITY SCORE



REGISTER HISTORY



WEEKLY AMOUNT GRANTED

\$6.2M
No Change since 2 Jul

WEEKLY GRANTS

↑ 2,622
Increased +30 since 2 Jul

ADULTS

↓ 4,416
Decreased -207 since 2 Jul

CHILDREN

↓ 3,924
Decreased -267 since 2 Jul

HOUSEHOLDS

↓ 3,846
Decreased -159 since 2 Jul

EMERGENCY HOUSING HOUSEHOLDS

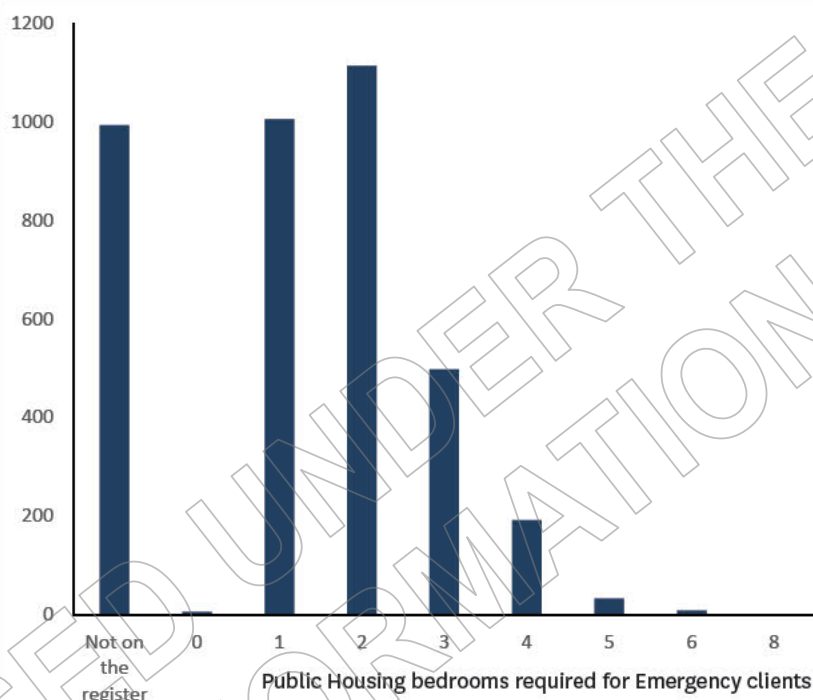
1 Households in Emergency Housing as at 30 July 2021

MSD Region	Households	In Service
Northland	54	51 (94%)
Auckland Metro	969	774 (80%)
Waikato	624	552 (88%)
Bay of Plenty	555	438 (79%)
East Coast	411	381 (93%)
Wellington	546	438 (80%)
Taranaki	90	75 (83%)
Central	270	237 (88%)
Nelson	108	96 (89%)
Canterbury	201	165 (82%)
Southern	21	15 (71%)
Other	-	0
National Total	3,846	3,225 (84%)

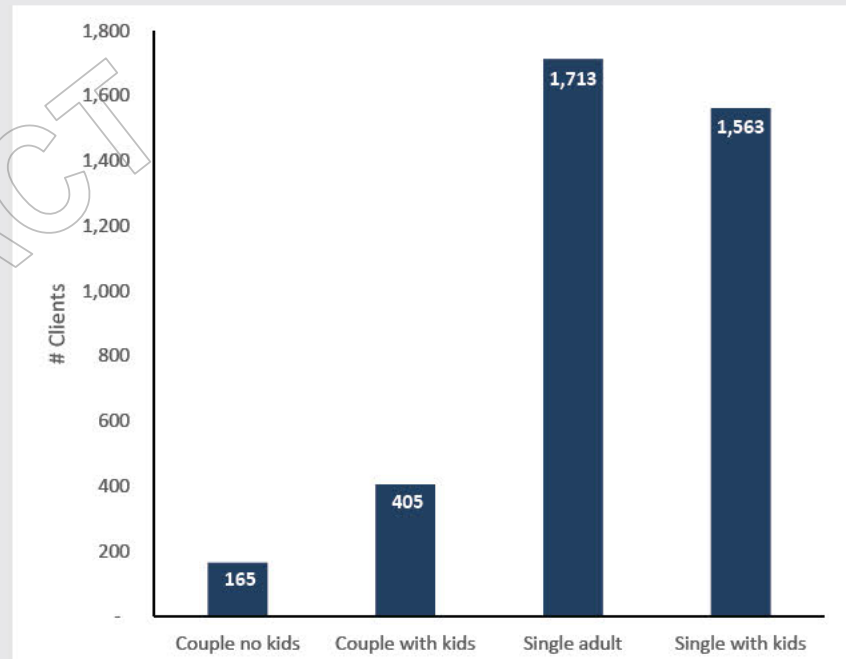
This is a count of households receiving special needs grants to stay in Emergency Housing on 30 July 2021. It does not include clients living in contracted Emergency Housing.

Note: Figures in table may not add up to the total due to random rounding.

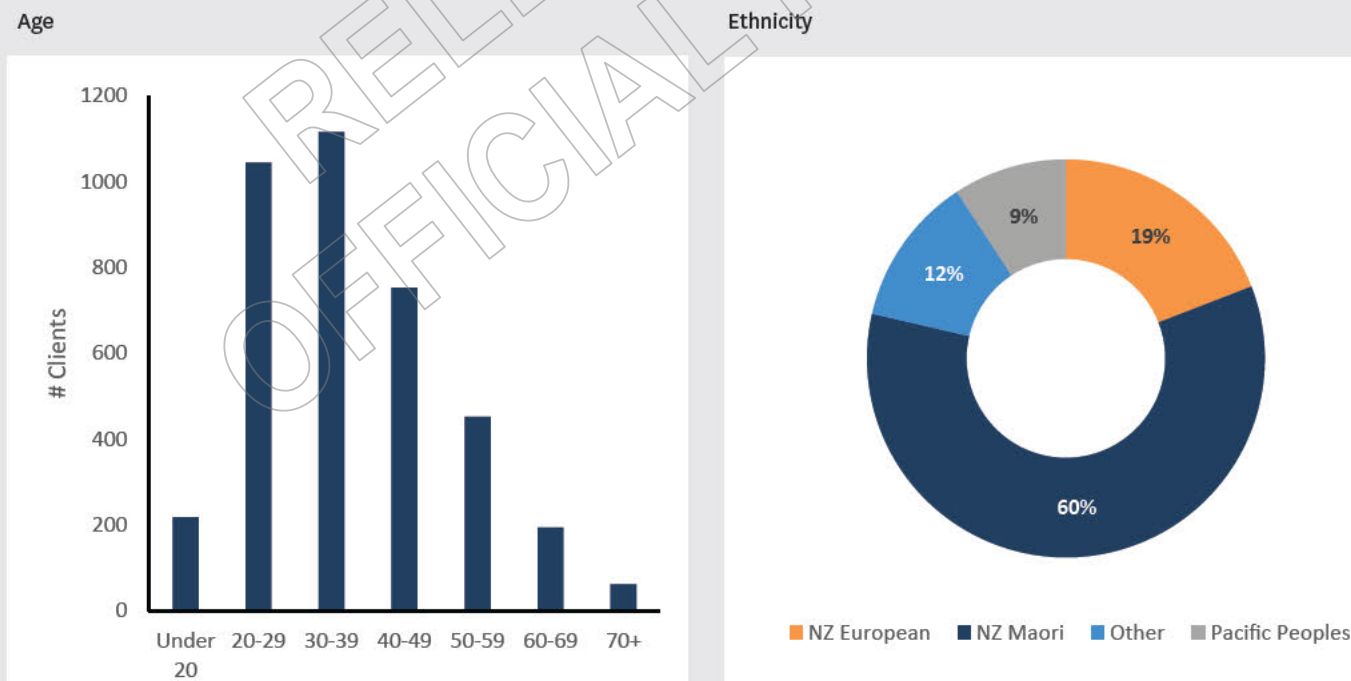
2 Bedrooms required for Public Housing for applicants in Emergency Housing



3 Household Type



4 Emergency Housing clients by age and ethnicity



COMPOSITION IN EMERGENCY HOUSING BY ADULTS/CHILDREN

1 Composition in Emergency Housing – By adults/children

MSD Region	Emergency Housing Composition		
	Households	Adult	Child
Northland	54	63	66
Auckland Metro	969	1,137	1,248
Waikato	624	708	759
Bay of Plenty	555	630	447
East Coast	411	489	423
Wellington	546	609	270
Taranaki	90	102	135
Central	270	309	249
Nelson	108	123	105
Canterbury	201	222	201
Southern	21	27	27
Other	-	-	-
National Total	3,846	4,416	3,924

Note: Figures in table may not add up to the total due to random rounding.

COMPLAINTS

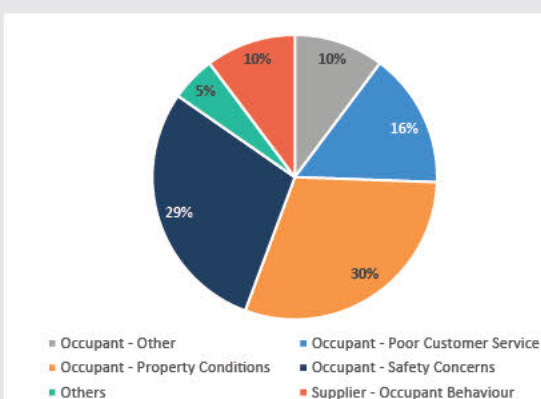
1 Complaints – Since 1 September 2020

MSD Region	Complaints received		
	Received	Open	Closed
Northland	S	0	S
Auckland Metro	27	S	S
Waikato	15	0	15
Bay of Plenty	72	S	S
East Coast	9	0	6
Wellington	12	0	9
Taranaki	12	0	12
Central	12	0	9
Nelson	S	0	S
Canterbury	15	0	15
Southern	0	0	0
Other	0	0	0
National Total	177	6	168

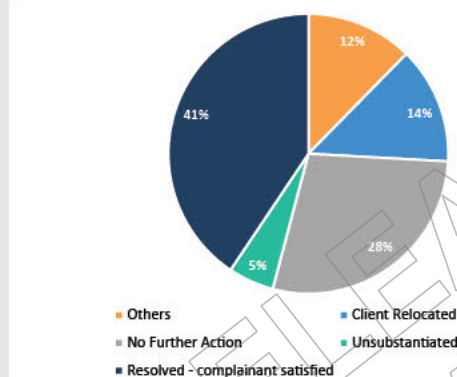
Note: Figures in table may not add up to the total due to random rounding.
After random rounding, any values that are under 6 have been suppressed to protect the identity of individual persons. Figures that have been suppressed have been replaced with a 'S'

Complaint type	Received	Open	Action taken
Occupant – Started 28 April 21	150	6	147
Supplier – started 25 May 21	24	0	24

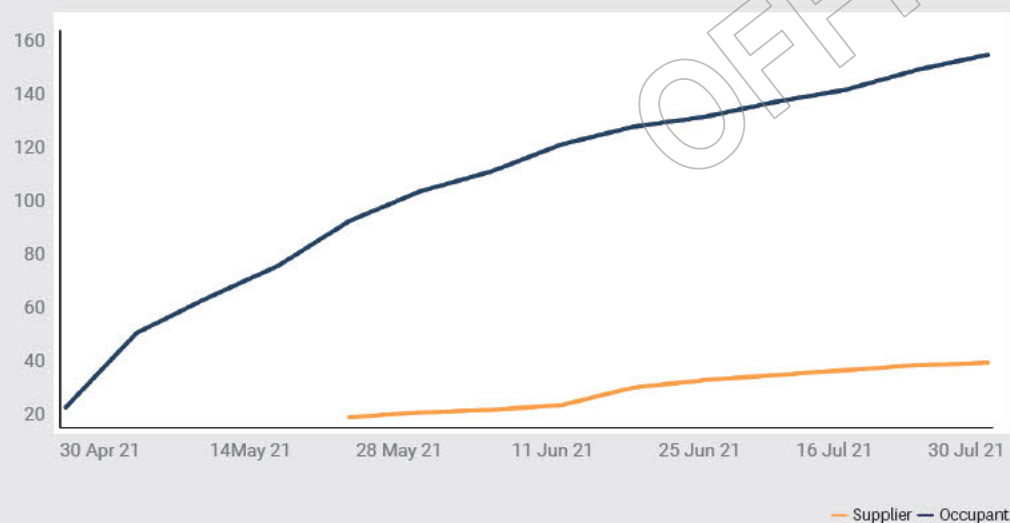
2 Complaint Type



3 Complaint Result



4 Complaints Logged – Cumulative Emergency Housing Complaints



NON PREFERRED EMERGENCY HOUSING PLACES BY REGION

1 Preferred and Non-Preferred

MSD Region	#Current Providers	Suitability			
		Preferred	Non-Preferred	Adults in Non-Preferred	Children in Non-Preferred
Northland	15	12	0	0	0
Auckland Metro	102	93	9	0	0
Waikato	51	48	0	S	0
Bay of Plenty	90	90	0	6	S
East Coast	48	45	0	0	0
Wellington	45	30	12	6	S
Taranaki	24	24	0	S	6
Central	42	39	3	S	0
Nelson	33	24	6	6	6
Canterbury	48	45	3	12	12
Southern	12	12	0	0	0
Not in Supplier Lists	24	0	0	0	0
National Total	531	471	39	42	27

Note: Figures in table may not add up to the total due to random rounding, providers not in a region are not classified as either preferred or non-preferred. After random rounding, any values that are under 6 have been suppressed to protect the identity of individual persons. Figures that have been suppressed have been replaced with a 'S'

2 Visits/Contact

MSD Region	July Visits	August Planned Visits
Northland	0	0
Auckland Metro	24	15
Waikato	0	0
Bay of Plenty	36	0
East Coast	3	27
Wellington	21	6
Taranaki	3	15
Central	3	3
Nelson	9	3
Canterbury	12	3
Southern	0	30
Other	0	0
National Total	105	105

Note: Figures in table may not add up to the total due to random rounding.

3 Security Deposit Claims

MSD Region	Applications	Amount
Northland	0	\$-
Auckland Metro	50	\$30,000
Waikato	10	\$10,000
Bay of Plenty	20	\$20,000
East Coast	30	\$20,000
Wellington	0	\$-
Taranaki	0	\$-
Central	30	\$10,000
Nelson	0	\$-
Canterbury	10	\$10,000
Southern	0	\$-
Other	10	\$-
National Total	160	\$100,000

Security Deposit claim reporting for Emergency Housing clients is estimated based on client event notes and payments made under "other" need codes. These estimates are rounded and are unable to be further broken down. Updates to MSD's system will be made in the future to allow official reporting on security deposit claims.

PURPOSE

The purpose of the proactive register management is to confirm that applicants:

- Housing information is correct and up to date
- Are aware of their obligations
- Are aware of housing, employment and income support or information that may assist them to move into other suitable accommodation

After the initial housing assessment has been completed and before the client's application is moved onto the register, the client is advised of the following:

- They must tell us straight away about any changes in their circumstances
- We will contact them regularly about their circumstances (through register management)
- They should save both MSD and Kainga Ora's numbers into their phone

MSD's confidentiality policy: All data contained in this document is randomly rounded to a base of three, and independently from the associated data file – figures may not match when comparing the two. More information on this policy can be found here: <https://www.msd.govt.nz/about-msd-and-our-work/tools/how-we-keep-data-private.html>

1 – PROACTIVE REGISTER MANAGEMENT

Phase 1		Clients successfully contacted						Total Successful Contacts	Unable to contact client
Week Beginning	Distinct Clients	Review completed			Exited Waitlist				
		Change in Circs.	No Change	Verification Requested	At client request	No longer eligible	Total Exits		
10 May	351	57	93	15	6	3	12	177	174
17 May	489	93	108	9	51	9	57	270	216
24 May	936	135	189	24	120	21	141	489	444
31 May	591	93	243	36	87	42	129	498	93
07 Jun	1,176	117	195	30	63	18	78	420	753
14 Jun	1,263	147	228	21	63	21	81	480	783
21 Jun	630	132	162	15	39	12	51	360	270
28 Jun	387	66	84	3	9	3	9	168	222
Total Phase 1	5,820	846	1,305	153	432	129	561	2,865	2,955

Phase 2		Clients successfully contacted						Total Successful Contacts	Unable to contact client
Week Beginning	Distinct Clients	Review completed			Exited Waitlist				
		Change in Circs.	No Change	Verification Requested	At client request	No longer eligible	Total Exits		
05 Jul	240	36	21	3	3	0	6	69	171
12 Jul	801	246	369	36	114	24	141	792	12
19 Jul	1,140	324	438	69	186	36	222	1,053	84
26 Jul	2,451	363	498	60	186	30	219	1,137	1,311
Phase 2 to date	4,629	972	1,329	165	492	93	585	3,051	1,581

Totals to Date		Clients successfully contacted						Total Successful Contacts	Unable to contact client
Phase	Distinct Clients	Review completed			Exited Waitlist				
		Change in Circs.	No Change	Verification Requested	At client request	No longer eligible	Total Exits		
Phase 1	5,820	846	1,305	153	432	129	561	2,865	2,955
Phase 2	4,629	972	1,329	165	492	93	585	3,051	1,581
Total to date	10,449	1,818	2,634	318	924	222	1,146	5,916	4,536

† Note clients in the “Unable to reach client” category counts all clients who have been attempted, but not successfully contacted, that week. The same client may be counted in this category the following week (as we make four attempts to contact, each on a different day); or may be contacted successfully (counted in the ‘Successfully Contacted’ groups), or may be part of the “Unable to Reach Client via outbound calling” category.

Note: Figures in tables may not add up to the total due to random rounding.

2 – SUMMARY OF FINDINGS

2a Phase 1

Register Management, phase one, clients with priority ratings A11 to A9 and B's

During 10 May to 16 July 2021, we engaged with 4,938 clients on the housing register, Of this:

- 3,722 clients were proactively contacted by outbound calling
- 854 clients were sent a letter requesting them to contact us (after a number of outbound attempts) or they had already made contact with us
- 362 clients were proactively contacted by either phone, letters or text message e.g. Language difficulties, hearing impaired or deaf.

What we found:

- 55% of clients we contacted had a change in circumstances
- 19% of the successful contacts resulted in an exit from the register
- 80% of those are “at the client’s request”
- 54% of clients couldn’t be contacted by phone after up to four attempts

We can see reactive contacts via inbound as a result of our letters.

2b Phase 2

Contacting A12 and A13's currently

To date, MSD are finding that A12 and A13 applicants needs are unchanged and applicants are less likely to be exited from the Register than the lower priority applicants in phase 1.

Aide-mémoire



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Cabinet paper

Date: 20 August 2021 **Security Level:** Cabinet Sensitive

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

File Reference: REP/21/8/878

One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu

Cabinet Cabinet

Date of meeting 23 August 2021

Minister Hon Chris Hipkins, Minister for COVID-19 Response
Hon Kris Faafoi, Minister of Immigration

Paper Proposal: *One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu*

Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu
This paper seeks Cabinet agreement in principle to commence limited one-way quarantine-free travel (QFT) by air from Vanuatu from s6(a) 2021 and from Tonga from s6(a) 2021, subject to conditions. It seeks approval of Arrangement texts on one-way QFT from Vanuatu and Tonga; and seeks agreement to changes to Recognised Seasonal Employer (RSE) policy settings. The paper updates on progress towards one-way QFT from Samoa and Tokelau.

One-way QFT from Tonga and Vanuatu will support the reconnection of Pacific people with New Zealand, unlocks access to higher numbers of RSE workers and alleviate workforce pressures on the horticulture and viticulture sectors. The opening of travel pathways from these countries provides an opportunity for people to access critical services in New Zealand, including education and medical care, and reduces pressures on MIQ.

We recommend that you **support** the proposals.

We recommend that you **agree** to proposed changes to the RSE policy settings.

One-way QFT will commence from Tonga and Vanuatu in September, subject to key conditions

One-way QFT will commence from Vanuatu from s6(a) and from Tonga from s6(a), subject to key conditions:

- the New Zealand, Tonga and Vanuatu Cabinets must approve the QFT arrangements ('Arrangement Texts'), including approving repatriation plans
- New Zealand and partner countries must be operationally ready to commence one-way QFT. Border screening measures must be in place to ensure compliance with one-way QFT rules (i.e. departing passengers must have spent at least 14 days in the country of departure)
- airports and airlines need to be ready to operationalise one-way QFT from Tonga and Vanuatu, including s9(2)(j)
- appropriate regulatory mechanisms are in place to operationalise one-way QFT
- Recognised Seasonal Employers' preparations are well advanced; and
- final advice from the Director-General of Health to Ministers on the health readiness of Vanuatu and Tonga by Friday 27 August 2021.

A report will be provided to Cabinet on 30 August 2021 to confirm if these conditions have been met, and to seek Cabinet's confirmation of commencement dates for one-way QFT arrangements.

Officials advise that negotiations with partner countries on QFT are progressing as planned, despite the recent Delta variant outbreak in New Zealand. The outbreak may delay the implementation of one-way QFT from Samoa and could delay repatriation efforts.

Discussions are underway with Samoa and Tokelau on the commencement of one-way QFT

MFAT is in discussions with the new Samoan Government on the implementation of one-way QFT from Samoa. s6(a)

A recommendation on an in-principle commencement date for Samoa will follow in the Cabinet paper of 30 August 2021.

Officials are working on establishing one-way QFT with Tokelau (via Samoa), however the health assessment is not yet complete. It is important to protect access routes for Tokelauans to Samoa, as it is Tokelau's only port of connection and Tokelauans hold New Zealand citizenship.

Eligibility for travel under one-way QFT will be strictly controlled

Entry to New Zealand under one-way QFT will be strictly controlled, to mitigate the risk of travellers becoming stranded or staying beyond the expiration of their visa.

Only people covered by the border exceptions regime or those exempt from border restrictions will be eligible for one-way QFT from Tonga and Vanuatu.

Eligible travellers include New Zealand citizens, most New Zealand residents, RSE workers, critical health workers, other critical workers, students, NZ Aid Scholarship recipients, people travelling to New Zealand for humanitarian reasons and foreign diplomats. By limiting the cohorts of people eligible for one-way QFT, this will help to manage repatriation capacity in Tonga and Vanuatu and reduces public health risk.

Impact on the Recognised Seasonal Employer Scheme

The paper proposes key changes to the RSE Scheme

One-way QFT supports a return to normal policy settings for the RSE scheme for workers arriving from one-way QFT countries, with enhancements building on previous RSE border exceptions decisions.

Proposed changes to RSE policy parameters include:

- the visa cap of 14,400 for 2021/22 will be made available (including RSE workers already onshore). This is subject to normal policy requirements that no New Zealanders are available to fill roles.
- industry will coordinate the fair distribution of RSE workers in consultation with Immigration NZ (INZ), MFAT and MSD and lead workforce planning to ensure overall worker allocation is consistent with country repatriation capacity
- workers will be encouraged to return home between seasons where repatriation routes are available, taking into account potential constraints on repatriation numbers in the Pacific and worker demand onshore
- remuneration for all new RSE visas will be at least \$22.10 per hour for a minimum of 30 hours per week. This is consistent with remuneration rates paid to RSE workers under previous RSE border exceptions (BE1 and BE2)

Due to constraints on New Zealand's MIQ capacity, MBIE has advised that for the foreseeable future, all new RSE workers will only come from eligible QFT countries. The usual 14,400 cap will apply, but numbers are likely to be lower as they'll be constrained by pools of ready workers and by the repatriation capacity of the partner country.

MFAT officials are finalising advice on the numbers of expected arrivals under one-way QFT, including expected arrivals of RSE workers. These projections will help MSD to manage resourcing, plan allocations, and inform engagement with RSE employers.

Our advice

The RSE cap and allocation need to be carefully managed

A mechanism needs to be put in place to accurately count the number of RSE workers that this will bring into the country and to ensure that the RSE cap of 14,400 is not exceeded.

There is the risk that opening up access to the full cap (while unlikely to be fully utilised), could cause RSE workers to be stranded in New Zealand, if they are unable to be repatriated in time to Samoa, Tonga and Vanuatu.

Increased arrivals of RSE workers through one-way QFT would need to carefully consider size, timing and allocation to employers in order to maintain this pressure and not displace New Zealanders who are seeking employment. The allocation process must be fair and consistent, not disadvantage jobseekers, and must ensure that RSE employers do not exceed their normal allocation.

We understand that MBIE officials are developing further advice about how the cap and allocation mechanisms will work under one-way QFT.

One-way Quarantine-Free Travel from Samoa, Tonga and Vanuatu will increase numbers of RSE workers

The introduction of QFT from Samoa, Tonga and Vanuatu would remove the cost of MIQ for RSE employers and make it more affordable to bring in RSE workers to New Zealand.

While QFT arrangements will increase the inflow of RSE workers into New Zealand and help to fill seasonal labour shortages, arrival numbers need to be staggered to align with partner countries' repatriation capacity and labour shortage periods. The arrivals of RSE workers should not coincide with periods where there are no major labour shortages, as this may cause some New Zealanders to be laid off, displaced or not employed.

However, one-way QFT will not address long-term labour shortages in the horticulture and viticulture sector

Even if QFT is in place, officials advise that the horticulture workforce could still face sizeable labour shortages, as these countries are unlikely to be able to provide all the workers needed to fill labour gaps.

Industry needs to focus efforts on supporting more New Zealanders into the sector, as well as sourcing RSE workers from non-QFT countries. Employers need to implement workforce planning and attraction strategies to fill more roles domestically. MSD wants to see employers make full use of the MSD supports available to them, including the New Zealand Seasonal Work Scheme.

Horticulture and viticulture employers need to increase the number of New Zealanders in the industry

MSD is committed to working with industry on initiatives and solutions to get more New Zealanders involved in seasonal work. A key to this is the development of workforce development strategies, that set out key actions and solutions to attract, upskill and retain more New Zealanders.

Employers need to continue efforts to remove barriers to seasonal work, including improving access to transport, training, accommodation and pastoral care. This includes

improving working conditions, offering flexible working and increasing pay rates to align with RSE workers.

MSD wants to ensure that QFT arrangements strike the right balance between supporting the labour mobility of the Pacific migrant workforce, and creating incentives on industry to recruit New Zealanders to fill labour shortages. This includes reducing reliance on temporary labour from the Pacific.

Securing a repatriation pathway is a necessary requirement of QFT

Tonga and Vanuatu have developed repatriation plans, to provide a clear pathway for travellers to return to these countries from New Zealand in a safe and timely manner. Due to MIQ constraints in Tonga, Samoa and Vanuatu, there is the risk that travellers returning from New Zealand to these countries may become stranded in New Zealand and may need to access financial and other means of support.

While the employers of RSE workers have an obligation to provide financial support for the duration of their visa, (including accommodation), s9(2)(f)(iv)

[REDACTED]

s9(2)(f)(iv)

[REDACTED]

MBIE will provide advice to the Minister of Immigration on policy changes to maximise the outflow of longer term RSE workers. This will involve enforcing the return home of long term onshore RSE workers, while providing certainty most can return for the next peak season after a rest period if they wish.

s6(a)

[REDACTED]

One-way QFT from Samoa, Tonga and Vanuatu will support re-connections with the Pacific

One-way QFT with Tonga, Vanuatu and Samoa supports the movement of people in the Pacific and will allow people in these countries to be reconnected with their families and communities in New Zealand. The benefits of supporting these travel

pathways will sustain economic and cultural connections, support labour mobility and access to medical and education services.

One-way QFT will reduce pressure on the MIQ system

One-way QFT arrangements will also reduce pressure on the MIQ system in New Zealand and free up spaces for other returnees. It will also help to address key labour shortages for other industries facing shortages. Other visa holders (such as critical health workers and students) will be eligible to travel under this proposal and will have the right to work in New Zealand.

Author: Out of scope, Policy Analyst, Employment Policy

Responsible manager: Megan Beecroft, Manager, Employment Policy

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Aide-mémoire



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

Meeting

Date: 23 August 2021 **Security Level:** IN CONFIDENCE

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

File Reference: REP/21/8/881

Discussion on access to food and other social services during lockdown

Meeting details 4:30pm – 5:00pm, Monday 23 August, via Zoom

Expected attendees Hon Peeni Henare, Minister for Whānau Ora

Purpose This meeting is to discuss support regarding access to food and other core services, including potential funding across Social Development and Whānau Ora.

Current context

Demand for food and other social services

Before the move to Alert Level 4 last week, food demand was already above historic levels. Since the shift to Alert Level 4, food demand has risen again by 50%. Demand for food is particularly high in Auckland, concentrating around those church and school communities with high numbers of cases and families self-isolating.

Essential items outside of food are being raised as a concern, including data and other connectivity items, hygiene items, baby products, sanitary items, transport etc. This could signal the need for another support mechanism, such as through a community grants process.

MSD is preparing for increased support being needed by refuge to accommodate victims of family and sexual violence and considering the need to re-run the *safe bubble* campaign that was launched in the last Alert Level 4.

Youthline have reported a spike in demand from young people seeking support in response to the lockdown announcement, there was 300% increase since the August 17 announcement of the shift to

Alert Level 4. Youthline reported that though young people in general aren't as concerned this time, for some there is an overall struggle with hardship and money management and feeling isolated. Youthline expect their counselling services to spike dramatically if we continue to remain in lockdown as it did last year in level 4.

The National Emergency Management Agency response

We have been advised that the National Emergency Management Agency (NEMA) has sought approval to transfer \$4.9m of funding into the 2021/22 fiscal year that was unspent in 2020/21. This funding is to meet the costs of reimbursing Civil Defence and Emergency Management (CDEM) groups costs associated with their welfare response, which have now stood up across the country.

NEMA anticipate that because a number of agencies now have specific funding for COVID-19 related support, that will absorb some of the costs previously met by CDEM groups. NEMA have also identified to their Minister that *CDEM groups will be expected to provide urgent support to people with immediate needs, where no other means of support is available.*

At this stage we anticipate that CDEM groups' welfare response is likely to be focused on supporting those families who are self or in remote/regional areas where there is no home delivery of purchased groceries/food. We also understand that other options for scaling up CDEM groups' role, particularly in Auckland, are being explored to ensure good coverage of any gaps in servicing issues around food distribution, for example.

The Ministry of Social Development response so far

There are four areas where a potential package of funding could be developed:

- Access to food
- Community Grant Funding
- Family and Sexual Violence Response: Women's Refuges and Safe bubble
- Youthline.

Access to Food

To respond to this elevated demand, in recent days MSD has provided an additional \$300,000 to the New Zealand Food Network (NZFN), with \$100,000 of this being ring-fenced for Auckland Iwi and Māori-led organisations. This funding is being used to purchase food at a discounted rate (50% of retail).

With the expenditure of the \$300,000, the available funding for food security has been depleted.

Funding limitations

The original assumptions around the funding needs of the Food Secure Communities programme were based on New Zealand being at Alert Level 2 or below. In the previous Alert Level 4, it was treated as a state of national emergency, with CDEM Groups playing a leading role in food.

This time, Alert Level 4 is being managed under the COVID Pandemic legislation, and CDEM Group support to meet costs is a last resort, under Alert Level 4.

This has seen MSD now effectively playing a leading role in ensuring that food security needs of New Zealanders can be met, but with a funding model that was not designed to meet the needs that exist at Alert Level 4.

Core issues to resolve urgently

The key issue that needs to be resolved urgently is that of meeting critical funding needs that have the potential to see food banks run out of food in the coming days. MSD will fund this by temporarily reprioritising existing funding and offset this later should additional funding be agreed through COVID response Ministers. The breakdown for immediate need is detailed in the table below.

Organisation	Cost
New Zealand Food Network	\$200,000
Auckland City Mission and partner Marae	\$100,000
Auckland Pacific foodbanks: <ul style="list-style-type: none">• SouthSeas HealthCare• The Fono• Affirming Works	\$300,000 (\$100,000 for each provider)
Student Volunteer Army	\$30,000
Contingency	\$100,000
TOTAL	\$1,030,000

We intend to ensure that this funding is paid to the listed organisations in the next day or two to relieve the financial pressures they are facing.

A structured response over the next four to five weeks

MSD has outlined a set of scenarios that could eventuate in order to understand the potential cost over the next four to five weeks.

It is expected MSD will need to draw on funding of around \$7-8m to support the response where the country remains at Alert Level 4 for up to four weeks.

Food and social service needs being identified by other agencies

Many communities have identified food as a critical concern in recent days. Among these, are the Whānau Ora Commissioning Agencies

who have engaged with the Minister for Whānau Ora and Te Puni Kokiri to seek to ensure sufficient food and other necessities are available to those they are working with.

The Whānau Ora Commissioning Agencies have identified that there is a particular need in Auckland also, and have stood up a range of supports, which we understand includes a food component, as well as a wider range of supports for whānau (e.g. support with utilities, connectivity, education, hygiene, essential goods, vaccination response etc.).

The Minister for Whānau Ora has sought advice on what the cost of delivering additional support to whānau might be. We have engaged with Te Puni Kokiri in relation to this advice.

This advice puts forward a case based on activities undertaken by Whānau Ora providers under the last Alert Level 4.

Community Grant Funding

Funding limitations

Two years of funding was received for the Community Capability and Resilience grants fund in Budget 2020. The first year of funding was exhausted and drew on funding from year two.

In the current year we have ring fenced \$2.4 million for resurgence which can be utilised to meet immediate need. The remainder is subject to an application process that opened in July 2021 for which applications are currently being assessed.

Core issues to resolve urgently

We have identified providers that we would look to make immediate payments to in order to take pressure off particularly the Auckland community.

An initial assessment of where additional funding is immediately required (based on where we have community connectors and priority providers identified by MSD regions) indicates that funding would be directed to:

- 29 providers in Auckland
- 11 providers in Wellington

Grants of between \$25,000 and \$50,000 per organisation are planned. Where MSD regions have identified providers, whose services are in high demand, the \$50,000 grant will be used.

In total, this would see \$1.15m in grants paid out immediately.

A structured response over the next 4-5 weeks

MSD has outlined a set of scenarios that could eventuate in order to understand the potential cost over the next 4 to 5 weeks.

It is expected MSD will need to draw on funding of between \$2.4m - \$9m to support the worst case of these scenarios.

Family and Sexual Violence

Funding limitations

The National Collective of Independent Women's Refuges (NCIWR) held \$300,000 of funding in reserve for accommodation in the event of a COVID-19 resurgence. This funding is currently being used to meet accommodation needs experienced by NCIWR refuges.

A structured response over the next four to five weeks

Additional funding is required for refuge services

During lockdown, refuge services need to be delivered in a different way. With both staff and clients needing to be socially distanced, regular refuge housing is no longer appropriate. Instead, refuge requires additional funding to secure alternative accommodation options like motels and hotels.

MSD provides funding to 40 National Collective of Independent Women's Refuges (NCIWR) and 17 independent refuges nationwide.

During the previous nationwide level 4 lockdown, each refuge required additional funding of \$8,000 per week to help cover their additional accommodation costs (\$456,000 per week in total for 57 refuges). A four-week nationwide lockdown would mean additional funding of \$1.82m would be required.

MSD funds seven NCIWR refuges and seven independent refuges in Auckland. If lockdown were to be restricted to Auckland only, additional funding of \$448,000 would be needed.

Safe bubble can be re-activated

During the previous nationwide lockdown, the Safe Bubble campaign was introduced. The campaign promotes the fact that even during lockdown, it's still ok to ask for help if you are experiencing family violence.

The previous campaign comprised of two phases. Last year, phase one comprised of television commercials, radio advertisements, banners, and placements on social media. Phase two comprised of targeted, separate messaging for women and men on social media.

The Campaign for Action on Family Violence team are currently developing options for the campaign this year, and the costs of running it on different media platforms.

Costings from last year would suggest that running both phases would mean additional funding of \$1m would be required.

Youthline

Access to youth-friendly helpline services

To respond to the surge in demand from young people feeling anxious, fearful, at-risk and/or experiencing suicidal ideation, and/or care and protection concerns and who prefer to contact Youthline Helpline services.

Since the move to Alert level 4 on Tuesday 17 August, Youthline has experienced a 300% increase in young people reaching out for support through the Youthline free helpline, text and webchat services.

Youthline's current baseline resourcing is insufficient to meet the increased demand.

Funding limitations

At Alert Level 1, Youthline was experiencing resourcing challenges and was still reliant on external non-government funding sources to meet the full cost of its services. The impact of increased demand has exacerbated resourcing issues.

As shown in the 2019 Youthline - The State of the Generation report, Youthline is by far the most top of mind support organisation amongst young people, and has the highest awareness overall. Youthline is also strongly associated with offering the things that are most important when contacting a support organisation.

Mental Health, Depression, Anxiety and Suicide are the top issues effecting young people; and based on the March/April 2020 trend, these presenting issues will be exacerbated under the ongoing COVID-19 pandemic response in Aotearoa New Zealand.

The potential to divert helpline calls is not available as other services, such as 1737, only offer triaging rather than actual counselling services, and/or establishing a supportive relationship with the young person. In addition, Youthline can be a valuable source of real-time youth focused intel on emerging issues and concerns.

A structured response over the next four to five weeks

The key issue that needs to be resolved urgently, is to support Youthline to stand-up community-based helpline response teams in the coming days, by addressing critical funding requirements. Noting however that a more sustainable funding solution will be needed beyond an immediate response.

Enabling youth-friendly COVID messaging

On-the-ground intel gathered from the youth sector indicates that young people are numb to the government COVID-19 messaging.

Meaning, young people have reported switching-off from the adult designed and adult led messages on COVID-19.

At a time when Government is introducing mandatory mask-wearing and recording of movements at all Alert Levels, and rolling out vaccinations for 12 to 15 year olds, uptake of key messages is crucial to ensure all New Zealanders are safe from further and future community outbreaks of COVID-19.

Youth sector providers, especially youth workers, youth mentors and youth coaches who already hold trusting relationships with young people, are an available source that can be utilised to promote youth-friendly COVID-19 messaging to their clients. MYD is also aware COVID-19 messaging developed and delivered directly by youth social media influencers is likely to have a bigger reach over time, and potentially resonate with young people in a manner that can influence changes in behaviour and attitude.

Funding limitations

Currently MYD is not resourced to support known youth sector organisations to develop youth-led COVID-19 messaging based on agreed government COVID messaging.

A structured response over the next four to five weeks

The key issue that needs to be resolved urgently is to provide short-term funding to help develop/adapt core Government COVID-19 messaging to meet the needs of young people.

Overall funding implications

Collectively, this indicates that the combined critical and immediate funding needs to respond to the impacts of COVID-19 on food and other social services providers in the next few days is \$3.3 million.

Meeting immediate and critical funding needs

Meeting immediate and critical funding needs could be addressed as part of a wider piece of work across MSD and other agencies to seek additional funding from government to meet critical needs that have emerged due to the COVID-19 resurgence.

At this stage, we do not have ability to absorb or re-prioritise existing funding, including COVID-19 Response and Recovery Funding (CRRF) previously allocated to MSD portfolios. As such, should you wish to pursue a package from CRRF, we would need to seek joint agreement with the Minister of Finance and Minister for Housing who have delegated power to approve allocation from this Fund.

Such a process is likely to take some days to complete and obtain agreement from COVID response Ministers. This would see a gap in potential responses spanning this period, in which critical services could cease operating.

There is a small pool of funding that we will use in the interim

To meet urgent and critical funding needs, MSD will utilise the \$2.4m it has to respond to a COVID-19 resurgence to meet existing critical

funding needs. Proposed expenditure in the food and community grants areas represents an investment of \$2.18m.

In addition, Te Arawhiti are aware of critical needs emerging amongst a small number of Māori communities in the Far North, Bay of Plenty and East Coast. We will also ensure that a contingency fund is retained from the remaining \$2.4m for these communities.

Funding required to deliver a structured response over the next four to five weeks

Attached as Appendix 1, is a breakdown of funding to deliver the structured approach for communities over the next four to five weeks.

Potential joint MSD / Te Puni Kōkiri advice to respective Ministers

We have looked at how best to advance a cohesive and thorough request to government for funding to meet the needs of communities, providers, and whānau under Alert Levels 3 and 4.

MSD believes there is scope for MSD and Te Puni Kōkiri to work together to identify the most effective responses to ensure the food and other social service needs of those who need it most can be met, and we wish to ensure that any request for additional funding is aligned across agencies, and advanced jointly.

At this point, there appear to be a range of ways that this could be done, which we are exploring with Te Puni Kōkiri to ensure responses are complementary and do not duplicate activity or investment.

One potential way to manage overlapping responses could include **segmenting clients**, by ensuring providers are funded only once by government in relation to food and other social services. This could see MSD not providing funding to Whānau Ora providers for purposes that they receive funding from Te Puni Kōkiri.

Under such an arrangement, Te Puni Kōkiri would ensure adequate funding for the cohorts the Whānau Ora Commissioning Agencies work with and MSD would focus on ensuring support could reach other key groups such as, disability, youth, rural, and ethnic communities.

Next steps**Meeting immediate and critical funding needs**

At this stage, we do not have the ability to absorb or re-prioritise existing funding, including COVID-19 Response and Recovery Funding (CRRF) previously allocated to MSD portfolios. As such, should you wish to pursue a package from CRRF, we would need to seek joint agreement with the Minister of Finance and Associate Minister of Finance who have delegated power to approve allocation from this Fund.

Developing a cross-agency view of funding needs

We propose that MSD and Te Puni Kōkiri will work at pace over the coming days to develop advice to joint Ministers, which identifies the rationale, approach and funding required to address the current food insecurity issues and other social service needs arising from the shift to Alert Level 4.

As part of this work, we will also provide advice on the most appropriate vehicle for yourself, and the Minister for Whānau Ora to bring this to the attention of your Cabinet Colleagues, and to seek additional funding.

We will deliver this joint advice to you by 31 August 2021.

Responsible manager: Marama Edwards, Deputy Chief Executive Māori, Communities and Partnerships



Memo

To: Hon Carmel Sepuloni
Minister for Social Development and Employment

From: Melissa Gill, DCE Organisational Assurance and Communication

Date: 23 August 2021

Security level: IN CONFIDENCE

Legal framework and integrity measures for the Wage Subsidy August 2021

Action: For Information

Legal framework - eligibility and repayment requirements for the Wage Subsidy August 2021

To be eligible for the Wage Subsidy August 2021, employers must:

- operate a business in New Zealand that employs and pays the employees named in the application
- meet the revenue decline test set out in the declaration, including experiencing, or predicting they will experience, at least a 40% decline in revenue as a result of the move to Alert Level 4
- use the subsidy to retain, and contribute towards the salary and wages of, the employees named in the application
- meet all other eligibility criteria and obligations set out in the declaration.

Employers must repay the subsidy if they:

- fail to meet any of the obligations about how they must use the subsidy; or
- were not or stop being eligible for the subsidy or any part of the subsidy, including where they predict that they will meet the revenue decline test but, as a result of actual revenue, they do or did not;
- provide false or misleading information in their application; or
- receive insurance such as business interruption insurance for any costs covered by the subsidy.

Integrity measures for the Wage Subsidy August 2021

There are several integrity measures in place:

- Pre-payment validation for all applications - before approving an application and making payment, MSD checks and verifies information that applicants provide against information that Inland Revenue holds including that the applicant had a valid IRD number and that the number of employees applied for across applications matches Inland Revenue's information for that employer. ^{56(c)}

- Pre-payment integrity checks for applications:
 - *from employers with 80 or more employees* - including validation of employee data and more detailed discussions to confirm, based on criteria and obligations, that the employer is eligible for the subsidy payment; or
 - *that meet one or more integrity risks* – applications are exceptioned out for further checks where they pose an integrity risk, for example, the applicant is already under investigation for a previous application. These include desk-based reviews of publicly available information, contacting the applicant to discuss any identified discrepancies or complaints, requesting verification to confirm the revenue decline eligibility criteria are met, and contacting other agencies to validate the information provided, as required.
- Coordinated complaints process including the publishing of employer details with more than three employees – to allow affected employees and interested parties to raise concerns. MSD, MBIE and IR manage complaints with respect to non-compliance with the obligations in the wage subsidy declaration, employment law breaches, and tax law obligations, respectively.
- Post-payment integrity checks targeted at applications of risk – assessment of complaints and allegations for further integrity checks or investigation, and targeted integrity checks based on risk analysis conducted with Inland Revenue.¹
- Investigation – gathering evidence to determine eligibility and adherence with obligations, and to identify where fraud has occurred. This includes working with the Police to gain production orders² or complete search warrants for that evidence.
- Enforcement - taking civil proceedings against applicants in cases where they were not entitled to the wage subsidy and have not repaid it, and prosecuting cases where fraud has been proven.

In addition, for Wage Subsidy August 2021 Inland Revenue is providing supplementary training and guidance to their staff dealing with contact from MSD where further verification is required, particularly in relation to self-employed business operators (sole traders), including risks and indicators identified from previous subsidy iterations, and additional validations to ensure there is evidence of self-employed income before endorsement is provided.

How did MSD respond to Deloitte's recommendations?

On 1 April 2020, MSD commissioned Deloitte to undertake an integrity risk assessment of the wage subsidy scheme shortly after its inception. Deloitte analysed how the initial scheme had been administered and provided 12 recommendations to enhance integrity. The recommendations addressed several key risk areas:

¹ s6(c)

² Production orders are orders made under section 74 of the Search and Surveillance Act 2012 requiring a person or organisation (such as a business) to produce documents to enforcement agencies as evidential material of a specified offence.

- applicants being paid the subsidy without meeting the eligibility criteria
- applicants being overpaid the subsidy
- false applications for employers that have not claimed the subsidy
- manipulation of application data
- the approval of ineligible applications
- access to data.

Deloitte identified three areas that could provide valuable integrity enhancements in the short-term. These related to increasing communications around reminding businesses of their obligations, enhancing risk analysis and further shifting to targeted audits.

Integrity enhancements were made from 10 June 2020 for the Wage Subsidy Extension (WSX) and subsequent Wage Subsidy Resurgence (WSR) to address these three, and a further six, recommendations.

Three recommendations related to automating systems in order to reduce manual processes were not implemented: the reconciliation of large employer file data and payments, system improvements for large employer applications, and automating the transfer of the payment file to Finance. While these would have reduced processing effort, they were too complex to carry out within the timeframe available. Where feasible, MSD has made manual enhancements to mitigate the risks identified by Deloitte. Deloitte acknowledged in their report that they had not fully assessed the feasibility of the Ministry implementing their recommendations.

How did MSD respond to the Auditor-General's recommendations?

MSD accepts the Auditor-General's recommendations and has already begun taking action, with the support of Inland Revenue.

- Rec 1: ensure eligibility criteria are sufficiently clear and complete to allow applicant information to be adequately verified
 - Officials took this into account for the Wage Subsidy August 2021.
- Rec 2: put in place robust post-payment verification procedures, including risk-based audits against source documentation, to counter the risks of using the high-trust approach
 - Under the COVID-19 Wage Subsidy Scheme March 2021, recipients were required to prepare and retain evidence to support their declaration of eligibility, including how the revenue decline was attributable to the move to AL3. MSD is undertaking risk-based integrity checks, including checking against documentary evidence. This is also in place for the COVID-19 Wage Subsidy Scheme August 2021.
- Rec 3: test the reliability of a sample of the post-payment assurance work we carried out against documentary evidence
 - MSD is currently in the process of contacting a sample of 339 early Wage Subsidy recipients (representing 486 applications) who were subject to random post-payment integrity checks to discuss their eligibility and were asked to provide documentary evidence to confirm their entitlement.
- Rec 4a: seeking written confirmation from applicants (which could be targeted towards larger or risk-indicated applicants) of compliance with the eligibility criteria and the obligations of receiving the subsidy
 - A sample of 1,000 early Wage Subsidy recipients, weighted towards larger employers, have been contacted by email to confirm their eligibility and compliance with obligations for the subsidy received.
- Rec 4b: taking prosecutions where possible and necessary to recover funds and/or hold businesses to account for potentially illegal behaviour

- We are committed to prosecutions where that is appropriate. A number of cases are under active consideration for civil proceedings or criminal prosecutions, with decisions being made in coming weeks and months.
- Rec 5: carry out timely evaluation of the development, operation and impact of the subsidy and use the findings to inform policy advice on, preparation for, and practice during future crisis support schemes
 - MSD has sought agreement from the Minister of Finance to draw down \$1 million from the COVID-19 Response and Recovery Fund to support an evaluation of the COVID-19 Wage Subsidy schemes. Officials will report back to Ministers on the evaluation findings in mid to late-2022.

How have MSD's integrity processes changed with subsequent schemes?

Scheme	Cumulative integrity measures
WS1	<ul style="list-style-type: none"> • Declaration • s6(c) • • Pre-payment validation of business details using IR data • Pre-payment checks of large businesses (80+ employees) • Publishing of recipient details (with more than three employees) • Dedicated email address for Privacy Act requests (to confirm for people whether their information was used in any applications) • Assessment of complaints and allegations for further integrity checks or investigation • Post-payment integrity checks (both random and based on IR/MSD risk analysis) • Industry focused integrity checks where particular issues were identified e.g. applications from local authorities • More detailed investigations commenced where integrity checks indicated a higher likelihood of misuse of the scheme • Repayments process • Review of decision process.
WSX WSR	<p>All of the above integrity measures, with the addition of:</p> <ul style="list-style-type: none"> • Pre-payment exceptions for integrity checks of applications that meet one or more risk criteria, or who are under investigation, moving the focus to preventing misuse upfront • Post-payment targeted integrity checks (based on IR risk analysis and industries or organisations of interest) • Increased communications with applicants before and after payment • Improved application processes to ensure accurate data collection and support automation (e.g. addition of mandatory application fields) • Stricter settings around payment approvals by users • Utilising IR Compliance Specialists to support integrity work • Enforcement and recovery framework development.

Scheme	Cumulative integrity measures
WSSMAR21 WSSAUG21	<p>All of the above integrity measures, with the addition of:</p> <ul style="list-style-type: none"> • Declaration includes requirement for applicants to prepare and retain evidence to support the declaration, including meeting the revenue drop being attributed to the Alert Level change • Reminder email two weeks after application period to prepare and retain this evidence and provide when requested, especially if the revenue drop was predicted at the time of application • Increased transparency and visibility of the integrity programme, including improved guidance for applicants as recommended by the OAG • Enhanced post-payment targeted integrity checks based on refreshed joint analysis with IR – to be commenced once IR analysis has been received, and checks will include seeking verification as recommended by the OAG. Sampling of previous scheme integrity checks (assurance to address Audit NZ and OAG recommendations) – commenced from July 2021.

Questions and Answers

Q. Has MSD tightened up the eligibility criteria or verification process for the Wage Subsidy to reduce the chances of ineligible people getting the payment?

A. We have progressively made enhancements to the integrity measures for the wage subsidy over subsequent schemes, further detail is in the table above.

A key change was the explicit requirement for the COVID-19 Wage Subsidy March 2021 (also reflected in the Wage Subsidy August 2021) for applicants to prepare and retain evidence that supports their application, including that they have met the revenue decline test. This is requested as part of both pre- and post-payment integrity checks for the schemes. Applicants will be reminded of the requirement to retain and provide this evidence following payment, and additional risk analysis will be conducted between MSD and IR to inform post-payment integrity checks.

Q. If a business receives the Wage Subsidy August 2021 but then makes a profit, are they required to repay the subsidy?

A. There is no wage subsidy rule requiring repayment if a firm makes a profit after receiving the subsidy. Eligibility for the wage subsidy is based on the loss of revenue over a specified period and is not linked to making a profit over the financial year.

In applying for the subsidy a business/employer has to declare that they have had or predict they will have a 40% revenue decline over a specific period, in this case 17 – 30 August 2021 (compared to a 14 day period in the 6 weeks prior to alert level escalation on 17 August or the same 14 day period in 2019 or 2020 for employers with highly seasonal revenue). Employers are to repay the subsidy if they stop being eligible for the subsidy because of their “actual revenue” which is the revenue the employer received during the period they received the subsidy. It does not mean revenue received outside of that period, that might result in the employer making an annual profit.

Ministers received advice in July 2021 which recommended no further work on repayment rules. Linking the scheme to profit makes it complicated to design and administer and therefore MSD may not be the best organisation to administer such a

scheme. It also may create perverse incentives whereby businesses decide not to apply for the scheme.

It is also important to note that profit is not necessarily a good measure as to whether a business needed the wage subsidy in the first place. For example, the business may have only been able to make a profit due to receiving the wage subsidy during the lockdown period.

Q. What happens what happens if a company applies for the Wage Subsidy August 2021, but we are currently investigating them in relation to a previous wage subsidy?

A. All records for previous wage subsidy applicants under current investigation are locked. This means if one of the applicants re-applies for the Wage Subsidy August 2021 their application will not be approved, but instead forwarded to MSD's fraud team to manage.

File ref: REP/21/8/886

RELEASED UNDER THE
OFFICIAL INFORMATION ACT



Report

REP/21/8/887

Date: 24 August 2021

Security Level: SENSITIVE

To: Hon Carmel Sepuloni, Minister for Social Development

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development

26/8/21

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 We have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Since the beginning of lockdown at 11.59 pm Tuesday 17 August 2021, we strengthened our existing protocols by:
 - Reviewing and reinforcing health and safety protocols in line with Ministry of Health guidelines, which set out information for our offices about:
 - Limiting the number of staff onsite
 - Physical distancing
 - The importance of cleaning surfaces and hygiene
 - Limiting movement and use of face masks
 - Introducing new staff
 - What to do when staff are tested or there is suspected or confirmed exposure to COVID-19
 - Increasing our capability to operate the MSD manager's hotline which has been in place since early 2020 for managers to report and get advice on suspected and confirmed cases of COVID-19, as well as any direct or indirect contact with COVID-19.
 - Providing information to managers and staff to support their mental, physical and social wellbeing. This includes promoting the Employee Assistance Programme.
 - Refreshing and providing 'working from home' guidelines for managers and staff. Reports of pain and discomfort while working from home are being monitored daily.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **374** reports of staff being tested for COVID-19.
- 5 There are **203** test results still to be received.
- 6 **No staff** have tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021.
- 7 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
Glenfield	Construction underway for Service Centres for the Future – on hold due to AL4.
Kaikoura	Heartland site with all staff able to work from home or from another site.
s9(2)(a)	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.

s9(2) ()	Staff member's immediate household contact tested positive and both attended the same location of interest.
Riccarton	All staff are able to work from home or from another site.
Takaka	Heartland site with all staff able to work from home or from another site.
Waipareira Trust	Co-located site with no MSD staff on site as all staff are able to work from home.
Waipukurau	Co-located site with no MSD staff on site as all staff are able to work from home.

8 There have been **three** sites that have been deep cleaned to date:

Date of deep clean	Office name	Reason for deep clean
24 August 2021	s9(2)(a)	A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021		Two staff have had direct contact with a positive case in their household.
21 August 2021		A staff member has had direct contact with a positive case.

9 The following is a running daily total of the number of staff reported as being tested for COVID-19 since 11:59pm on 17 August 2021, regardless of the number of tests each staff member underwent during that period:

Date report received	Daily number of staff tested for COVID-19
24/08 (as at 12pm)	18
23/08	122
22/08	10
21/08	17
20/08	77
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Report

REP/21/8/892

Date: 25 August 2021

Security Level: SENSITIVE

To: Hon Carmel Sepuloni, Minister for Social Development

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development

26/8/21

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 As outlined in our previous reports, we have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Today, we have enhanced them further by:
 - Reviewing our protocols and advice in line with new Ministry of Health guidelines regarding close contacts.
 - Reviewing existing protocols for different Alert Levels in preparation for a change in Alert Levels for different parts of the country.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **443** reports of staff being tested for COVID-19.
- 5 There are **196** test results still to be received.
- 6 **One staff member** has tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021.
- 7 The staff member who returned a positive test result is from the s9(2)(a) [REDACTED]. We are currently awaiting next steps from the Ministry of Health.
- 8 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
Glenfield	Construction underway for Service Centres for the Future – on hold due to AL4.
Kaikoura	Heartland site with all staff able to work from home or from another site.
s9(2)(a) [REDACTED]	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.
s9(2) () [REDACTED]	Staff member's immediate household contact tested positive and both attended the same location of interest.
Riccarton	All staff are able to work from home or from another site.
Takaka	Heartland site with all staff able to work from home or from another site.
Waipareira Trust	Co-located site with no MSD staff on site as all staff are able to work from home.
Waipukurau	Co-located site with no MSD staff on site as all staff are able to work from home.
Wellington	Staff member went to a location of interest.

- 9 There have been **four** sites that have been deep cleaned to date:

Date of deep clean	Office name	Reason for deep clean
25 August 2021	s9(2)(a)	A staff member has had direct contact with a positive case before lockdown and infection of positive contact likely occurred before the staff member's last day at work.
24 August 2021		A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021		Two staff have had direct contact with a positive case in their household.
21 August 2021		A staff member has had direct contact with a positive case.

- 10 The following is a running daily total of the number of staff reported as being tested for COVID-19 since 11:59pm on 17 August 2021, regardless of the number of tests each staff member underwent during that period:

Date report received	Daily number of staff tested for COVID-19
25/08 (as at 12pm)	22
24/08	58
23/08	121
22/08	12
21/08	17
20/08	83
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.

Aide-mémoire



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

Meeting

Date: 26 August 2021

Security Level: IN CONFIDENCE

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

File Reference: REP/21/8/896

Housing provider meeting, Thursday 26 August

Purpose of meeting

You are meeting with community housing providers and the Housing Ministers on 26 August from 12.30 – 1.15pm over zoom to discuss their response to the current alert level 4 lockdown.

The group is expected to include Housing First and Transitional Housing providers.

This paper outlines key information about MSD's response to this COVID resurgence, and information about the accommodation supports available.

A briefing has also been drafted by the Ministry of Housing and Urban Development, which includes the invitation list for the meeting.

Background for noting

Community and Transitional Housing providers are drawing on the experiences of previous lock-downs and to date are managing pressures effectively. However, there is concern around the sector's resilience and capacity should the lock-down be extended further.

Officials are engaging with Community Housing Aotearoa and Te Matapihi (Maori Housing Network) to identify pinch points in the housing response to the lock-down. Feedback to date has highlighted the following issues:

- issues around the provision and coordination of support for clients with mental health needs,
- rangatahi / youth homelessness and the inappropriateness of emergency housing in motels for that cohort.
- an increase in domestic violence / family harm incidents are particular issues of concern.

MSD are working with HUD and other agencies to respond to these pressures within existing resources.

The response to the current level four alert is not identical to the previous national lock-down. For example, HUD has not been resourced to deliver additional supply at volume, although they have managed to secure a small number of rooms in Whangarei, Wellington and Auckland.

MBIE's Temporary Accommodation Service has not been fully activated to date, we have managed through the AOG Accommodation sub function to get MBIE to set up an email address for New Zealanders who do not meet the MSD financial criteria for assistance.

In the absence of alternatives, the Emergency Housing Special Needs Grant is being used as the primary response to acute homelessness rather than a last resort and financial assistance for eligible NZ's with accommodation requirements who are stranded due to COVID level travel restrictions.

Nationally, we are not experiencing a shortage of motel units. However, in smaller and more isolated locations, or those with strong latent demand for tourism or seasonal worker accommodation, such as the East Coast, Northland and Eastern Bay of Plenty there is a shortage of options. We have highlighted these concerns to HUD for their consideration.

Accommodation support

The All of Government Accommodation Sub-group has been set up, and agencies are responding to needs as they arise.

HUD and MSD will be sending some joint comms out to providers (HUD lead). This will include guidance on exiting people from accommodation (including TH) in level 4. We ask providers to try not to exit people from places where possible.

MSD and HUD, with other agencies, have published updated guidance for housing providers, suppliers and support services on how to operate safely and in compliance with Public Health regulations at alert level four.¹

MSD are also working with HUD on responding quickly to issues that arise in the regions regarding supply constraints and additional support services for those with the most complex needs. We want to do all we can to sustain people in tenancies, and in EH and TH.

The Ministry of Health are working with MBIE and NEMA to try and find some suitable accommodation in areas for people needing to self-isolate away from family who may be in multi-generational households and cannot stay at home. This is being looked at by officials. MSD is not taking a lead on this at this point.

¹ <https://www.workandincome.govt.nz/providers/housing-providers/index.html> (links through to HUD website)

With service centres closed, MSD is managing demand for emergency housing via phone contact with clients. While we are experiencing some increase in demand, phones queues are under control and people are receiving timely emergency housing support.

MSD is doing out-bound call welfare checks to all clients in emergency housing and checking in with moteliers. As at 20 August 2021, there were 3,977 households, 4,567 adults and 3,925 children in emergency housing nationally.

We do want to acknowledge the work of the support service sector and their role in supporting homelessness across TH and EH.

MSD continues to provide housing support through our financial products including Housing Support Products and Emergency Housing Special Needs Grants. We are encouraging staff to help with as much as we can.

If someone contacts MSD and isn't eligible for our housing support, urgent queries will be redirected to the local Civil Defence and Emergency Management Group. If the person is not eligible for financial support from us at all, we will ask them to contact MBIE's temporary accommodation service. This is an email based service at this time.

MSD is working with Police for those on a Police Safety Order. MSD have an agreement with a small number of motels nationally in partnership with Police for perpetrators of family violence or domestic disruption where the situation does not require the person to be arrested. MSD only does this at level 4 in COVID. To date MSD has supported the placement of approximately 90 people with the majority being in Auckland.

Support for rangatahi

Support for rangatahi/youth is available – they are not excluded from EHSNGs.

MSD's Youth Service is the first point of contact for rangatahi who need extra support through this time.

We heard that there were issues with youth accessing emergency housing in the previous lockdown. No specific cases or issues have been raised/escalated with Regions at this point in lockdown.

While the ideal is for youth to be supported through Youth Service, young people are not excluded from eligibility of EHSNGs. (For example, if a young person is not yet in the Youth Services as they are waiting for a Youth Payment or Young Parent Payment to be set up).

While putting young people in motels is not ideal, MSD staff will use their relationships across agencies and suppliers to find the best option for young people who need to access emergency housing services.

Food Support

Food accessibility has been a key point of attention, particularly with the number of people who are isolating (approx. 15,000 across the country). While food security continues to be a challenge for many individuals/families, our partners in the community report that there continues to be increasing demand for support, including food. This demand is concentrated in the Auckland region with large groups, including church and school communities, being identified as contacts and having to self-isolate. This creates issues where whole support networks are having to self-isolate and therefore not being able to support each other. We anticipate this to will continue to rise should there be further cases in these communities.

To support this, MSD has released funding in the Auckland and Wellington regions for community groups and foodbanks. This will provide further resilience in the system to help people access essential items. There have been reports that access to food is challenging for disabled people who cannot travel to the supermarket because of their disability. We are supporting NGOs such as the Student Volunteer Army to help will meeting this need.

Officials are developing a process for whānau in isolation (as close contacts) alongside MoH to ensure that those with access and financial barriers can get food and essential household items. This includes working with existing MSD funded provider networks [able to operate at Alert Level 4, to help facilitate access to food and other essential needs and, in some cases support a health response.](#)

We really appreciate the extra work many providers are doing to make sure their people have enough food and supplies at this time.

In relation to hardship payment limits, no decisions have been made to increase the food limits accessible via MyMSD. The Ministry continues to monitor volumes of hardship applications and wait times in our contact centre to ensure people can access food in a timely manner.

A special edition of Super Seniors is planned to go out today updating them on what essential services are available and how to access food.

Process changes through lockdown

Some temporary processes have been introduced to make it easier for clients to work with MSD during lockdown.

Providers and advocates of clients may ask about some of the things MSD is doing to help ease the administrative and logistic challenges clients can face in getting what they need while in lockdown. Temporary changes include:

- Temporary options to purchase essential food items for clients who don't have a payment card or can't get to the supermarket themselves.

-
- Temporary changes to the processing standards to accept more information from clients remotely.
 - Clients can request to appoint an agent or add a redirection of benefit over the phone or electronically (by email).

Some changes are also in place for Benefit and Allowance reviews and expiries.

- Any Annual Income Related Rent reviews due in the next 2 weeks have been deferred for 4 weeks, this will happen automatically.

The Ministry has extended contact centre hours on weekends for the General Enquiries Phone Line (0800 559 009). This is also in response to the increase in requests for food grants. The hours this number is open for this week are:

- Monday to Friday: 7:00am – 6:00pm
- Saturday: 8:00am – 5:00pm
- Sunday: 9:00am – 1:00pm.

The StudyLink (0800 88 99 00) and Seniors line (0800 552 002) will be operating regular hours, Monday to Friday – 7:00am – 6:00pm

Author: Out of scope, Senior Advisor, MSD

Responsible manager: Karen Hocking, General Manager Housing, MSD



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIAO ORA

Report

REP/21/8/901

Date: 26 August 2021

Security Level: SENSITIVE

To: Hon Carmel Sepuloni, Minister for Social Development

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 As outlined in our previous reports, we have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Today, we have enhanced them further by:
 - Reviewing existing protocols for different Alert Levels in preparation for a change in Alert Levels for different parts of the country.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **517** reports of staff being tested for COVID-19.
- 5 There are **218** test results still to be received.
- 6 **Two staff members** have tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021.
- 7 In addition to the staff member reported in last report REP/21/8/892, the second staff member who returned a positive test result is from the [redacted] 9(2)(a). We are currently awaiting next steps from the Ministry of Health.
- 8 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
Glenfield	Construction underway for Service Centres for the Future – on hold due to AL4.
Kaikoura	Heartland site with all staff able to work from home or from another site.
[redacted] 9(2)(a)	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.
[redacted] 9(2)(a)	Staff member's immediate household contact tested positive and both attended the same location of interest.
[redacted] 9(2)(a)	A staff member at [redacted] 9(2)(a) is a close contact of the positive staff member from [redacted] 9(2)(a).
Riccarton	All staff are able to work from home or from another site.
Takaka	Heartland site with all staff able to work from home or from another site.
Waipareira Trust	Co-located site with no MSD staff on site as all staff are able to work from home.
Waipukurau	Co-located site with no MSD staff on site as all staff are able to work from home.
Wellington	Staff member went to a location of interest.

9 There have been **four** sites that have been deep cleaned to date:

Date of deep clean	Office name	Reason for deep clean
26 August 2021	9(2)(a)	A staff member at 9(2)(a) is a close contact of the positive staff member from 9(2)(a)
25 August 2021		A staff member has had direct contact with a positive case before lockdown and infection of positive contact likely occurred before the staff member's last day at work.
24 August 2021		A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021		Two staff have had direct contact with a positive case in their household.
21 August 2021		A staff member has had direct contact with a positive case.

10 The following is a running daily total of the number of staff reported as being tested for COVID-19 since 11:59pm on 17 August 2021, regardless of the number of tests each staff member underwent during that period:

Date report received	Daily number of staff tested for COVID-19
26/08 (as at 12pm)	27
25/08	67
24/08	58
23/08	121
22/08	12
21/08	18
20/08	84
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Report

REP/21/8/906

Date: 27 August 2021

Security Level: SENSITIVE

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

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 As outlined in our previous reports, we have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Today, we have enhanced them further by:
 - Reviewing existing protocols for different Alert Levels in preparation for a change in Alert Levels for different parts of the country.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **567** reports of staff being tested for COVID-19.
- 5 There are **180** test results still to be received.
- 6 **Two staff members** have tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021.
- 7 As per report REP/21/8/892 a staff member from the 9(2)(a) returned a positive test result. The Ministry of Health and Public Health have advised that due to the timeline of the infectious period, only four staff members are considered casual contacts. They are aware of the situation and have been advised to stay at home until they're contacted by the public health unit, who are currently facing a large backlog.
- 8 As per report REP/21/8/901, a staff member from the 9(2)(a) returned a positive test result. The Ministry of Health and Public Health team have advised that the staff member became infectious on 24 August, after the office had closed, which means the 9(2)(a) is not a location of interest. Staff from the 9(2)(a) will still complete their 14-day isolation period, as a precautionary measure.
- 9 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Alexandra	Not related to COVID-19.
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
Glenfield	Construction underway for Service Centres for the Future – on hold due to AL4.
Kaikoura	Heartland site with all staff able to work from home or from another site.
9(2)(a)	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.
9(2)(a)	Staff member's immediate household contact tested positive and both attended the same location of interest.
9(2)(a)	A staff member at 9(2)(a) is a close contact of the positive staff member from 9(2)(a)
Riccarton	All staff are able to work from home or from another site.

Takaka	Heartland site with all staff able to work from home or from another site.
Waipareira Trust	Co-located site with no MSD staff on site as all staff are able to work from home.
Waipukurau	Co-located site with no MSD staff on site as all staff are able to work from home.
Wellington	Staff member went to a location of interest.
Westgate	Staff member went to a location of interest.

10 There have been **five** sites that have been deep cleaned to date:

Date of deep clean	Office name	Reason for deep clean
26 August 2021	9(2)(a)	A staff member at 9(2)(a) is a close contact of the positive staff member from 9(2)(a)
25 August 2021		A staff member has had direct contact with a positive case before lockdown and infection of positive contact likely occurred before the staff member's last day at work.
24 August 2021		A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021		Two staff have had direct contact with a positive case in their household.
21 August 2021		A staff member has had direct contact with a positive case.

11 The following is a running daily total of the number of staff reported as being tested for COVID-19 since 11:59pm on 17 August 2021, regardless of the number of tests each staff member underwent during that period:

Date report received	Daily number of staff tested for COVID-19
27/08 (as at 12pm)	11
26/08	61
25/08	67
24/08	59
23/08	121
22/08	12
21/08	20
20/08	86
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Aide-mémoire



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Cabinet paper

Date: 27 August 2021 **Security Level:** Cabinet Sensitive

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

File Reference: REP/21/8/908

Update: One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu

Cabinet Cabinet Business Committee

Date of meeting 30 August 2021

Minister Hon Chris Hipkins, Minister for COVID-19 Response
Hon Kris Faafoi, Minister of Immigration

Paper Proposal: *One-way quarantine-free travel to New Zealand from Samoa, Tonga and Vanuatu*

One-way quarantine-free travel to New Zealand from Samoa, Tonga and Vanuatu

This paper seeks Cabinet agreement in principle to commence limited one-way quarantine-free travel (QFT) by air from Vanuatu and Tonga from September 2021, subject to Cabinet being satisfied that certain conditions are met.

The paper also:

- seeks approval of Arrangement texts on QFT to New Zealand from Vanuatu and Tonga
- seeks agreement to changes to Recognised Seasonal Employer (RSE) policy settings
- provides an update on progress towards one-way QFT from Samoa and Tokelau.

One-way QFT from Samoa and Tokelau, Tonga and Vanuatu supports the reconnection of Pacific people with New Zealand, unlocks access to higher numbers of RSE workers and alleviates workforce pressures on the horticulture and viticulture sectors.

9(2)(f)(iv)

We recommend that you **support** the proposals.

We recommend that you **agree** to proposed changes to the RSE policy settings.

One-way QFT from Vanuatu and Tonga is likely to commence in September, subject to key conditions

This paper seeks Cabinet's in-principle agreement to commence one-way QFT from Vanuatu and Tonga September 2021, subject to the following conditions being met:

- the New Zealand Cabinet and Governments of Tonga and Vanuatu must approve and sign the QFT arrangements ('Arrangement Texts'), including approving repatriation plans
- New Zealand, Tonga and Vanuatu are operationally ready to commence one-way QFT, with tested departure screening processes in place to ensure travellers' compliance with the 14-day eligibility rule
- Airlines and airports are ready to operationalise one-way QFT, including ^{9(2)(j)} [REDACTED]
- appropriate regulatory mechanisms are in place to operationalise one-way QFT
- Recognised Seasonal Employers' preparations are well advanced and they will be ready to welcome RSE workers on commencement dates; and
- Should Cabinet decide it necessary, additional health measures for arriving travellers are in place, which may include a negative pre-departure COVID-19 test, at least one dose of an approved COVID-19 vaccine prior to travel, and/or arrangements for RSE workers to undertake five days of isolation at their place of isolation, including a COVID-19 test on day five.

Vanuatu and Tonga are progressing well towards meeting the conditions set by Cabinet for one-way QFT

Border agencies consider it likely that Vanuatu will meet these conditions for the commencement of QFT by mid-September 2021. Immigration NZ and NZ Customs officials have advised that Vanuatu is on track to implement appropriate border processes and safeguards to safely manage one-way QFT.

Negotiations with Tonga are progressing well ^{6(a)} [REDACTED]

[REDACTED] Officials are pleased with Tonga's COVID-19 leadership and contact tracing measures.

Health officials advise that Vanuatu and Tonga have been assessed as sufficiently low-risk to be designated as safe for one-way QFT to New Zealand, ^{9(2)(g)(i)} [REDACTED]

[REDACTED] Final health assessments for Tonga and Vanuatu are pending sign-off by the Director-General of Health.

The Governments of Tonga and Vanuatu have now agreed to the Arrangement texts for one-way QFT.

Cabinet is now invited to approve the sign-off of these Arrangement texts at the Ministerial level.

Operational negotiations are continuing as planned with Tonga and Vanuatu, ^{6(a)}

One-way quarantine-free travel negotiations with Samoa, Tonga and Vanuatu are continuing as planned despite the Delta outbreak in New Zealand. However, Samoa's Prime Minister has suggested the outbreak could delay implementation. The Delta outbreak has delayed RSE repatriation flights, affecting 143 Tongan RSE workers and 97 Samoan RSE workers.

Officials are working on establishing one-way QFT with Tokelau (via Samoa), ^{6(a)}

It is important to protect access routes for Tokelauans to Samoa, as it is Tokelau's only port of connection and Tokelauans hold New Zealand citizenship. The Tokelauan community relies on travel routes to New Zealand to access medical support, family and employment. Tokelau is one of the lowest-risk nations given its remote location and COVID-free status.

Officials are finalising agreement for repatriation plans with all three countries ^{6(a)} that would allow for the timely repatriation of travellers in line with their visa conditions.

The next report to Cabinet will include an in-principle date, if possible, for commencement of one-way QFT with Samoa, Tonga and Vanuatu.

Eligibility for travel under one-way QFT will be strictly controlled

Entry to New Zealand under one-way QFT will be strictly controlled, to mitigate the risk of travellers becoming stranded or staying beyond the expiration of their visa.

Only people covered by the border exceptions regime or those exempt from border restrictions will be eligible for one-way QFT from Tonga and Vanuatu.

Eligible travellers include New Zealand citizens, most New Zealand residents, Australian citizens and Australian permanent residents, as these groups do not pose a stranding risk.

MBIE will provide advice to Ministers on other groups who may be eligible for one-way QFT, such as NZ Aid Scholarship recipients, people travelling for humanitarian reasons and student visa holders. By limiting the cohorts of people eligible for one-way QFT, this will help to manage repatriation capacity in Samoa, Tonga and Vanuatu and reduces public health risk.

Impact on the Recognised Seasonal Employer Scheme

The paper proposes specific health protocols for RSE workers

Cabinet agreed on 25 August 2021 that quarantine-free travel from Samoa, Tonga and Vanuatu will only be approved for Recognised Seasonal Employer (RSE) workers after Ministers

consider further advice on expanding the policy [CBC-21-MIN-0081 refers].

Cabinet also agreed in principle that key health measures should be introduced for RSE workers travelling to New Zealand under one-way QFT arrangements [CBC-21-MIN-0081 refers]. These protocols are not yet agreed, and are subject to further Cabinet discussion on 30 August.

- a negative pre-departure COVID-19 test;
- at least one dose of an approved COVID-19 vaccine;
- that RSE workers isolate on arrival at their place of employment for a five-day period, with a COVID-19 test on day five.

MSD supports the proposed health protocols for RSE workers arriving under one-way QFT

MSD supports MFAT's view that encouraging vaccination uptake for RSE workers while they are onshore in New Zealand is beneficial.

9(2)(g)(i)

All partner countries are rolling out vaccination programmes and encouraging vaccine uptake for travellers, especially RSE workers.

MSD acknowledges the Ministry of Health's advice 9(2)(g)(i)

9(2)(f)(iv)

The paper proposes a shift back to normal RSE visa settings

One-way QFT supports a return to normal policy parameters for the RSE scheme for workers arriving from one-way QFT countries, with enhancements building on previous RSE border exceptions decisions.

Proposed changes to RSE policy parameters include:

- the visa cap of 14,400 for 2021/22 will be made available (including RSE workers already onshore). This is subject to the requirement that no New Zealanders are available
 - industry will coordinate the fair distribution of RSE workers in consultation with Immigration NZ (INZ), MFAT and MSD
-

and lead workforce planning to ensure overall worker allocation is consistent with country repatriation capacity

- workers will be encouraged to return home between seasons where repatriation routes are available, taking into account potential constraints on repatriation numbers in the Pacific and worker demand onshore
- remuneration for all new RSE visas will be at least \$22.10 per hour for a minimum of 30 hours per week. This is consistent with remuneration rates paid to RSE workers under previous RSE border exceptions (BE1 and BE2).

We recommend that you **support** these changes to RSE visa settings.

Due to constraints on New Zealand's MIQ capacity, MBIE has advised that for the foreseeable future, all new RSE workers will only come from eligible QFT countries. The usual 14,400 cap will apply, but numbers are likely to be lower as they'll be constrained by pools of ready workers and by the repatriation capacity of the partner country.

MBIE proposes placing ceilings on RSE arrivals

MBIE officials have recommended placing 'ceilings' (limits) on the number of RSE arrivals (1,200-2,000 for Samoa, 1,300-1,700 for Tonga, 4,400-5,100 for Vanuatu), to allow industry to manage self-isolation capacity and stagger repatriation.

The arrival of RSE workers needs to be carefully managed, to ensure that they are not stranded in New Zealand after their visas expire and face welfare issues. Officials may adjust these ceilings after assessing RSE industry's capacity for providing isolation facilities, (should Cabinet agree to imposing self-isolation requirements for RSE workers).

MSD supports applying ceilings on RSE worker numbers from partner countries (Samoa 1,200-2,000, Tonga 1,300-1,700, Vanuatu 4,400-5,100, with any necessary adjustments for the RSE industry's isolation facility capacity) to ensure that workers can return home in a timely way before visa expiry and welfare issues arise **(Option 1)**.

Our advice

The RSE cap and allocation need to be carefully managed

A mechanism needs to be put in place to accurately count the number of RSE workers that this will bring into the country and to ensure that the RSE cap of 14,400 is not exceeded.

There is the risk that opening up access to the full cap (while unlikely to be fully utilised), could cause RSE workers to be stranded in New Zealand, if they are unable to be repatriated in time to Samoa, Tonga and Vanuatu.

Increased arrivals of RSE workers through one-way QFT would need to carefully consider size, timing and allocation to employers in order to maintain this pressure and not displace New Zealanders who are seeking employment. The allocation process must be fair and consistent, not disadvantage

jobseekers, and must ensure that RSE employers do not exceed their normal allocation. We understand that MBIE officials are developing further advice about how the cap and allocation mechanisms will work under one-way QFT.

One-way Quarantine-Free Travel from Samoa, Tonga and Vanuatu will increase numbers of RSE workers

The introduction of QFT from Samoa, Tonga and Vanuatu would remove the cost of MIQ for RSE employers and make it more affordable to bring in RSE workers to New Zealand.

While QFT arrangements will increase the inflow of RSE workers into New Zealand and help to fill seasonal labour shortages, arrival numbers need to be staggered to align with partner countries' repatriation capacity and labour shortage periods. The arrivals of RSE workers should not coincide with periods where there are no major labour shortages, as this may cause some New Zealanders to be laid off, displaced or not employed.

However, one-way QFT will not address systemic long-term labour shortages

Even if QFT is in place, officials advise that the horticulture workforce could still face labour shortages, as these countries cannot provide all the workers needed to fill labour gaps.

Industry therefore needs to focus efforts on supporting more New Zealanders into the sector, as well as sourcing RSE workers from non-QFT countries. Employers need to implement workforce planning and attraction strategies to fill more roles domestically. MSD wants to see employers make full use of the MSD supports available to them, including the New Zealand Seasonal Work Scheme.

Horticulture and viticulture employers need to increase the number of New Zealanders in the industry

MSD is committed to working with industry on initiatives and solutions to get more New Zealanders involved in seasonal work. A key to this is the development of workforce development strategies, that set out key actions and solutions to attract, upskill and retain more New Zealanders.

Employers need to continue efforts to remove barriers to seasonal work, including improving access to transport, training, accommodation and pastoral care. This includes improving working conditions, offering flexible working and increasing pay rates to align with RSE workers.

MSD wants to ensure that QFT arrangements strike the right balance between supporting the labour mobility of the Pacific migrant workforce, and creating incentives on industry to recruit New Zealanders to fill labour shortages. This includes reducing reliance on temporary labour from the Pacific.

Securing a repatriation pathway reduces the risk of travellers becoming stranded under one-way QFT

Due to MIQ constraints in Tonga, Samoa and Vanuatu, there is the risk that travellers returning to these countries may become stranded in New Zealand and may need to access financial and other means of support.

While employers of RSE workers must provide financial support for the duration of their visa, (including accommodation), there is the risk that other visa holders who are eligible to travel to New Zealand under one-way QFT (i.e. student visa holders) may face financial hardship if they are unable to return to their home country. While we do not expect the majority of arrivals under one-way QFT to be eligible for main benefits, some residence visa holders who arrive under one-way QFT may be able for hardship assistance, emergency support or extra help.

One-way QFT from Samoa, Tonga and Vanuatu supports re-connections with the Pacific

One-way QFT with Tonga, Vanuatu and Samoa supports the movement of people in the Pacific and will allow people in these countries to be reconnected with their families and communities in New Zealand. The benefits of supporting these travel pathways will sustain economic and cultural connections, labour mobility and access to medical and education.

One-way QFT will reduce pressure on the MIQ system

One-way QFT arrangements will also reduce pressure on the MIQ system in New Zealand and free up spaces for other returnees. It will also help to address key labour shortages for other industries facing shortages. Other visa holders (such as critical health workers and students) will be eligible to travel under this proposal and will have the right to work in New Zealand.

Author: Out of scope, Policy Analyst, Employment Policy

Responsible manager: Megan Beecroft, Manager, Employment Policy



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIAO ORA

Report

REP/21/8/914

Date: 30 August 2021

Security Level: SENSITIVE

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

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 As outlined in our previous reports, we have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Today, we have enhanced them further by:
 - Reviewing existing protocols for different Alert Levels in preparation for a change in Alert Levels for different parts of the country.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **606** reports of staff being tested for COVID-19.
- 5 There are **157** test results still to be received.
- 6 **Three staff members** have tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021.
- 7 In addition to the staff members reported in previous reports, the third staff member who returned a positive test result works from the 9(2)(a). The Ministry of Health and Public Health team have advised that the staff member's exposure to COVID-19 occurred two days after their last day at the office, and the office and colleagues are not considered at risk.
- 8 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
Glenfield	Construction underway for Service Centres for the Future – on hold due to AL4.
Kaikoura	Heartland site with all staff able to work from home or from another site.
9(2)(a)	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.
9(2)(a)	Staff member's immediate household contact tested positive and both attended the same location of interest.
Riccarton	All staff are able to work from home or from another site.
Takaka	Heartland site with all staff able to work from home or from another site.
Waipareira Trust	Co-located site with no MSD staff on site as all staff are able to work from home.
Waipukurau	Co-located site with no MSD staff on site as all staff are able to work from home.
Wellington	Staff member went to a location of interest.

9 There have been **five** sites that have been deep cleaned to date:

Date of deep clean	Office name	Reason for deep clean
26 August 2021	9(2)(a)	A staff member at 9(2)(a) is a close contact of the positive staff member from 9(2)(a)
25 August 2021		A staff member has had direct contact with a positive case before lockdown and infection of positive contact likely occurred before the staff member's last day at work.
24 August 2021		A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021		Two staff have had direct contact with a positive case in their household.
21 August 2021		A staff member has had direct contact with a positive case.

10 The following is a running daily total of the number of staff reported as being tested for COVID-19 since 11:59pm on 17 August 2021, regardless of the number of tests each staff member underwent during that period:

Date report received	Daily number of staff tested for COVID-19
30/08 (as at 12pm)	11
29/08	2
28/08	0
27/08	36
26/08	61
25/08	68
24/08	59
23/08	121
22/08	12
21/08	20
20/08	86
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.

Aide-mémoire



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Cabinet paper

Date: 31/08/2021 **Security Level:** Cabinet Sensitive

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

File Reference: REP/21/8/922

Update: One-Way Quarantine-Free Travel to New Zealand from Samoa, Tonga and Vanuatu

Cabinet Committee

Cabinet Business Committee

Date of meeting

1 September 2021

Minister

Hon Chris Hipkins, Minister for COVID-19 Response

Hon Kris Faafoi, Minister of Immigration

Proposal

This paper seeks Cabinet agreement in principle to commence limited one-way quarantine-free travel (QFT) from Vanuatu, Samoa and Tonga from October 2021, subject to Cabinet being satisfied that certain conditions are met.

It seeks agreement to a staged approach that will begin with a trial of Recognised Seasonal Employer (RSE) workers only from Samoa, Tonga and Vanuatu, with a review after 9(2)(f)(iv) to enable consideration of its expansion to other eligible travellers, including from Tokelau.

The paper also:

- seeks approval of Arrangement texts on QFT to New Zealand from Vanuatu and Tonga;
- agreement to changes to RSE policy settings; and
- provides an update on progress towards one-way QFT from Samoa and Tokelau.

We recommend that you **support** the QFT proposals

We recommend that you **agree** to proposed changes to the RSE policy settings.

Key issues

One-way QFT travel from Vanuatu, Tonga and Samoa is proposed to commence in October.

The paper seeks Cabinet in-principle agreement to start one-way QFT from Vanuatu, Samoa and Tonga from October 2021, subject to specific health and logistical conditions being met.

-
- The Arrangement texts are approved and signed by Cabinet, as well as Samoa, Tonga and Vanuatu Governments
 - New Zealand and the relevant partner country are operationally ready to commence one-way QFT, with tested departure screening processes in place to ensure travellers' compliance with the 14-day eligibility rule
 - Airlines and airports are ready to accommodate one-way QFT, including ^{9(2)(j)} and airlines being able to establish or adjust necessary operational processes
 - Appropriate regulatory mechanisms are in place to operationalise one-way QFT
 - Recognised Seasonal Employers' preparations are well advanced, and
 - Final advice from the Director-General of Health on the health readiness of Samoa, Tonga and Vanuatu including all required health measures has been provided.

There will be further report backs to Cabinet in the coming weeks, and Cabinet will be asked to approve final arrangements, including the commencement dates.

It is proposed that QFT will be implemented in a staged approach, beginning with a trial of RSE workers from Vanuatu, Samoa and Tonga.

In light of the risks posed by the Delta variant, one-way QFT will be implemented through a staged approach, beginning with a trial of RSE workers only from Samoa, Tonga and Vanuatu for one month.

After one month, a review will be carried out and the Minister for COVID-19 Response will report back to Cabinet to enable consideration of expansion of one-way QFT to other eligible groups of travellers, including from Tokelau, that were agreed in principle by Cabinet on 12 July 2021 [CAB-21-MIN-0276].

The paper proposes that Recognised Seasonal Employer workers will arrive in New Zealand under a one-month trial period, subject to meeting key conditions. These include spending a minimum 14-day period in Samoa, Tonga and Vanuatu, meeting all health requirements and complying with immigration requirements.

Other travellers to New Zealand (i.e. other than RSE workers on charter flights) from Samoa, Tonga, Vanuatu and Tokelau will continue to enter MIQ for 14 days during the trial period.

It is proposed that RSE workers travelling to New Zealand as part of QFT will be required to comply with the following health measures: After the one-month trial period, a review will be carried out and the Minister for COVID-19 Response will report back to Cabinet to enable consideration of expansion of one-way QFT to other eligible groups of travellers, including from Tokelau, that were agreed in principle by Cabinet on 12 July 2021 [CAB-21-MIN-0276].

Agreement is also sought to key changes to RSE policy settings

The paper asks Cabinet to agree to the following parameters for the RSE scheme during 2021/22:

- The visa cap of 14,400 for 2021/22 will become available, counting the number of workers onshore as at early November 2021,
- Industry will continue to coordinate the fair distribution of workers and, in consultation with Immigration NZ officials, will lead on a workforce plan ensuring overall worker allocation is consistent with country repatriation capacity,
- Workers will be encouraged to return home between seasons where repatriation routes are available, taking into account potential constraints on repatriation numbers in the Pacific and worker demand onshore, and
- Remuneration will be at least \$22.10 per hour (equivalent to approximately the minimum wage plus ten percent) for a minimum of 30 hours per week

We recommend that you **support** these changes to RSE visa settings.

To ensure that there is appropriate repatriation capacity in partner countries, it is proposed that ceilings are introduced on the volume of RSE workers eligible to travel under one-way QFT

To manage repatriation issues the paper recommends three options to manage repatriation issues in a timely way, noting that the numbers of workers that may be required by the horticultural and viticultural sectors could be less than the repatriation capacity of the partner countries.

The options are, **EITHER:**

- a. Option 1: Apply ceilings on RSE worker numbers from partner countries (Samoa 1,200-9(2)(f) Tonga 1,300-9(2)(f), Vanuatu 4,400-9(2)(f) to ensure that workers can return home in a timely way before visa expiry and welfare issues arise;

OR:

- b. Option 2: Initially apply ceilings on RSE worker numbers from partner countries (Samoa 1,200-2,000, Tonga 1,300-1,700, Vanuatu 4,400-5,100, with any necessary adjustments for the RSE industry's isolation facility capacity), with visa availability based on the lower figures initially, with a December 2021 review of whether these ceilings can be increased before peak demand in February/March 2022;

OR:

The arrival of RSE workers needs to be carefully managed, to ensure that they are not stranded in New Zealand after their visas expire and face welfare issues. 9(2)(f)(iv)

Certainty over RSE numbers for the 2021/22 will also focus industry attention on how to attract New Zealand workers into roles to fill labour shortages, and could incentivise industry to scale up efforts to recruit and retain more New Zealanders

Possible delays are unlikely to significantly impact industries

It is also unclear whether the latest COVID-19 outbreak in New Zealand will reduce willingness to travel, although seasonal workers have continued to deploy to Australia. New Zealand's situation is expected to delay current, and possibly planned, repatriation efforts. 6(a)

If the South Island remains unaffected, it might be possible for flights to enter Christchurch to meet demand in the region.

Our advice

One-way Quarantine-Free Travel from Samoa, Tonga and Vanuatu will increase numbers of RSE workers; however this needs to be timed correctly

While QFT arrangements will increase the inflow of RSE workers into New Zealand and help to fill seasonal labour shortages, arrival numbers need to be staggered to align with partner countries' repatriation capacity and labour shortage periods.

The arrivals of RSE workers should not coincide with periods where there are no major labour shortages, as this may cause some New Zealanders to be laid off, displaced or not employed.

One-way QFT will not address systemic labour shortages

Even if QFT is in place, officials advise that the horticulture workforce could still face labour shortages, as these countries cannot provide all the workers needed to fill labour gaps.

Industry therefore needs to focus efforts on supporting more New Zealanders into the sector, as well as sourcing RSE workers from non-QFT countries. Employers need to implement workforce planning and attraction strategies to fill more roles domestically. MSD wants to see employers make full use of the MSD supports

available to them, including the New Zealand Seasonal Work Scheme.

Horticulture and viticulture employers need to increase the number of New Zealanders in the industry

MSD is committed to working with industry on initiatives and solutions to get more New Zealanders involved in seasonal work.

Employers need to continue efforts to remove barriers to seasonal work, including improving access to transport, training, accommodation and pastoral care. This includes improving working conditions, offering flexible working and increasing pay rates to align with RSE workers. MSD wants to ensure that QFT arrangements strike the right balance between supporting the labour mobility of the Pacific migrant workforce and creating incentives on industry to recruit New Zealanders to fill labour shortages. This includes reducing long-term reliance on temporary labour from the Pacific.

Next steps

We will work with officials as the proposals for one-way QFT develop. This will include supporting officials from border agencies with the operationalisation of one-way QFT.

Author: 9(2)(a) [REDACTED], Senior Policy Analyst, Employment Policy

Responsible manager: Megan Beecroft, Manager, Employment Policy



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Report

REP/21/8/923

Date: 31 August 2021

Security Level: SENSITIVE

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

COVID-19 Update and Responses to Date

Note the enhancements the Ministry has made to reduce the risk of COVID-19 transmission and the response to date.

Melissa Gill
Ministry of Social Development

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

We have implemented and continue to enhance protocols on all Ministry sites to reduce the risk of COVID-19 Infections

- 1 As outlined in our previous reports, we have developed and implemented protocols to reduce the risk of COVID-19 infections on all Ministry sites, particularly against the more transmissible Delta variant.
- 2 Today, we have enhanced them further by:
 - Finalising Alert Level 3 protocols in preparation for a change in Alert Levels at 11.59pm tonight.
- 3 Protocols are currently being drafted for implementing Mandatory scanning when it comes into force.

COVID-19 Response

- 4 Since the country went into Alert Level 4 lockdown at 11:59pm on 17 August 2021, we have had **629** reports of staff being tested for COVID-19.
- 5 There are **140** test results still to be received.
- 6 **Three staff members** have tested positive for COVID-19 since the start of lockdown at 11:59pm on 17 August 2021. Here's a summary:

Office name	Summary of event and advice
9(2)(a)	The Ministry of Health and Public Health have advised that due to the timeline of the infectious period, only four staff members are considered casual contacts. They are aware of the situation and have been advised to stay at home until they're contacted by the public health unit, who are facing a large backlog.
9(2)(a)	The Ministry of Health and Public Health team have advised that the staff member became infectious on 24 August, after the office had closed, which means the 9(2)(a) is not a location of interest. Staff from the 9(2)(a) will still complete their 14-day isolation period, as a precautionary measure.
9(2)(a)	The Ministry of Health and Public Health team have advised that the staff member's exposure to COVID-19 occurred two days after their last day at the office, and the office and colleagues are not considered at risk.

- 7 All our Service Centres are closed to the public, however most of them have a combination of staff working from sites and working from home. Of those, the following are closed today:

Office name	Reason for closure
Avondale	Closed due to proximity to Avondale College (Location of interest).
Dargaville	Construction underway for Service Centres for the Future – on hold due to AL4.
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Kaikoura	Heartland site with all staff able to work from home or from another site.
9(2)(a)	Staff member's immediate household contact tested positive.
Manurewa	All staff are able to work from home.
Ohakune	As staff work between Taihape site and Ohakune, Ohakune was closed to mitigate cross-contamination risks.
Onehunga	All staff are able to work from home.

9(2)(a)	Staff member's immediate household contact tested positive and both attended the same location of interest.
Riccarton	All staff are able to work from home or from another site.
Takaka	Heartland site with all staff able to work from home or from another site.
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24 August 2021	9(2)(a)	A staff member has had direct contact with a positive case in their household and attended the same location of interest as the positive case.
21 August 2021	9(2)(a)	Two staff have had direct contact with a positive case in their household.
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Date report received	Daily number of staff tested for COVID-19
31/08 (as at 12pm)	10
30/08	24
29/08	2
28/08	0
27/08	37
26/08	61
25/08	68
24/08	59

23/08	120
22/08	12
21/08	20
20/08	86
19/08	84
18/08	46

Note: daily numbers will fluctuate retrospectively against reports received from managers for various reasons e.g. staff being turned away at the testing station. Reconciliation will occur based on information held at the time of reporting.

RELEASED UNDER THE
OFFICIAL INFORMATION ACT

Aide-mémoire



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

Meeting

Date: 31 August 2021 **Security Level:** IN CONFIDENCE
For: Hon Carmel Sepuloni, Minister for Social Development
File Reference: REP/21/08/926

Meeting with representatives of the National Beneficiaries Advocacy Consultative Group (NBACG)

Meeting/visit details 11.35am to 12.00pm, Wednesday 1 September 2021, ZOOM invite

Expected attendees

Kay Brereton from Beneficiaries & Unwaged Workers Trust (located in Nelson) Co Convenor of the NBACG - 9(2)(a)

Shelly Hannah- Kingi from Tairāwhiti Beneficiary Advocacy Trust (located in Gisborne) - 9(2)(a)

Teresa Homan from Hutt Valley Benefit Education Service Trust (Located in Wellington) 9(2)(a)

Stephan Bray from Tumuaki (located in Feilding) 9(2)(a)

Diane Anderson, Manager Client Advocacy and Reviews – MSD
diane.anderson001@msd.govt.nz

Purpose of meeting/visit

You have asked to meet with representatives of the National Beneficiaries Advocacy Consultative Group (the Advocates).

Background

This Aide Memoire provides you with information on the engagement to date with the Advocates about the Ministry's response and planning for the different COVID 19 Alert Levels.

Advocates have indicated that would like to discuss:

- if the temporary removal of initial income stand-downs is being reconsidered for people applying for a benefit since 18 August 2021
- Access to food

-
- Emergency Housing and support for rough sleepers
-

Key items

There is daily contact between MSD and representatives from the NBACG including:

- Daily updates on the Ministry's overall response for COVID 19 changing Alert Levels and what this looks like for clients.
- Escalation process for any concerns that haven't been able to be resolved at local level or where clarification of guidelines could be improved.
- Conference calls between NBACG representatives (Co convenors and Kay Brereton and Neville Corkery, Shelley Hannah Kingi who administers Face book pages) and Ministry representatives, to discuss any emerging concerns.
- Copies of MSD Facebook posts about the COVID-19 response are provided to Kay and Shelley so they can link from their Facebook pages publicly.

COVID-19 stand-down waiver

Advocates have asked if the temporary removal of initial income stand-downs that was put in place March 2020 is being reconsidered for people applying for a benefit since 18 August 2021.

Temporary removal of initial income stand-downs in 2020

- In 2020, Cabinet agreed to temporarily remove initial income stand-downs for a period of 8 months, from 23 March 2020 to 23 November 2020
 - This was in response to the high degree of uncertainty on the economic impacts created by COVID-19 and ensured those affected were able to access the income support system as quickly as possible
 - This temporary removal was further extended by 8 months from 24 November 2020 to 24 July 2021 to mitigate operational pressures for MSD if stand-downs were to return
 - Initial income stand-downs were reinstated on 25 July 2021, meaning people applying for a main benefit may have a stand-down imposed for a period of one to two weeks before their benefit commences.
-

Access to Food

The Advocates are concerned that the reliance on regional responses assumes that there is community resilience and cohesive response.

Current state of demand

- We're continuing to see increased demand on foodbanks and CDEM resources. This demand is concentrated in Auckland around those church and school communities with high numbers of cases and families self-isolating who would have under normal circumstances supported each other.
- MSD's role is to:
 - ensure community providers are clear about when they should be operating and how to do so safely
 - support funded food providers to respond to the surge demand while we are at higher Alert Levels
 - work alongside National emergency Management Agency (NEMA) and local Civil Defence Emergency Management (CDEM) Groups
- While there is no declared national state of emergency, we understand that local CDEM groups have been activated across many parts of the country. As part of their welfare function, CDEM's role is to assess those with urgent need that cannot be met through any other channel.
- MSD is working on the ground as part of the local CDEM welfare response in Auckland and Wellington.
- We are working with the Northern Region Health Coordination Centre (NRHCC) to ensure there are good

processes in place for those accessing food from foodbanks on behalf of isolating whānau and to make sure consistent assessment and connection to other MSD and community support is there should they needed it.

- We are working with targeted providers to ensure that additional wellbeing packs are available should whānau need them for additional essential items like baby formula and nappies for families with young children.

Emergency Housing

The Advocates have asked what actions have been taken to house rough sleepers.

- MSD is chairing the All of Government Accommodation Committee sub-function. This forum has enabled Government agencies to work collaboratively to support rough sleepers.
- MSD can support rough sleepers into EH.
- MSD is working closely with HUD to identify if additional support services with the expertise to work with rough sleepers is needed.

Next steps

Updates will continue to be provided to the NBACG as they become available.

The next NBACG quarterly meeting with MSD scheduled for the 7th – 8th of September 2021, this has now been cancelled.

We will continue discussions on what items can be progressed through conference calls, ZOOM meetings etc.

Author: Diane Anderson, Manager Client Advocacy and Reviews Team