

2 March 2023

Tēnā koe

On 1 December 2022, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following information:

- Kore Hiakai Zero Hunger Collective would like to make a request for papers provided by MSD to the Minister for Social Development and Employment during 2022 about any of the following topics:
 - the future of the Food Secure Communities programme
 - analysis of current levels of food insecurity and / or use of foodbanks and other forms of food support
 - the role that MSD should play in food security and / or food insecurity

On 18 January 2023, the Ministry emailed you to advise that more time was required to respond to your request. The reason for the extension was that external consultations necessary to make a decision on the request were such that a proper response to the request could not reasonably be made within the original time limit.

Regrettably, the Ministry was unable to meet the extended due date of 17 February 2023 and emailed you on that date to advise that more time was required to provide you with a response to your request. You were advised that you would receive a response by Friday 3 March 2023. We apologise for the delay.

The Ministry's Food Secure Communities initiatives focus on people, whānau and communities who experience the highest levels of food insecurity. These include beneficiaries and low-income earners; those living in emergency, social or rental housing; Māori, Pacific peoples, women parenting alone and disabled people.

The aim of the initiatives is to reduce the dependency of people and whanau on foodbanks and food hardship grants.

Attached, please find four documents that address your above requests. These documents are named:

- REP/22/5/398 Report Understanding the demand for community food providers and food grants and the drivers of this demand, dated 21 June 2022
- REP/22/7/704 Report MSD's enduring role in the food system and the Community Connection Service beyond June 2023: An update on the development of advice, dated 12 August 2022
- REP/22/8/801 Report MSD's enduring role in strengthening food security, dated 5 October 2022
- Cover Report- Options for the Ministry of Social Development's enduring role in strengthening food security, and future of the Community Connection Service, dated 5 October 2022

You will note that throughout the attached documents, information has been withheld, under the following sections of the Act:

- section 9(2)(f)(iv) to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials. 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.
- section 9(2)(g)(i) to protect the effective conduct of public affairs through the free and frank expression of opinions. I believe the greater public interest is in the ability of individuals to express opinions in the course of their duty.

You may be aware that the Ministry was provided with a copy of Kore Hiakai Zero Hunger Collective's report "Exploring the Ongoing Need for Food Assistance". As the report and findings are significant for food insecurity and aligns with the Ministry reports we are providing you, we have attached a copy to as part of our response to your request.

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

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

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter and attachments on the Ministry'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.

Ngā mihi nui

Serena Curtis

General Manager

Pacific and Community Capability

Programmes

ERO'Connell

Emma O'Connell
Policy Manager

Regional and Communities

Policy





Report

Date: 12 August 2022 Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development and

Employment

MSD's enduring role in the food system and the Community Connection Service beyond June 2023: An update on the development of advice

Purpose of the report

- 1 This report provides a check in on the development of advice across the following three interrelated areas:
 - 1.1 Care in the Community welfare beyond August 2022
 - 1.2 Future of the Community Connection Service beyond June 2023
 - 1.3 The Ministry of Social Development's (MSD) enduring role in the food system beyond June 2023.
- We seek your feedback on the direction of the advice, noting that you will receive the final advice on these areas in late August and September 2022.

Executive summary

- MSD's COVID-19 welfare response through food and the Community Connection Service has adapted to the changing needs of communities over the past two years. This includes the initial funding of the food secure programme in 2020 and the move to the Care in the Community (CiC) welfare model in November 2021.
- 4 This paper provides an interim update on three upcoming and interrelated pieces of advice and seeks your feedback on their direction.
- 5 We propose that the CiC model paper that you will receive in August 2022:
 - 5.1 provides an indication of the impact on cost of services should selfisolation settings be changed, such as if household contacts of people who test positive are no longer required to isolate
 - 5.2 outlines options for tightening eligibility requirements for access to CiC welfare support

- 5.3 provides advice on the extent to which the CiC model should continue to provide support to those with COVID-19, if there is no legal requirement to isolate.
- For the Community Connection Service, we have engaged with agencies, community providers and regional leaders. This engagement has highlighted the benefits of the Community Connection Service, its key features and opportunities to improve the service. We are in the process of developing options for the Service beyond June 2023.
- Similarly, the development of our advice on MSD's enduring role in food security has included engagement with regional leaders and community providers. We are exploring the scope and impact of options in three areas to inform the final advice to you in September 2022. These include:
 - 7.1 Food parcels considering the impact and rationale of funding food parcels, connecting in with advice on the future of the CiC welfare response
 - 7.2 Food infrastructure considering the importance of ongoing funding for community food distribution infrastructure that was funded during the last two years
 - 7.3 Food security initiatives considering MSD's role within the cross-government work programme to address the broader determinants of food security.
- We intend to test the learnings and scope of options for the Community Connection Service and the future of food security funding for MSD with government agencies and a trusted group of community providers in August 2022. This will inform the final advice to you in September 2022.
- 9 If you wish, we can work with your office on options for visiting with Community Connection providers in the next month, to help inform our advice to you on these areas.
- 10 s9(2)(f)(iv)

Recommended actions

It is recommended that you:

- **Agree** to provide feedback on the direction of advice for the:
 - 1.1 Outline of options regarding potential self-isolation changes and their impact on the Care in the Community, welfare response
 - 1.2 Scope of proposed options for MSD's enduring role in the food system

Agree / Disagree

- 2 **Note** that you will be receiving:
 - 2.1 In August 2022, a paper on the future of the Care in the Community model that will consider the wider health settings and the requirement to self-isolate
 - 2.2 In September 2022, you will receive combined advice on both the future of the Community Connection Service and the MSD's enduring role in food
- Agree to meet with community providers that are providing the Community Connection Service.

	Agree / Disagree
ACOMPA	12 August 2022
Emma O'Connell	Date
Policy Manager, Social Development, Child and Youth	
Hon Carmel Sepuloni Minister for Social Development and Employment	Date

MSD's COVID-19 welfare response through food and the Community Connection Service has adapted to the changing needs of communities over the past two years

Food Secure Communities responded to the initial increased demand on foodbanks during the April 2020 lockdowns

- 11 In the 2020 COVID-19 Recovery Budget, the Government invested \$32 million over two years for the Food Secure Communities (FSC) programme through MSD, as Civil Defence Emergency Management (CDEM) groups stepped down from supporting community food providers.
- 12 This funding included:
 - 12.1 \$2 million to support providers to transition from CDEM to MSD
 - 12.2 \$21 million to support community-level providers to manage increased demand until 30 June 2022
 - 12.3 \$8 million to national providers to improve sector capacity, increase the recovery of surplus food, and support a longer-term approach to building 'food secure communities'.
- 13 In August 2021, additional funding of \$11 million was released to meet demand for food and essential items. This included \$900,000 for the food security sector, of which \$500,000 was allocated to the New Zealand Food Network (NZFN).

The Community Connection Service employed an initial 130 Community Connectors to help people navigate the welfare support in April 2020

- 14 On 6 April 2020, Cabinet agreed to fund the Community Connection Service and established 130 positions. The initial aim of the Community Connection Service was to offer flexible support to individuals and whānau in need, particularly with psycho-social needs [CAB-20-MIN-0155.30 refers].
- 15 Between April 2020 and November 2021, additional funding was allocated to the Service (and additional positions created) to meet increased demand for support. In November 2021, there were 157 Community Connectors funded through to June 2022.

The Care in the Community (CiC) welfare model was introduced in November 2021, which included ongoing provision for food support and more Community Connectors

The Care in the Community (CiC) welfare model was set up to support people to safely self-isolate through a "no wrong door approach." The model has ensured that support reaches people who need it, supporting the Government's overarching COVID-19 Protection Framework objectives to "Minimise and Protect".

- 17 \$407.9 million has been allocated in total to CiC since 22 November 2021.

 This funding has been received in three tranches over four Cabinet decisions.

 To the end of June 2022, this has included:
 - 17.1 \$164.7 million for food support, which includes \$102 million in food funding to support households in self-isolation, supporting 293 providers of food support, and over 573,000 food parcels
 - 17.2 \$176.3 million for the Community Connectors, which includes funding for 500 Community Connectors and \$14.9 million of discretionary funding spent to date, which connectors can use to support people's immediate needs such as rent arrears, food, medical needs and utilities. 177,756 households have been helped by Community Connectors through CiC to 24 July 2022.
- On 22 July 2022, you and the Minister of Finance received a report outlining funding requirements for funding the CiC welfare response in 2022/2023 [REP-22-5-417 refers].

In April 2022, Cabinet agreed to a transition plan for the Care in the Community welfare response

- 19 In April 2022, a transitional approach to the COVID-19 welfare response was based on the anticipated ongoing impacts of COVID-19 and the high likelihood of further waves and new variants. Cabinet noted that a sudden exit from CiC welfare support may undermine the objectives of the COVID-19 Protection Framework and community recovery from COVID-19 [CAB-22-MIN-0132].
- 20 Of the \$18.5 million allocated for food in April, \$3.5 million was for food parcels and the \$15 million was for transitional food support including:
 - 20.1 \$11 million for the sector to respond to immediate demand for food support
 - 20.2 \$2 million to support services to restore the pre-Delta and Omicron levels of organisational resilience
 - 20.3 \$2 million to support sustainability in the food secure sector via targeted initiatives.
- 21 MSD's transitional approach will focus on shifting the balance of investment towards food security and providing a level of security for providers to meet ongoing needs. A summary of the funding provided for food since 2020 is provided at Appendix 1.
- 22 Cabinet also agreed that the Community Connectors could broaden their support to people impacted by COVID-19, rather than just those households that are isolating. As part of this, Cabinet agreed that Community Connectors could also use discretionary funding to support people outside of those in selfisolation.

You will receive advice in August 2022 on the future of the Care in the Community model that will consider health-settings and the self-isolation requirements

The Care in the Community model

- 23 Later in August 2022 [CAB-22-MIN-0132 refers], you and the Minister of Finance will receive advice on the future of the CiC welfare response if the legislative requirement to self-isolate continues to be in place beyond August 2022.
- 24 This advice will provide an indication of the impact on cost of services should self-isolation settings be changed, including if:
 - There are any variations to the requirement to self-isolate, including those settings reviewed monthly (i.e., 59(2)(f)(iv)), or a change to the requirement for household contacts to isolate); or
 - There is a decision by Ministers to change the 'minimise and protect' strategy of the COVID-19 response, within which the use of requirements to self-isolate and the provisions of supports to vulnerable populations to isolate safely stem; or
 - There is a decision to make broader changes to the legislative framework that underpins the COVID-19 response, such as the repeal of the COVID-19 Public Health Response Act and replacement by other more enduring legislative functions ahead of May 2023.¹

Operational and eligibility setting changes

25	S9(2)(f)(iv)
26	Further options for change, including tightening eligibility requirements will be provided in the August report and are linked to the advice on Food and Community Connectors. 59(2)(f)(iv)
	Community Connectors.

¹ This Act is time limited and scheduled to be repealed in May 2023, but a decision can be made to repeal earlier or a review of the 'Minimise and Protect' strategy could also occur before then too.

Future of Care in the Community welfare response should self-isolation requirements become guidance only

27	CiC welfare has primarily been designed around supporting safe self-isolation. It has focused on the provision of food supports and the work of the Community Connectors to direct whānau to appropriate supports and assist whānau with complex needs. [59(2)(f)(iv)]
28	Community Connectors are contracted through until June 2023 and, as agreed by Cabinet in April, will continue their role in supporting those impacted by COVID-19. 59(2)(9)(1)
	s9(2)(f)(iv)
29	Although we understand advice on the future of the CPF will be provided in the coming month, we do not know if or when changes to self-isolation requirements may be introduced. \$9(2)(f)(iv)

Cabinet commissioned advice on the next steps for food support and the Community Connector service, beyond June 2023

- 30 For MSD's food support, it was noted that a transitional approach will enable community providers to continue to address levels of need and preserve current community infrastructure. This will help address any further waves or variants, while providing the time to develop a well-considered longer-term food security plan.
- 31 For the Connection Service it was noted that this advice would consider options to ensure the scale of service is proportionate to ongoing need and remains aligned with broader community supports.
- For both areas it was noted that advice would be developed by working with the community sector, *9(2)(f)(iv)
- 33 There is an interdependency between MSD's food support, the Community Connector Service, the legislative requirement to self-isolate and the support provided under the CiC welfare model. This is because the CiC welfare model includes elements of food support and access to the Community Connector service.

34 The following sections outline what work has been done over the past three months on these areas, including findings from the Real-Time Evaluation, engagement with agencies and relevant community stakeholders and the work ahead to finalise advice before September.

You will receive advice in September 2022 on the future of the Community Connection Service (the Service)

We are engaging with regional public service leaders, the community sector, and families and whānau supported by the Service

- Over the past two months, we have worked with our colleagues running the Real-Time Evaluation of CiC welfare to engage with community providers, regional public service leaders, and individuals, families and whānau supported by Connectors. The focus of this enagement has been to understand the how well the current Service is working, and hear views on opportunities for its future.
- The Treasury have also joined some of this engagement, to help inform their understanding of how the service is working. We consider that it could be helpful for you to also meet with some of these community providers, to get a sense of the scale of service they are providing and the connection between CiC, the Connector Service and the delivery of food. We can work with your office on options for this. We have also had some initial cross-agency engagement, with general support of the continuation of the service.

We have identified a range of benefits of the Community Connection Service for whanau, community providers and for government

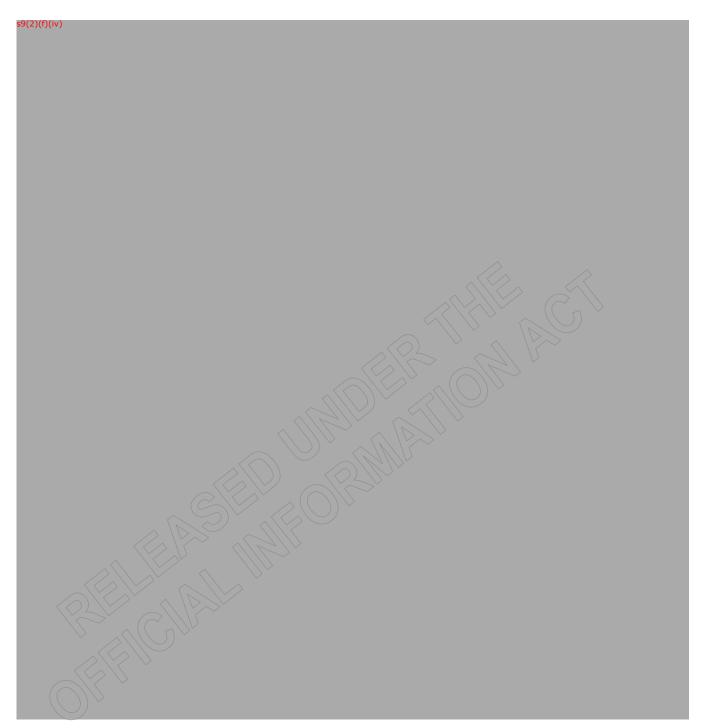
- 37 Overall, we have found that Community Connectors are providing timely, relevant and flexible support to meet the unique circumstances of individuals, families and whanau.
- Through the COVID-19 response, they have bolstered the workforce available, reaching the people who need support and ensuring people stay at home while sick or isolating. This has helped minimise the spread of COVID-19 and supporting the COVID-19 Protection Framework objective to "Minimise and Protect."
- We have also identified a range of broader benefits for individuals, families and whānau, community providers and for government, including:
 - 39.1 Building provider capacity
 - 39.2 Increased public confidence and trust in accessing support, including from government
 - 39.3 Strengthened relationships between community providers and the public service, supporting greater community provider collaboration and more informed decision-making at regional levels.

We are now working on options for the future of the Community Connection Service for your consideration in September

- 40 Cross-agency data and community insights are broadly revealing that the pandemic is amplifying existing inequalities, surfacing unmet need, and removing protections for some of our most marginalised communities. In this context, we are considering the ongoing role the Community Connection Service could play in supporting individuals, families and whānau who have complex life situations, and for whom core government services don't work.
- 41 As the Community Connection Service shares many of the key principles of relational commisioning, we are also considering how we could build on this, with any future Community Connection Service.

Alongside the Community Connection Service advice, you will receive in September 2022 on a suite of options for MSD's enduring role in the food system beyond June 2023





Our advice will also be informed by food security work programmes across government and the wider food sector

The Mana Kai initiative, a collaboration between government, business, and community leaders, is working to create a national food roadmap that will enhance our food system. Alongside this, the Ministry for Primary Industries (MPI) is coordinating work that includes MSD, the Ministry for the Environment and the Ministry of Education to provide Ministers with a cohesive system view on government's overall intervention in and contribution to the food system. We will ensure that our advice reflects the connections with these programmes.

Insights from the Real-Time Evaluation are informing all three pieces of policy advice

- Insights from cycle one and cycle two have informed our policy development to date. Findings in relation to food include that food delivery continues to be an effective starting point for building relationships with families and whānau, and that new partnerships have been critical to the success of supporting families and whānau.
- 52 Cycle three of the Real-Time Evaluation has a key focus on understanding how whānau have been supported through the CiC welfare response. This cycle will be finalised in September.

Next steps

- 53 In late August 2022, you will receive advice on the CiC welfare response beyond August 2022. We will continue to engage with relevant agencies on this advice, including responding to any changes to the self-isolation requirements.
- We will continue to develop options for the Future of the Community Connection Service beyond June 2023 and MSD's enduring role in the food system beyond June 2023. This includes engaging with agencies and relevant community stakeholders. We seek your feedback on the direction of the advice as outlined in this briefing. You will receive final advice on those two areas in September 2022. 59(2)(0)(0)
- If you wish, we can also work with your office on options for visiting with Community Connection providers in the next month, to help inform our advice to you on these areas.

56 s9(2)(f)(iv)

Appendix

57 Appendix 1 – Table: Timeline of funding

REP/22/7/704

Author: Lea Ketu'u, Policy Analyst, Regional Development Policy Team

Responsible manager: Emma O'Connell, Policy Manager, Social Development,

Child and Youth Policy Group

Appendix 1 – Table: Timeline of funding for food

Date	Funding	Detail	
April 2020	\$32 million	The Government invested \$32 million over two years for the Food Secure Communities (FSC) through the 2020 COVID-19 Recovery Budget. This funding included:	
		\$2 million to support providers to transition from CDEM to MSD	
		\$21 million to support community-level providers to manage increased demand until 30 June 2022	
		\$8 million to national providers to improve sector capacity, increase the recovery of surplus food, and support a longer-term approach to building 'food secure communities'.	
August 2021	\$11 million	Additional funding of \$11 million was released to meet demand for food and essential items. This included \$900,000 for the food security sector, of which \$500,000 was allocated to the New Zealand Food Network (NZFN).	
November 2021	\$164.7 million	The Care in the Community (CiC) welfare model was introduced in November 2021, which included ongoing provision for food support and more Community Connectors. To the end of June 2022, this has included \$164.7 million for food support, which includes \$102 million in food funding to support households in self-isolation, supporting 293 providers of food support, and over 573,000 food parcels.	
April 2022	\$18.5 million	In April 2022, a transitional approach to the COVID-19 welfare response was based on the anticipated ongoing impacts of COVID-19 and the high likelihood of further waves and new variants. Of the \$18.5million allocated to food:	
		1. \$15 million was funding transitionary food supports (breakdown below)	
		a) \$11 million for the sector to respond to immediate demand for food support	
		b) \$2 million to support services to restore the pre-Delta and Omicron levels of organisational resilience	
		c) \$2 million to support sustainability in the food secure sector via targeted initiatives.	
		2. \$3.5 million was for food banks and other food organisations.	



Report

Date: 5 October 2022 **Security** IN CONFIDENCE

Level:

To: Hon Carmel Sepuloni, Minister for Social Development and

Employment

MSD's enduring role in strengthening food security

Purpose of the report

1 This report provides advice on MSD's enduring role in strengthening food security in New Zealand.

Executive summary

- In New Zealand, most recent estimates are that 13.4% of children live in households experiencing moderate-to-severe food insecurity. Food insecurity has long-term impacts on people's health and wellbeing, especially for children. Single parent households, Māori and Pacific families are more at risk of being food insecure.
- While many indicators of food security are improving, they are unlikely to show the enduring impacts of COVID-19 on some communities. Community food providers continue to report high demand for their services, and we understand that there are pockets of rising need. The cohort of people who access community food support experience much higher hardship rates and are much more dependent on their network of family and friends to "get-by" than other people with low after-housing-cost incomes.
- Income inadequacy is the primary driver of food insecurity. MSD's primary means of supporting food security is through the welfare system, including income support payments and Special Need Grants for food. You have already received advice on income support settings that support access to food and we will continue investigating how MSD's frontline services can work more closely with community partners and food providers.
- 5 Since the pandemic started, MSD has also supported access to food through the Food Secure Communities programme (FSC). FSC has supported

community providers¹ to meet the recent increased demand for food. The programme invested in community distribution infrastructure which created significant efficiencies in the procurement and distribution of community food. Investment has also been made to support communities to develop food security plans and pilot projects which increase vulnerable communities access to affordable, nutritious, and culturally appropriate kai. This funding ends in June 2023.

- In late 2021, in response to further COVID-19 outbreaks, the Government implemented the Care in Community (CiC) welfare support approach. A key aspect of CiC was providing food parcels to people required to self-isolate, and who had no other means to access food. The delivery of CiC was made possible by the investment in the community food distribution infrastructure, and the strong relationships bult with community food partners through FSC CiC self-isolation food funding is contingent on the continuing requirement to self-isolate.
- On 11 April 2022, Cabinet [CAB-22-MIN-0132 refers] agreed to a transitional approach that enabled community providers to continue to address levels of need and preserve current community infrastructure that could address any further waves or variants until June 2023, while providing the time to develop a long-term food security plan, with a view to exit funding of food banks.

8

9	We have undertaken an extensive engagement process with community food providers, MSD regional staff and food security experts including the Prime Minister Chief Science Advisor. This paper and the options provided are based on this engagement and reflect the community voice.
10	s9(2)(f)(iv)
11	59(2)(f)(iv)

¹ Food providers are non-government organisations that provide food for people in need, for example via foodbanks, food parcels, or pataka kai.

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14	s9(2)(f)(iv)
15	59(2)(f)(iv)
16	59(2)(f)(iv)
10	

- 17 There is work underway across government to identify opportunities to further strengthen domestic food security. MSD is working closely with other agencies, including with the Ministry of Primary Industries (MPI) and Ministry for the Environment (MfE) on their briefing for Primary Industry Ministers on food access and affordability. You will receive that briefing (in October 2022), and an invitation to attend a Primary Industry Ministers meeting, where food access and affordability will be discussed.
- 18 The Primary Industries meeting is likely to focus on the expected release of Aotearoa Circle's 'Mana Kai' framework (a business and community-led food strategy) and proposed action plan for the food system. The proposal is likely to include recommendations to strengthen community food infrastructure and support for the community food sector.

² s9(2)(f)(iv)

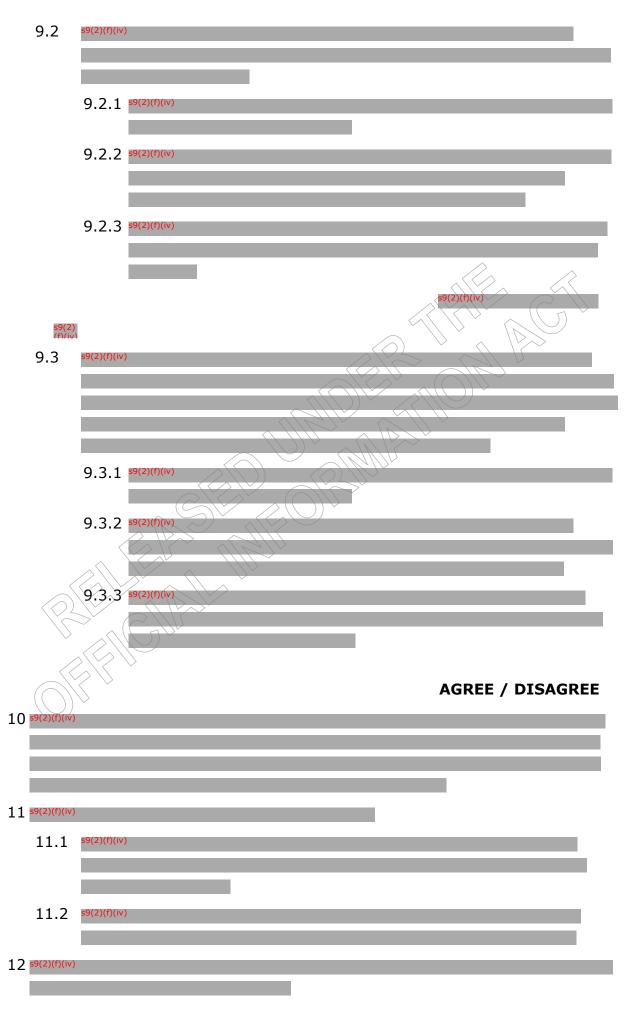
19 We continue to work with our colleagues and will consider the implications of the Mana Kai proposals and report back to you if we recommend any substantial changes to the approach you agree to in this paper.

Recommended actions

It is recommended that you:

- 1 note that while headline indicators of food security are improving, the enduring effects of COVID-19 and the high cost of living are creating ongoing pressure on communities, particularly those that were already struggling before the pandemic
- 2 note that MSD continues to support food security through the income support system, and you have already received advice on most of the options in the income support system that affect food security
- 3 **note** that MSD will continue investigating how MSD's frontline services can work with partners and food providers to support access to food for those most in need, including through the Community Connectors
- 4 **note** that funding for the Food Secure Communities Programme has enabled providers to meet the increased need for community food which has more than doubled since 2020 (reporting shows that our funding contributed to 902,777 food parcels equivalents per year during this period)
- 5 **note** that funding for the Food Secure Communities Programme currently runs out in June 2023
- 6 **note** that funding for self-isolation food parcels (624,506 total parcels delivered as of 11 September 2022) is contingent on continuation of the self-isolation requirements and we are not seeking any funding for this programme in this paper

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13 s9(2)(f)(iv)	
14 ^{59(2)(f)(iv)}	
15 note that MSD will remain engaged with the crocommunity-led work on food affordability and k	
ERO'Connell	
Emma O'Connell Policy Manager, Regional Development Social Development, Child and Youth	Date
Hon Carmel Sepuloni	Date
Minister for Social Development and Employment	

While food security indicators have improved, deprivation remains a concern for some communities

A significant proportion of New Zealanders live in moderate to severe food insecurity

- 20 Food security is defined as regular and reliable access to sufficient nutritious food, which meets cultural needs and has been acquired in a socially acceptable way. Food insecurity exists on a spectrum and involves having a limited or uncertain ability to access sufficient, safe, and nutritious food for normal growth and development and an active and healthy life. When severe, food insecurity can involve periods of going without food at all, and the experience of hunger.
- 21 Food insecurity is often the result of multiple combined causes, but the primary driver is income inadequacy. It disproportionally affects Māori and Pacific families, disabled people, and single parent households. In 2020/21, around 13% of New Zealand children lived in households experiencing severe-to-moderate food security, and 2% of children lived in households experiencing severe food insecurity.³
- 22 Food insecurity has immediate impacts on mental and physical health and is linked to malnutrition and obesity. Research shows food insecurity in early childhood is particularly stark, increasing the risk of asthma and depression, as well as negatively affecting academic and social outcomes.

While many indicators of food security are improving, COVID-19 is still impacting some of our communities

- As noted in our recent advice [REP/22/5/398], our survey-based statistics generally show food insecurity and other related indicators are improving, indicating that households with children have seen reduced rates of poverty and material hardship (both standard and severe) for those reporting 'not enough income for basics', and for those reporting food runs out 'sometimes or often'.
- 24 These trends likely reflect a series of recent increases to income support (e.g. the Families Package, benefit increases), and other government interventions that specifically increased access to food. Investments in income support

³ This figure has been updated since the figure presented to you in our June 2022 report, which used published figures for 2015/16. The data shows a reduction in moderate-to severe food insecurity over the period from 19.0% in 2015/16 to 13.4% in 2020/21 (between 11.6% and 15.4% taking confidence intervals into account). People experiencing moderate food insecurity are typically unable to eat a healthy, balanced diet on a regular basis because of income or other resource constraints. Those considered as facing severe food insecurity have run out of food or had to go for a day, or days, without eating. Ministry of Health. 2022. Household Food Insecurity among Children: New Zealand Health Survey. Wellington: Ministry of Health.

- have meant that average incomes for beneficiaries have increased, even after taking into account increases in housing costs and the cost of living.
- These statistics only provide trends up to 2020/21, and thus only show the initial impacts of COVID-19, which is likely to have an enduring impact for some families. For example, most materially deprived households are often very reliant on a range of formal and informal supports to survive, and they do not usually have the resources to cope with any extra expenses or loss of help from their support networks. Various COVID-related factors may have disrupted some of their access to these support networks, making it harder for some households to 'get by'.
- The data also shows that significant adequacy issues remain for low-income households, particularly for those supported by benefits. A significant proportion of households continue to live in poverty, with some groups still facing serious deprivation.
- 27 Recent MSD analysis based on Stats NZ's Household Economic Survey (Perry, forthcoming) indicates more than 100,000 households (~300,000 individuals) access support from food providers each year, with around half of those households including children. More than half are Māori or Pacific. Around two-thirds of these working-age households are supported by benefits, and a third are 'working' households.⁴
- This analysis demonstrates the serious financial issues such households are often facing. Households accessing community food provider support, compared to other low-income households (that do not access this support), are much more likely to be experiencing deprivation; be dependent on networks of family and friends to assist with purchasing the basics; have very little savings; have higher debts; be unable to afford an unexpected bill; and to be in arrears on rent or utility bills.

New Zealand's recent experience is consistent with that of other countries and continued disruptions to the supply chain are expected

29 COVID-19 created immediate problems for food security across the world. While foodbanks have historically operated independently from government, many countries stepped in to support them as they were relied upon more heavily to support the worst-affected families through immediate crisis. Many countries also supported community food initiatives, as well as infrastructure which allowed for the provision of food parcels.

⁴ Consistent with other reporting on poverty and material wellbeing, 'working' households here refers to those where the primary source of income comes from the market, rather than Government transfers.

⁵ Households accessing foodbanks have very high DEP-17 material hardship rates (55%), compared with 10% for low-income non-FBs and 8% for total population (all income levels).

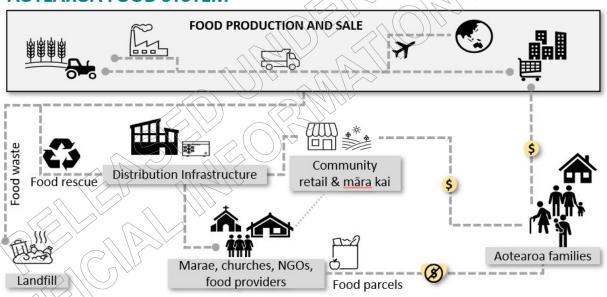
While the immediate disruptions associated with the COVID-19 pandemic have reduced, a focus on food security is likely to continue. The long-term outlook for food is highly uncertain, and the United Nation's Food and Agriculture Organisation has warned of the risk of a possible global food crisis as a result of current disruptions, including the large-scale aggression by Russia against Ukraine; both countries are major producers and exporters of basic food staples.

MSD and community providers are part of a broader food system in New Zealand

The food system in New Zealand is complex

31 The food system in New Zealand is made of many organisations, including the government, of which MSD plays a small role. The picture below provides an outline of New Zealand's food system.

AOTEAROA FOOD SYSTEM



There is work across government to strengthen the food system

- 32 The Government has a wide range of work underway to support food access and affordability including increasing the income households have available for food and reducing food costs, the table in Appendix A provides an outline of this work. MSD officials are contributing to a cross-government approach to addressing issues impacting food security.
- 33 Primary Industry Ministers⁶ have asked for advice from officials on how the food system is delivering for New Zealanders (including household and country-level food security and the broader outcomes delivered by a well-

⁶ Hon David Parker – Minister for Oceans and Fisheries; Hon Damien O'Connor – Minister of Agriculture, Biosecurity, and Rural Communities; Hon Stuart Nash – Minister of Forestry & Hon Meka Whaitiri – Minister for Food Safety, Associate Minister of Agriculture (Animal Welfare).

- functioning food system). Initial advice from the Ministry for Primary Industries and Ministry for the Environment (supported by MSD and the Ministry of Education) is focused on improving New Zealander's access to affordable, safe and healthy food in the near-term, with longer-term options to respond to accessibility and affordability to be explored.⁷
- 34 We will continue to work with MPI and MfE on this advice to draw out the alignment between MSD's programme of work and any options they may propose. You will receive a copy of this report from your colleagues in mid-October 2022 and an invitation to attend a Primary Industry Ministers meeting, where food access and affordability will be discussed.

A business and community-led food strategy, Mana Kai, has been developed by Aotearoa Circle

- Mana Kai is an initiative of Aotearoa Circle, which brings together leaders in the NGO, public, and private sectors to discuss the future stewardship of New Zealand's natural resources and commit to sustainable action. Mana Kai outlines a view of the food system based on Te Ao Māori and identifies priority areas for tāngata whenua, communities, government, and the private sector. MPI and MfE have been the key public sector partners in the development of this document, with MSD, Ministry of Health and Ministry of Education becoming increasingly more involved.
- Mana Kai is expected to be released by the Aotearoa Circle in late November 2022. The MPI and MFE October report will consider a potential government response to the Mana Kai initiative and alignment between Mana Kai and current government policies and programmes.
- While proposed actions are still being finalised, draft proposals have included options aimed at improving the provision of food through community-led initiatives such as Pātaka Stores serviced by a food network.
- These proposals align with the options we have identified to continue MSD's role in the community food sector. We will continue to explore how the Mana Kai proposals interact with the existing community food distribution infrastructure funded by MSD.

MSD's enduring role in strengthening food security

⁷ On 23 August 2022 officials from the Ministry for Primary Industries and Ministry for Environment (supported by MSD and Ministry of Education) met with Primary Industry Ministers on an early version of this advice.

Currently, MSD supports food security through the income support system and Food Secure Communities programme

MSD supports food security primarily through the income support system

- 39 Research consistently shows that the primary driver of food insecurity is income inadequacy, and so in the past the main way MSD has supported food security is through the income support system. Those with an immediate need for food have usually been assisted through Special Needs Grants (SNGs) for food.⁸ Evidence suggests that changes to the settings for hardship assistance, such as SNGs, can also affect demand for food parcels.
- 40 The number of SNGs for food has increased significantly in the past five years. While COVID-19 is a key factor in this increased usage, the number of grants was increasing throughout 2019, well before the pandemic struck. A series of policy and operational changes, both temporary and permanent, have also made assistance more accessible in the past five years.

A high proportion of people accessing SNGs are also accessing foodbanks

- 41 A 2022 survey¹⁰ of people who had recently accessed foodbank support found that 78% of respondents were also recipients of income support benefits. They also found that respondents were reliant on regular receipt of both SNGs and assistance from foodbanks:
 - 41.1 74% were accessing foodbanks at least monthly.
 - 41.2 86% had applied for a Special Needs Grant in the last 12 months.
 - 41.3 54% of those who accessed a foodbank weekly, fortnightly or monthly also accessed SNGs fortnightly, monthly or every few months.
- There are a number of reasons why people may seek support from a foodbank rather than through a SNG: they may not be eligible for assistance; they may not wish to engage with MSD; and/or they may not have the knowledge or skills to apply for assistance.

⁸ Food SNGs provide one-off support to beneficiaries or working families on very low incomes when the need for food was caused by another essential expense. They are non-recoverable and are subject to six-monthly limits: MSD cannot make grants which exceed a set total dollar amount, unless it considers there are exceptional circumstances.

⁹ This increase primary reflects a rise in the number of grants per person, rather than an increase in the number of recipients.

 $^{^{10}}$ The survey was run by Vision West, Auckland City Mission and the Salvation Army. It surveyed 149 people who have recently accessed support, and found that respondents were primarily recipients of Work and Income benefits (78%) rather than wage earners (16%) or superannuants (6%).

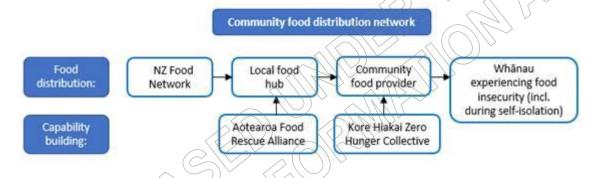
You have already received advice on options to change settings in the income support system

- 43 Appendix B provides an indication of some levers available in the income support system for improving food security, particularly at the more severe end. Detailed advice on these settings is beyond the scope of this report, as many of these settings are either being actively considered and/or are the subject of recent MSD advice. They also have a wider range of relevant considerations and trade-offs that need to be taken into account.
- 44 As noted in advice to you [REP/21/07674 refers] in July 2021, MSD has been working to improve its response to those accessing hardship assistance, including extending intensive case management to high users, and improving referrals for budgeting and financial capability services. We will continue investigating how MSD's frontline services can work with partners and food providers to support access to food for those most in need, including through the Community Connectors.

MSD provided substantial funding for food assistance as part of the COVID-19 community response until June 2023

- The Food Secure Communities (FSC) programme was established in June 2020 as a response to increased food demand resulting from COVID-19 restrictions. The foundations of this programme have been leveraged to deliver the Care in Community (CiC) welfare response since November 2021.
- Appendix C outlines the funding invested in the FSC programme since 2020 and the outcomes of this funding. This can broadly be divided into four categories:
 - 46.1 **Community Food Response** (\$34 million): meeting increased demand for food support via investment in foodbanks, and other community food providers.
 - 46.1.1 As a result of government funding, the number of community food providers in the sector increased. Our latest Community Food Response Extension funding was split between 245 providers across the country. MSD funded some existing not-for-profit organisations to undertake a community food service to support hard to reach communities.
 - 46.2 **Self-isolation food support** (\$42 million to-date): providing food parcels to people required to self-isolate so that they could meet their health restriction requirements.
 - 46.3 **Community food distribution infrastructure** (\$15 million): to provide support for food distribution and rescue, funding was used to establish a food distribution infrastructure. This infrastructure is primarily based around three key groups:
 - 46.3.1 The New Zealand Food Network (NZFN) is the national distributer of surplus and donated food. NZFN receives bulk

- donations, typically from producers, processors and manufacturers, and wholesalers.
- 46.3.2 NZFN distributes the food it receives to 61 regional food hubs, usually food rescue organisations, community groups, or foodbanks. Funding has also been used to establish and maintain the 61 regional food hubs. Regional food hubs sort and supplement food supplies, preparing them for providers who ensure that they get to communities who need them the most.
- 46.3.3 Aotearoa Food Rescue Alliance (AFRA) represents organisations involved in food rescue in New Zealand. As well as representing organisations when engaging with government and food donors, AFRA has helped to consolidate the food rescue sector, fostering connections and collaboration, sharing standards and best practice, and building capacity.



Flowchart: Community food distribution infrastructure

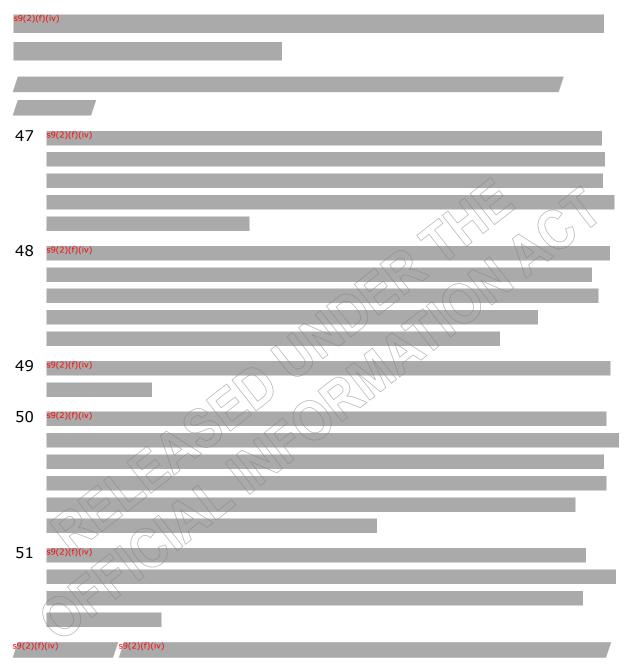
46.4 Food secure communities planning and implementation

(\$7 million): seed funding was provided for communities to develop their own food security plans, start implementing pilot projects to improve food security, and enable Māori to exercise tino rangatiratanga over food systems that feed and nourish whānau. \$3 million has been invested to date and an additional round of funding for investments (\$4 million) will go to market in October 2022. The fund was used to set up umbrella organisation Kore Hiakai which supports the work of community food organisations across New Zealand¹¹. Appendix C sets out further examples of initiatives that have been funded to date.

46.5 During the period from October 2021 to June 2022, the fund supported 57 Kaupapa Māori organisations. For example, Te Runanga o Turanganui a Kiwa used the Food Secure Communities Implementation Fund to

¹¹ The Kore Hiakai Zero Hunger Collective brings together community, producers, retailers', philanthropy, and government to build collaborative, long-term, sustainable, and mana-enhancing solutions to food inequality in Aotearoa. The collective supports the work of community food organisations across New Zealand, while also undertaking the slower, deeper work of addressing poverty-related hunger's root causes.

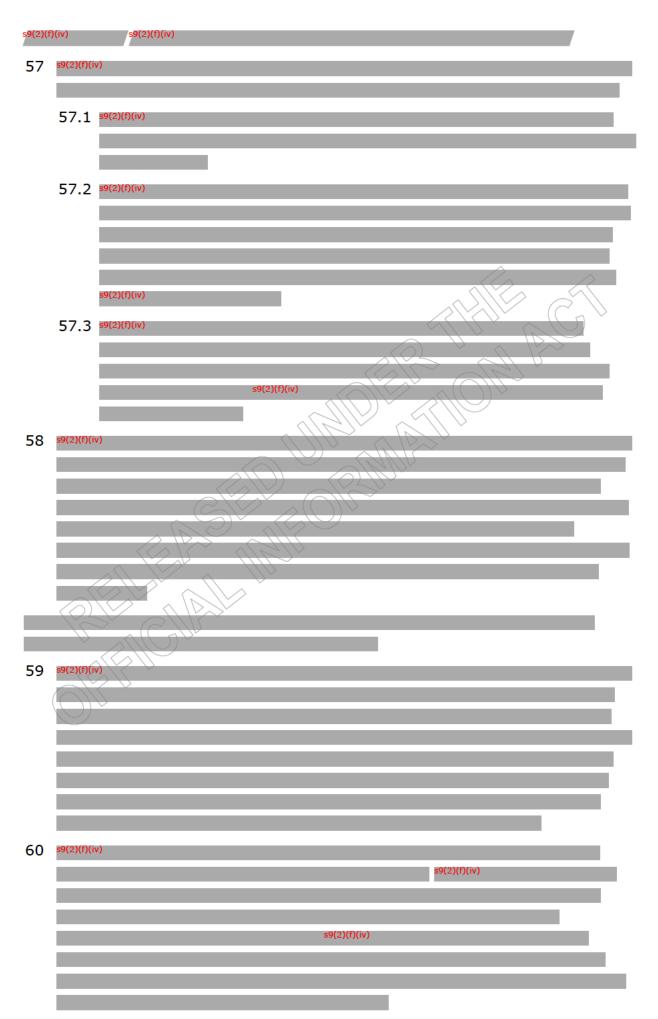
ensure they were able to reach whānau who at present live in isolation along the East Coast of Aotearoa, and who were further displaced by the pandemic restrictions.



- As noted in paragraph 46.3, an underlying 'community food distribution' infrastructure has been established over the past two years. The funding in infrastructure has enabled three key efficiencies in the system:
 - 52.1 The efficient procurement and redistribution of food. NZFN operates at scale so is able to efficiently procure bulk food supplies and make the redistribution of food much more efficient. [59(2)(f)(iv)

	52.2	The ability to respond to emergencies efficiently and effectively. NZFN also purchases food on MSD's behalf in order to distribute more food to communities which are faced with emergencies. NZFN is generally able to purchase these bulk supplies at 50% or less of retail price. The infrastructure is already playing a role in responding to emergencies such as floods and adverse weather events. ${}^{59(2)(f)(iv)}$
	52.3	Significant environmental benefits by reducing food waste and associated carbon emissions. The community food distribution infrastructure undertakes the majority of food rescue activity in the country. [59(2)(f)(iv)
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 $^{^{\}rm 13}$ AFRA has recently worked with Otago University on a study into the Social Return on Investment (SROI) for food rescue.

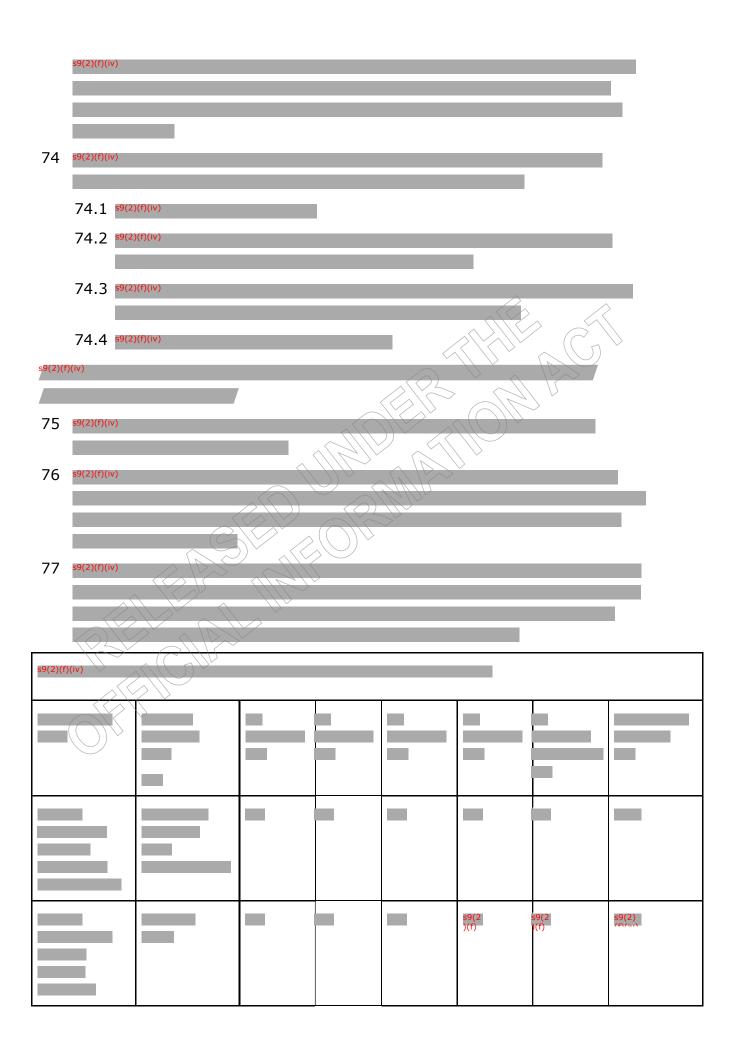


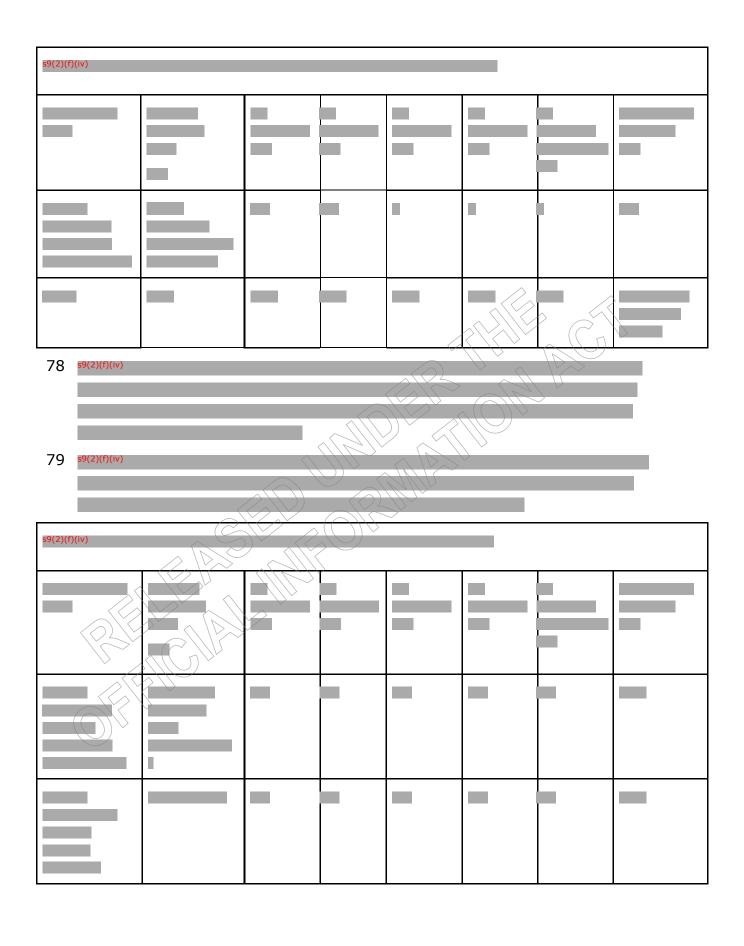


¹⁴ The first Forum on Food Sovereignty in 2007 defined food sovereignty as people's right to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their rights to define their own food and agriculture systems.

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68		sive engagement with community partners and MSD regional teams has ted that ongoing need for immediate food provision remains high and is	
		ted to stay high as communities recover from the effects of COVID-19	
		avigate the high cost of living, particularly high food prices. (2)(1)(1)	
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 $^{^{15}}$ Note that this figure is for support for general food hardship only and doesn't include the more than \$42m invested in CiC for self-isolation food support over this calendar year.

s9(2)(f)(iv)	

Next Steps

80 ^{s9(2)(f)(iv)}

Subject to our discussion with you on approach, we will support you to provide an oral update at the Cabinet Social Wellbeing Committee or any other discussion that you wish to have with your colleagues.

We will continue to work with MPI and MfE on cross agency advice on the food system. You should expect to receive a copy of this advice from your Primary Industry colleagues, in mid-October.

Appendix

Appendix A: Table of government initiatives addressing food security

Appendix B: \$9(2)(f)(iv)

Appendix C: Funding into the community food sector since 2020 and outcomes of

this funding

Appendix D: 59(2)(f)(iv)

Appendix E: 59(2)(f)(iv)

File ref: REP/22/8/801

¹⁶ Note that this figure is for support for general food hardship only and doesn't include the more than \$42m invested in CiC for self-isolation food support over this calendar year.

Author: Dinarie Abeyesundere, Senior Policy Analyst, Social Development, Child and Youth Policy Group

Responsible manager: Emma O'Connell, Policy Manager, Social Development, Child and Youth Policy Group



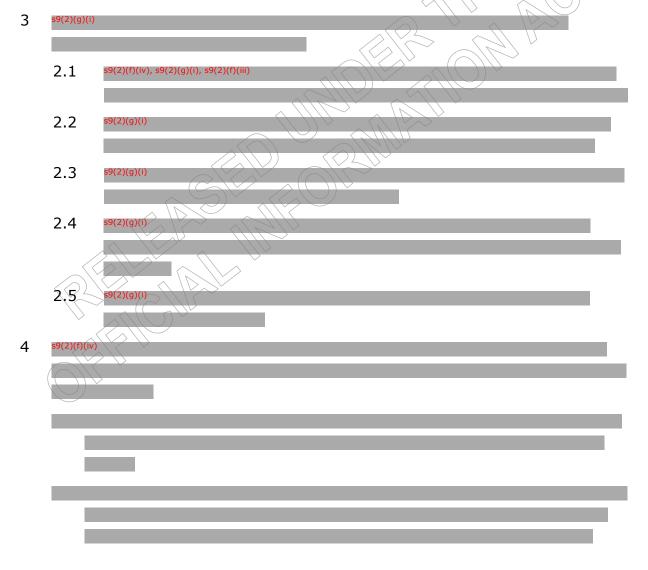
Appendix A: Table of initiatives underway addressing food security

(1) Increasing money households have available for food		(2) Reducing food costs and waste for households and food providers		
Increase household incomes	Reduce household costs	Consumer food costs / waste	Food programme food costs	
Changes to income support and Family Tax Credits, plus ongoing welfare overhaul work (MSD/IRD)	Cuts to petrol excise duty & road user charges	Govt response to retail grocery sector market study (MBIE) Proposals to reduce consumer and	New Zealand Food Network (Food Secure Communities, MSD)	
Minimum wage increases (MBIE)		business food waste (MfE)	Good Samaritan clause in Food Safety regs to support food rescue (MPI)	
Special Needs Grants for food (MSD)		Consumer information campaign on Best		
Winter Energy Payment (MSD)		Before & Use By dates (MPI)		
Cost of Living Payment (IRD)				

(3) Strengthening no or low-cost sources of healthy food in communities		(4) Effective policy, regulation, and measurement of food safety, nutrition and security		
Direct provision of food	Support home & community production/ distribution	Policy, regulatory and trade settings	Planning, coordination and measurement	
Ka Ora, Ka Ako (MoE)	Whanau Ora (TPK)	Advice on healthy food environments (MoH)	Initial design work on first Nutrition Survey since 2008/09 (MoH, MPI)	
Fruit in Schools (Te Whatu Ora/MoH),	Healthy Families NH (Te Whatu	Free trade agreements to support market		
KickStart Breakfast (MSD)	Ora/MoH)	access (MFAT, MPI)	Informal cross-agency food systems group	
Support to foodbanks and food rescue organisations (Food Secure Communities, MSD)	Nutrition & Physical activity initiatives (Te Whatu Ora)	Consultation on Australia New Zealand Food Regulation System update		
	Funding/Grants to projects that support food growing activities (e.g. Te Whatu	Work on supply chain resilience (MFAT, MBIE, MPI, MoT,)		
	Ora, some Whanāu Ora commissioning agencies)	National Policy Statement for Highly Productive Land		

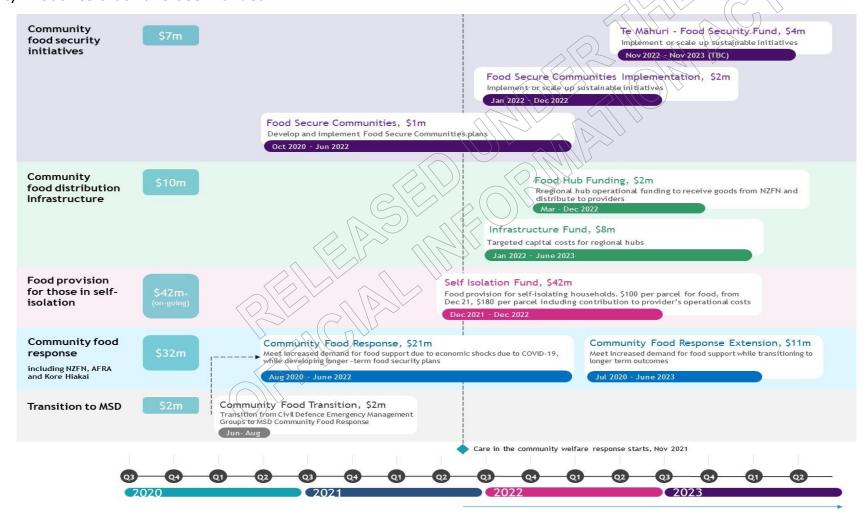
Appendix B: 59(2)(f)(iv)

- 1 The government has recently provided increases to the income support system including through the Families Package and benefit increases.
- The recent advice [REP/21/07/674 refers] on how the broader welfare system might be used to reduce demand for food SNGs is a useful starting point when considering options on how to reduce reliance on foodbanks. As the report noted, the more broad-brush changes such as benefit increases do help to reduce demand on foodbanks but can only be expected to go so far. Receipt of food SNGs is unevenly distributed across current benefit recipients, with some clients receiving multiple grants per year. Changes targeted at those with the lowest residual incomes are likely to have more of an impact, as are settings that influence the stability of incomes such as benefit standdowns and the 52-week reapplication process.



Appendix C: Funding into the community food sector since 2020 and outcomes of this funding

The diagram below provides a timeline of funds for each stream of the Food Secure Communities Programme. Further details on this funding follows on the next page (explanatory note) as well as an overview of the outcomes of the programme and examples of food security initiatives that have been funded.



Food funding explanatory notes

- 1 Te Māhuri Food Security Fund This funding round is awaiting Procurement Board agreement before applications open in November 2022. This will provide communities the funding required to scale up or implement an initiative which will increase access to affordable, nutritious, sustainable and culturally appropriate food.
- 2 Food Secure Communities Implementation Fund This small fund responded to communities that had developed food security plans, and now needed seed funding required to pilot an initiative which would increase access to affordable, nutritious, sustainable and culturally appropriate food. 89 applicants received funding in the form of contributary grants. These grants were between \$20,000-\$50,000.
- Food Secure Communities Fund The Food Secure Communities Grant funding was for communities to work together to develop and implement a plan to create long-term, sustainable food security in their community. In 2020, 49 applicants received two-year funding in the form of contributary grants. Most grants averaged \$10,000 per annum for two years.
- 4 Food Hub Operational Funding This small fund provided contributary grants to support the operational costs of key community food hubs to ensure they had the capability to process the increased volumes of bulk food they were receiving at the peak of the Omicron wave of infections. Funding was based on an allocation model to ensure equitable distribution.
- Food Distribution Hub Infrastructure Funding This funding invested in key infrastructure improvements for key food hubs to ensure they have increased capacity to receive large volumes of food during the peak of the pandemic. The type of equipment purchased included vans, chiller trucks, commercial chillers/ freezers, shelving, warehouse fit-out, IT equipment etc.
- Self-isolation Food Funding This funding supported the Care in Communities welfare approach by funding key community food providers to provide food support to people self-isolating in the community due to COVID-19. This supported the health outcomes of the COVID Protection Framework ensuring that people stayed self-isolating when they tested positive. Providers had delivered 624,506 total parcels as of 11 September 2022.
- 7 Community Food Response Fund This funding helped providers meet the increased costs of rescuing or distributing food for people, families and whānau unable to afford to purchase food. The funding supported 131 community food providers to meet increased demand on their services over a two year period (August 2020 to June 2022). Reporting shows that our funding contributed to an average of 902,777 food parcels equivalents per year during this period.

8 Community Food Response Extension Funding - This funding extended the original Community Food Response Funding by 12 months (July 2022 to June 2023) to ensure that providers could continue meet the increased demand for their services. This provided contributary funding to 245 providers based on recommendations by MSD regional staff and a needs-based allocation model.

Summary of outcomes from funding into MSD Food Secure Communities

Care in Communities self-isolation food funding real-time evaluation summary

9 Food enables providers to build trust with families and whanau seeking support, allowing them to surface a wide range of needs beyond the need for food.

"I called them for a food parcel not knowing who they are. And then after when I got the food parcel, I was like 'wow' and then okay let's have a look, what do they do?"

- 10 Māori food providers are driven by a shared responsibility to provide for their whānau and communities. This involved working long hours so that "we never had to make whānau wait."
- 11 Relationships, collaboration and networks have been critical to their success. As a result of the relational approach taken, providers felt more comfortable connecting families and whanau with agency services, supports, and entitlements

"I don't think we've ever worked so closely to government before."

12 Provision of self-isolation food (624,506 total parcels as of 11 September 2022) for families in-need was crucial to supporting the health outcomes of the COVID Protection Framework ensuring that people stayed self-isolating when they tested positive. This helped reduce community transmission and the associated strain on our health infrastructure.

"If I didn't get the support I would have gone to the supermarket (while infectious). It wasn't a matter of wanting to go out, but I would have had to. I needed to feed my kids and my animals."

Contributary funding for community food provision

- 13 Funding has enabled providers to meet the increased need for community food which has more than doubled since 2020. Reporting shows that our funding contributed to an average of 902,777 food parcels equivalents per year during this period.
- 14 When demand for food was at its peak, MSD leveraged efficiencies gained from the New Zealand Food Network and the community food distribution chain, to purchase bulk supplies at rates 50% less than retail to help restock community food providers.
- 15 Support from the Aotearoa Food Rescue Alliance (AFRA), and investment from MSD, has significantly increased the capacity of the food rescue sector. Last year AFRA members rescued and distributed 10 million kgs of food

- across Aotearoa, providing millions of meals at minimal cost, to over 1000 community organisations. This work ensured that an estimated 20,250 tons of carbon dioxide equivalent was diverted from entering the atmosphere.
- 16 Providers have professionalised and updated policies and procedures to ensure that users of their services have their needs evaluated and are referred to complimentary social services.
- 17 This professionalisation has been enhanced by the work of Kore Hiakai including the Mana to Mana framework of support and the Aotearoa Standard Food Parcel Measure.
- 18 Food providers have worked closely with other providers and community groups to ensure efficient sharing of resources and information. This includes creating foodbank and food security networks which will continue following the end of COVID restrictions "we [now] know people from multiple organisations, including organisations I didn't know before. I'd love to retain the sharing of support and communication between organisations."
- 19 Collaboration has also provided a platform for providers to explore proactive approaches to food security such as building community food resilience.

Funding for communities to develop food security plans and pilot projects

- This funding enabled communities to come together to develop, talanoa, korero, research, map and plan how to increase food security in their communities. Many communities have finalised plans and are working on implementing them, while others are continuing to refine their localised understanding of what food security means in their communities, and the best way to achieve this.
- 21 Many communities focussed on supporting individuals and whānau to grow their own food on their sections with supplies and support, as well as developing community production spaces and distributing fresh produce.
- Funding also enabled a communal approach to growing food which included expanding networks of community gardens, teaching gardens, māra kai and large-scale community-owned market gardens. Many were enhancing their community gardens focussing on developing infrastructure (irrigation, storage, machinery), exploring how to increase production, and supporting other initiatives such as community pantries, kitchens or food banks.
- 23 Communities have been increasing access to affordable food through social enterprise, including urban farm models and Community Supported Agriculture (CSA). Initiatives underway include co-operative models, for example providing fresh produce boxes for a small fee or koha; selling products such as compost, low-cost seedlings or produce; and community food markets.
- 24 A number of Māori communities and organisations looked at what food security means for them. This has resulted in co-design processes in communities to discuss the experience of whānau and form frameworks;

exploration of social enterprises and developing and scaling up of māra and pataka kai.

Examples of food security initiatives through food secure communities programme

Te Tairawhiti Kūmara

- This initiative developed two large gardens over one hectare of whenua, growing mainly kumara with some pumpkin and kamokamo. The season's harvest was estimated at three tonnes.
- 50% of kumara was shared and distributed at no cost to the local community, 30% was sold at "Pick your own" days, with some shipped to other locations, and provided support to local events and fundraisers.
- The project has built and strengthened community relationships, with education being an important part of the project. This has included engagement with local kura to support and learn in the gardens, facilitation of community workshops, intergenerational knowledge transmission, and infusion of Maramataka to inform future growing decisions.
- This initiative enabled the "return of a generation back to gardening and growing nutrient dense kai atua in alignment with māramataka Māori embodiment of pūrakau such as Ruakapanga and his manu and through the plethora of mōteatea, waiata and tikanga".

Healthy Families Waitākere

- Healthy Families Waitakere brought the community together to discuss kai and the experience of Māori whānau in West Auckland.
- The resulting overarching plan Mana Motuhake o te Kai (Kai Sovereignty in West Auckland) is recognised as a core strategic document by a number of stakeholder organisations working in the kai space.
- The plan provides a community-owned framework immersed in mātauranga Māori that underpins, informs, and prompts initiatives driven by our Māori communities
- Specific initiatives underway stemming from that plan include:
 - o Online workshop exploring Mātauranga Māori uses of a pātaka kai.
 - Facilitated a partnership between Te Atatu Marae and Love Food Hate Waste (LFHW) to deliver four workshops on food waste embedded in mātauranga Māori.
 - Kai in 5 a partnership with a popular TV chef, skilled in mātauranga Māori - enabling him to pilot a series of educational videos that combine tikanga o te, kai and affordable recipes.

Hapori Fruit & Veg Box

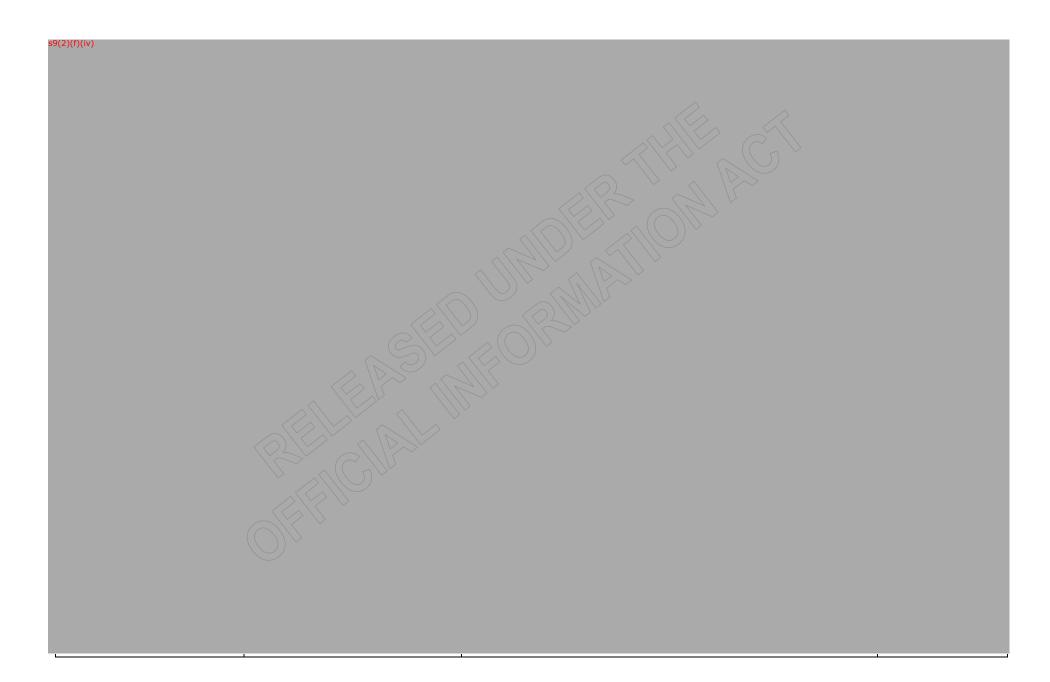
 The Nelson Environment Centre, in collaboration with Nelson Marlborough DHB and the Victory Community Centre, have established the Hapori Fruit & Veg Box initiative and launched their own website.

- This initiative goal is to provide access to affordable fresh produce through \$15 boxes of fresh fruit and vegetables from local growers, delivering approximately 30% more value than supermarket prices.
- Using their Kai Rescue programme's resources, the fresh produce is ordered, collected, sorted & delivered to Victory Community Centre to be collected by community members who have ordered their Hapori Fruit & Veg Box for the week.
- They are working towards attracting, retaining and increasing the number of food box orders each week, alongside understanding what attracts and deters people, and how they can make it more accessible.

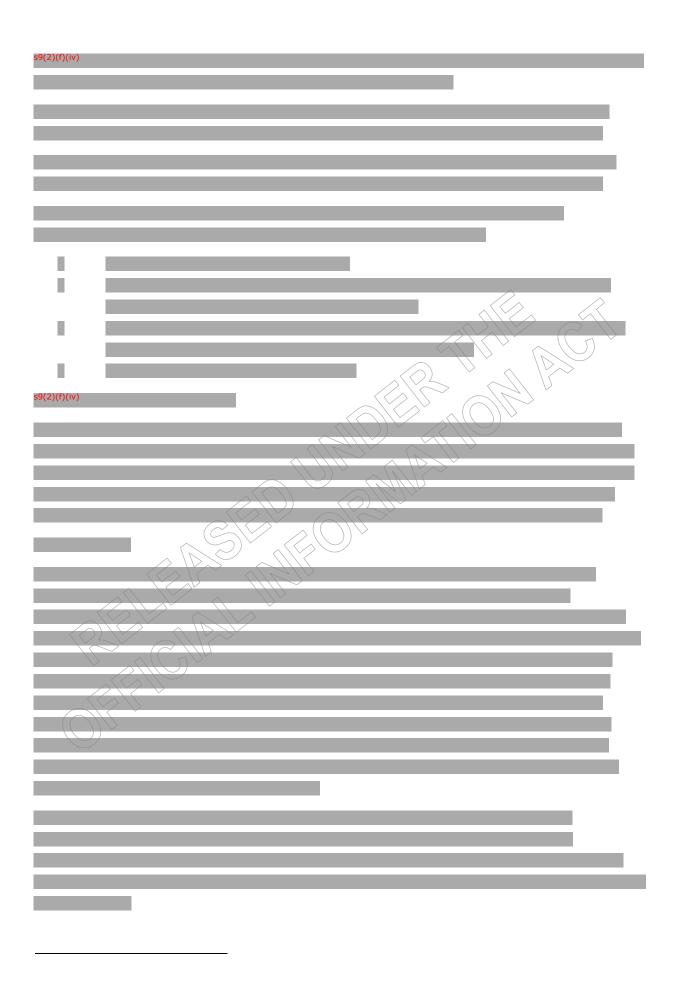


Appendix D: 59(2)(f)(iv)

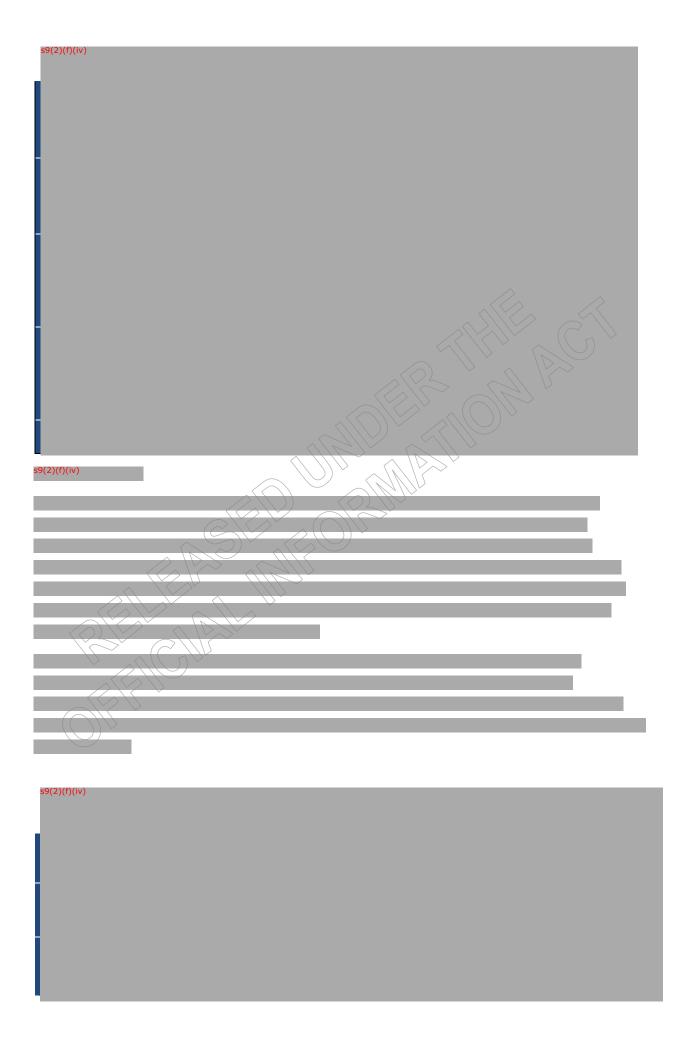








 $^{^{17}}$ Using the <u>Aotearoa Standard Food Parcel Measure</u> this is enough food to feed a family of four, three meals per day for four days.



s9(2)(f)(iv)



Cover Report

Date: 5 October 2022 **Security** IN CONFIDENCE

Level:

To: Hon Carmel Sepuloni, Minister for Social Development and

Employment

Options for the Ministry of Social Development's enduring role in strengthening food security, and future of the Community Connection Service

Purpose of the report

- 1 The purpose of this cover report is to provide:
 - 1.1 background information on the attached reports which together provide the transition and exit plan from Care in the Community welfare beyond June 2023
 - 1.2 advice on the connections and dependencies between each report

1.3	\$9(2)(f)(iv)		

1.4 s9(2)(f)(iv)

Recommended actions

It is recommended that you:

- 1 **note** that the attached briefings [59(2)(f)(iv)
- 2 **note** that, given the connections and dependencies between this advice, we recommend considering both reports together, as a system of community supports
- 3 **note** that together these reports provide the exit plan for Care in the Community welfare beyond June 2023

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6	s9(2)(f)(iv)	
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8	forward this package of reports to the Mir	nister of Einance and the Minister for
	Seniors	
9	forward this cover report and the food se	curity report to the Primary Industry
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	Biosecurity, and Rural Communities; Minis	
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S	ocial Development, Child and Youth	
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	inister for Social Development and	Date
	mployment	

MSD's COVID-19 welfare response has adapted to the changing needs of communities over the past two years

- Since the outset of the pandemic, the Government has invested in the community sector to support the welfare response to COVID-19. As summarised in earlier advice (REP/22/7/704 refers), this has included investment in the Food Secure Communities Programme, as well as the establishment of the Community Connection Service, both of which were leveraged to deliver the Care in the Community (CiC) welfare response. CiC provides wrap around support, including large scale food provision, to support people in need while self-isolating. Both the Food Secure Communities Programme and Community Connectors have been central to the "no wrong door" approach adopted for CiC.
- In April 2022, Cabinet agreed to a transitional plan which enabled CiC services to pivot flexibly between crisis response and supporting communities to recover from the impacts of COVID-19 as case numbers fluctuated [CAB-22-MIN-0132 refers].
- 4 Transitional funding was agreed (through a tagged contingency) for:
 - 4.1 The Food Secure Communities Programme until the end of June 2023 to:
 - 4.1.1 continue supporting community provision to self-isolating households, and
 - 4.1.2 respond to the immediate demand for food support (distinct from supporting those in self-isolation), restore organisational resilience and support sustainability in the food secure sector through targeted initiatives.
 - 4.2 Community Connectors to remain in place until June 2023 supporting those impacted by COVID-19.
- 5 In the same Cabinet paper, it was noted that MSD would provide advice to you on:
 - 5.1 the future of the CiC welfare response if the legislative requirement to self-isolate continues to be in place beyond August 2022 up to June 2023
 - 5.2 a long-term food security strategy beyond June 2023, with a view to exit funding of food banks, and
 - 5.3 the future of the Community Connection Service beyond June 2023.

Exit strategy from CiC and approach beyond June 2023

6 Consideration is required of what the system of community supports looks like beyond June 2023, [59(2)(f)(iv)

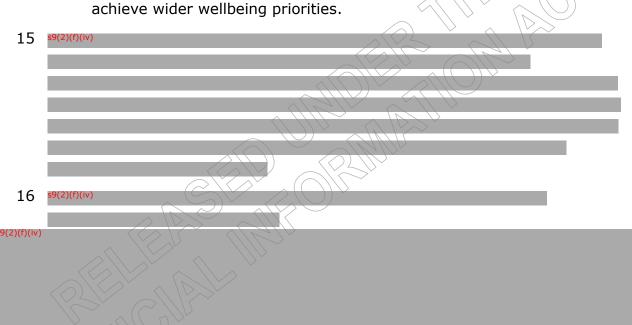
- You received advice on the future of CiC welfare support until June 2023 on 16 September 2022 (REP/22/9/833 refers). That advice reflected Cabinet's decision to move to a new post-winter approach, which changed household contact isolation requirements.
- The paper recommended reducing and tightening the CiC welfare response through three different funding caps which Community Connectors and providers would work within by applying guidance on eligibility. The tightened eligibility focuses on households that are impacted by COVID-19 and are experiencing significant hardship or where all other avenues of support are exhausted. This means that eligible households would continue to receive support from Community Connectors until June 2023.
- 9 Options for community support after June 2023 are outlined in the attached two papers on food security and the Community Connectors.



-0/2)/6//:)	
s9(2)(f)(iv)	
11	The recommendations above reflect feedback from extensive engagement, including through the Real-Time Evaluation. This includes the Prime Minister's Chief Science Advisor and the Ministry of Social Development Chief Science Advisor. A full list of those engaged and consulted is provided in <u>Appendix 1</u> .
12	\$9(2)(f)(iv)
s9(2)(f)(iv)	

There are connections and dependencies between these two pieces of advice to consider

- 14 As identified through the Real-Time Evaluation, community providers are using the Community Connector Service and food funding to provide integrated support to the community:
 - 14.1 The provision of food is important to Community Connectors' and providers' ability to build trusting relationships with individuals, families, and whānau
 - 14.2 Community Connectors enable community providers to better engage with whānau accessing food support, and walk alongside them to achieve wider wellbeing priorities.



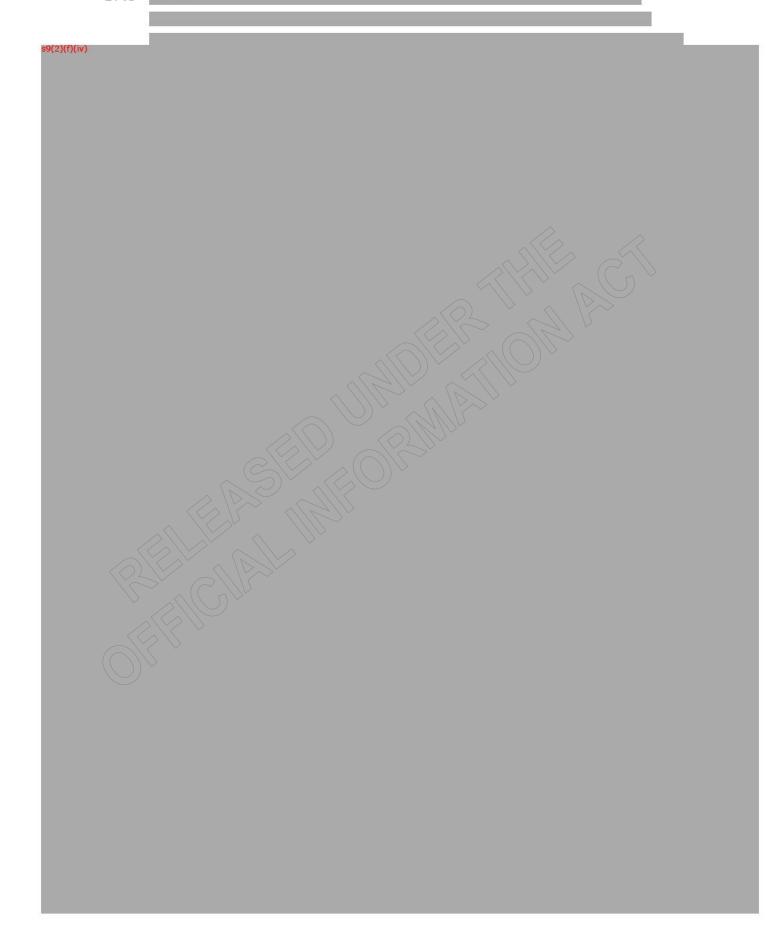


We have identified policy and implementation considerations to ensure these proposals uphold the Crown's Te Tiriti o Waitangi obligations

In developing these proposals, we have followed Te Tiriti o Waitangi
Guidance Cabinet Circular (19)5 and identified the following considerations
for policy development and implementation:



17.5 s9(2)(f)(iv)



Next Steps

- 23 We recommend forwarding this package of advice to the:
 - 23.1 Minister of Finance (9(2)(f)(iv)
 - 23.2 Minister for Seniors given the implications for her portfolio, and
 - 23.3 Primary Industry Ministers: the Minister for Oceans and Fisheries; the Minister of Agriculture, Biosecurity, and Rural Communities; the Minister of Forestry, the Minister for Food Safety and Associate Minister of Agriculture (Animal Welfare).
- 24 Additionally, both the Community Connectors and food security topics are on the agenda for the Child and Youth Wellbeing Ministerial group meeting on 18 October 2022. Following your decisions, we will prepare a high-level summary of advice as supporting material for this meeting.
- 25 Given the cross-sector implications of determining MSD's enduring role in strengthening food security, you may also wish to consider taking an oral item to the Cabinet Social Wellbeing Committee on the food security proposals.

Appendix

26 Appendix 1: List of people engaged and consulted

File ref: A14387471

Author: Geraldine Wilkins, Principal Policy Analyst, Social Development, Child and Youth Policy

Responsible manager: Emma O'Connell, Policy Manager, Regional Development, Social Development, Child and Youth Policy

Appendix 1: List of people engaged and consulted

Through engagement and through the Real-Time Evaluation we have engaged with and consulted the following community providers, groups, and agencies.

Note: some providers and agencies may not have been engaged on both Community Connectors and strengthening food security.

Community providers:

- He Iwi Northland Food Support
- Affirming Works
- Supergrans Tairāwhiti
- Kai Provision Rotorua Lakes District Council
- Hauraki Maori Trust Board
- Community Food Support Hokianga Northland
- South Seas Health
- Te Mahurehure Marae
- Hikoi Koutou Charitable Trust
- The Asian Network Inc
- Visionwest
- Asian Family Services
- Te Puea Memorial Marae
- Te Runanga o Ngāti Whare Iwi Trust
- Te Kotahi o Te Tauihu Charitable Trust
- Tangata Atumotu Trust
- Whānau Whanake
- Te Whanau o Waipareira
- Cook Island Development Agency New Zealand (CIDANZ)
- Ruapōtaka Marae
- He Whānau Manaaki
- Te Rūnanganui o Te Āti Awa ki te Upoko o Te Ika a Māui

Specifically engaged on strengthening food security proposals

- Aotearoa Food Rescue Alliance
- Community Focus Trust
- Kore Hiakai
- The Community Builders NZ Trust
- He Puawai Trust
- The Fono
- The Salvation Army
- Auckland City Mission
- The New Zealand Food Network
- The Good Fale
- Food Secure North Canterbury
- St. Vincent de Paul Auckland

Groups/forums:

- Taumata Kōrero
- Pacific Collective Auckland
- MSD Pacific Reference Group
- MSD Māori Reference Group

Regions:

- Regional Public Service Commissioners and MSD Regional Commissioners in all regions.
- Canterbury RLG meeting observation through RTE
- · ARLG strategic hui (questions asked of group) through RTE
- Tairawhiti RLG meeting observation through RTE

Public Service Agencies:

Te Puni Kōkiri, Whaikaha, Office for Seniors, Office for Disability Issues, Education, Health New Zealand, Māori Health Authority, Ministry of Health, Ministry for Pacific Peoples, Police, Corrections, Ministry for Ethnic Communities, Ministry for Women, the Treasury, Ministry of Housing and Urban Development, Oranga Tamariki, Ministry for Primary Industries, Ministry for the Environment and Department of the Prime Minister and Cabinet.

Office of the Prime Minister's Chief Science Advisor.

Ministry of Social Development, Chief Science Advisor.



Report

Date: 21 June 2022 Security Level: IN CONFIDENCE

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

Understanding the demand for community food providers and food grants and the drivers of this demand

Purpose of the report

- 1 This report:
 - 1.1 responds to your request for advice on the demand for community food providers and food grants
 - 1.2 sets out an outline of how the Food Secure Communities programme intends to use the \$15 million Cabinet approved transitional funding to June 2023
 - signals preliminary options for exiting funding community food providers by June 2023 for your noting.
- In September 2022, you will receive the final substantive options analysis and advice on the Ministry for Social Development's (MSD) enduring role in alleviating food insecurity and strengthening food security beyond June 2023 [CAB-22-MIN-0132 and SWC-22-MIN-0064 refers].

Executive summary

- 3 MSD is now building an understanding of the state of food insecurity in New Zealand informed by what community food providers have told us and considers the data available:
 - 3.1 Current indicators show a complex picture for food security in New Zealand. The New Zealand Health Survey 2020/21 reported an overall improvement in food security for families with children while MSD's data shows that food grant usage has increased, and community food providers continue to report high levels of demand for their services.

- 3.2 There are, however, limitations of both of these data sources as indicators of food security. Receipt of Special Needs Grants (SNG) for food and usage of community food providers reflect both underlying 'demand' (level of need) and 'supply' (level of funding to community food providers and operational settings related to SNG applications).
- It is important to consider the underlying drivers of food security to provide a more complete picture of what is going on. There are multiple drivers of food security, but most critical is access to food and the income adequacy (ie the balance between incomes and cost of living).
- Government's role in the food system before COVID-19 was largely regulatory including food safety and public health. While Government policies to lift incomes may have had a positive impact on food security, some of these gains may have been eroded by the impacts of COVID. Job losses and reduction in hours due to COVID-19 are likely to have had an enduring impact for some families, these combined with increased living costs (particularly housing) are putting considerable pressure on households.
- Since the pandemic started, in addition to MSD's food grants, MSD has supported communities through the Food Secure Communities programme (FSC) by funding food parcels and supporting community food provider infrastructure. In April 2022, Cabinet-approved \$15 million in transitional funding (to June 2023) for FSC to support MSD's transition out of funding community food providers and shift towards food security [CAB-22-MIN-0132 refers].
- Community food providers have reported that meeting the immediate demand for food enables them to engage with whānau on wider welfare issues, such as mental health, addiction, and insecure housing. In these instances, meeting demand for food enables the community sector to engage on other key government priorities.
- As part of this transitional approach, MSD officials will provide you with final advice on MSD's long-term food security strategy in September 2022, as part of the transition plan away from funding community food providers.

s9(2)(f)(iv)		

¹ Survey based measures of food security are better for monitoring food security overall, but do not necessarily tell the whole story and may not reflect some pockets of rising need. Additionally, the latest survey data we have available is the 2020-21 year.

10 The September advice will also consider the cross-agency work on food systems including the advice being developed and led by the Ministry for Primary Industries on food affordability and the broader Care in Communities welfare support including food support.

Recommended actions

It is recommended that you:

- note that although food security has improved overall, community food providers and food grant usage has increased
- 2 note that the \$15 million Cabinet-approved transitional funding for Food Secure Communities will be used to accelerate the shift towards food security with the view to exit funding community food providers by June 2023



- 4 **note** that MSD's food advice will align to the Care in Communities advice you and the Minister of Finance will be receiving in August on the future of Care in the Community welfare response if the legislative requirement to self-isolate continues to be in place beyond August 2022
- agree to MSD discussing the contents of this paper with relevant community food providers and public service agencies to help MSD's engagement and development of the long-term food security strategy.

Emma O'Connell 21 June 2022

Date

Policy Manager, Regional Development Policy

Hon Carmel Sepuloni Minister for Social Development and Employment Date

Agree / Disagree

Cabinet agreed to continue funding community food services up until June 2023

Government and MSD's role in emergency food provision was initiated in response to COVID-19

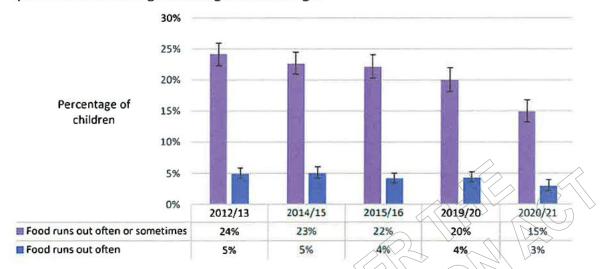
11 Before COVID-19:

- 11.1 the government played a regulatory role in New Zealand's food system including the regulation of food safety and ensuring public health guidelines are followed
- 11.2 MSD's role in food security largely focussed on alleviating hardship through the provision of income support, as well as through the provision of Special Needs Grants for food.
- However, in response to the Government's initial COVID-19 strategy, MSD's role in the food system required emergency food provision at a national scale to respond swiftly and to support families and communities.
- During the initial emergency response to COVID-19, the Government provided additional funding to support the delivery of food and welfare assistance by local authorities and Civil Defence Emergency Management (CDEM) Groups. It also included upfront funding to, or reimbursement of, local community food providers, community food organisations and other welfare providers.
- 14 In the 2020 COVID-19 Recovery Budget, the Government invested \$32 million over two years for the Food Secure Communities programme through MSD, as CDEM groups stepped down from supporting community food providers. This funding included:
 - 14.1 \$2 million to support providers to transition from CDEM to MSD
 - 14.2 \$21 million to support community-level providers to manage increased demand until 30 June 2022
 - funding to national providers to improve sector capacity, increase the recovery of surplus food, and support a longer-term approach to building 'food secure communities'.
- In December 2021, the Government's COVID-19 welfare response began to target support to people who had COVID-19 and their households, whereas prior to this, this was not a requirement for food support. This targeted funding has been allocated through the Care in Community model and to date has allocated about \$162 million for critical food support including food parcels and ready-to-eat meals. This includes the \$15 million for MSD's Food Secure Communities programme transitional funding.



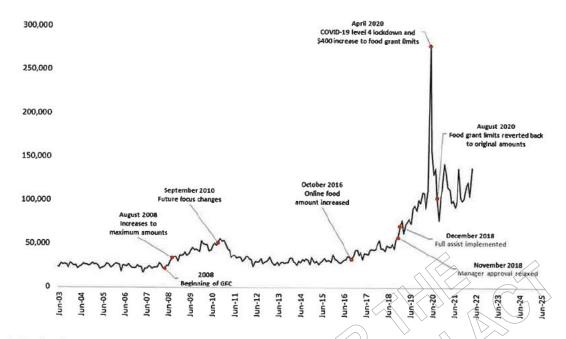
Current indicators show a complex picture for food security

Headline indicators suggest food insecurity has improved overall, but community food provider and food grant usage remain high



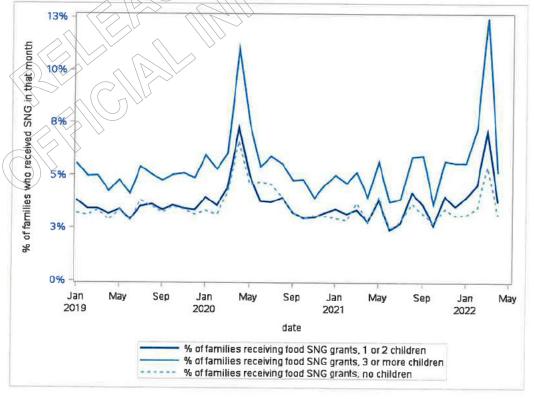
Graph 1 New Zealand Health Survey found that in 2020/21, children in households reporting food runs out sometimes or often are declining

- As shown in Graph 1, the New Zealand Health Survey (NZHS) reported that about 15% of children lived in households reporting that food runs out 'sometimes or often', down from 20% in 2019/20 and 24.1% in 2012/13. The proportion of children in households reporting food runs out 'often' also declined over the same period, with around 3% in 2020/21, compared with 4-5% in earlier years.
- 21 NZHS also found that 26% of Māori children and 37% of Pacific children lived in households reporting that food runs out sometimes or often in 2020/21. Although rates of food security have improved significantly for Māori since 2015/16 the corresponding rates for Pacific children over the same period have not changed significantly (although this may reflect that survey estimates for smaller sub-populations are subject to greater statistical uncertainty).
- 22 Over the same period, this survey data shows that the number of children aged 0-14 living in households that reported using food grants and community food providers "often or sometimes" in the past year did not change significantly since 2019/20 even though this measure typically closely tracks the other survey indicators of food insecurity (which both decreased).
- 23 However, as illustrated in Graph 2 below MSD and community provider data for the same time period shows that the number of people accessing support from community food providers and MSD special needs grants for food increased, especially during lockdowns.



Graph 2 Number of food grants over time

As shown in Graph 2, while the demand for food grants has decreased from the 2020 peak, 2021/22 numbers remained higher than the pre-COVID-19 period. There has also been a steep increase of non-beneficiaries with larger families requesting food grants in February and March 2022, as shown in graph 3 below. However, this may partially reflect policy changes to the income threshold for hardship assistance introduced in late 2021 and described further below.



Graph 3 Percentage of families receiving food grant by family type - Non beneficiary

25 Surveys undertaken by community food partners and MSD data indicate that demand for food parcels and food grants has remained high over this period (Appendix 1). VisionWest reports a significant increase of food parcel support for people in self-isolation this year, with a peak in March 2022. The Care in Communities survey results shows a peak in food parcels around the same time, with a high of 62,000 distributed parcels in the week ending 20 March 2022 and a steady average of 45,000 parcels per week in March and April.

The indicators available to monitor food security have limitations and it may reflect both underlying 'demand' and 'supply'

- On the face of it, it is difficult to reconcile the survey data indicating that food security is improving and the MSD and community data demonstrating increasing demand for food support. It is important to note, however, that both data sources have limitations:
 - 26.1 Receipt of SNG's for food and usage of community food providers reflect both underlying 'demand' (level of need) and 'supply' (level of funding to community food providers and operational settings related to SNG applications). Past experience suggests trends for usage of both food grants and community food providers indicates these are significantly influenced by these operational factors.
 - 26.2 Survey based measures of food security are much better for monitoring food security overall, but do not necessarily tell the whole story and the headline indicators may not reflect some pockets of rising need. The New Zealand Health Survey also only reports data for households with children, and so does not reflect trends for all households in New Zealand.

COVID-19 had both short- and long-term impacts on food security and food support

27 COVID-19 is likely to have a range of impacts on both food security and food support usage. Some of the increase in need is likely to have been more temporary, and due to immediate challenges in accessing food in the context of lockdowns, where other impacts are likely to have been more enduring, such as job loss and reduction in working hours and increased benefit receipt. Usage of food support is also likely to have been influenced by an expansion in the provision of assistance, which may in turn have had longer-term impacts on attitudes and behaviours.

Families faced some additional challenges accessing food during the pandemic

- 28 The Government's response to the pandemic is likely to have had an impact on the ability of low-income households to access food, including:
 - 28.1 travel restrictions (e.g. in lockdowns or self-isolation) preventing households from accessing more affordable sources of food

- 28.2 isolation from extended family networks of support
- 28.3 temporary shortages of some food items and/or increases in food costs due to supply chain disruptions and 'panic buying'
- 28.4 the temporary suspension of food in schools during COVID-19 (which likely includes both lunches and the breakfast programme). For example, KickStart Breakfast would usually provide 30,000 breakfasts weekly for school children across 1,000 schools.
- A significant number of families were impacted by job losses and reduction in working hours because of the pandemic, and the number of people reliant on working-age benefits increased significantly. From December 2020, the number of people receiving working-age benefits increased by around 75,000 people to a peak of around 390,000 in December 2021. These families would have seen an immediate reduction in their income, and many will have had high housing or other fixed costs that would have become challenging to meet.

Greater availability of food support may have de-stigmatised requests for support and surfaced previous unmet need

- To respond to access issues and ensure households could safely self-isolate, the Government and community providers increased the availability of food support through MSD:
 - 30.1 MSD temporarily increased accessibility to hardship assistance on 1 April 2020 by increasing the guideline limits for how much people could receive in food grants over a six-month period by \$400.
 - 30.2 The Government lifted the threshold for hardship support so that more low-income individuals and families will be able to get support (temporarily, from October 2021 and permanently from 1 July 2022).
 - 30.3 As noted in paragraphs 13 and 14 above, the Government introduced significant funding for community food provision initially through CDEM groups, and subsequently through MSD's FSC programme.
- 31 This greater availability and wider publicity of food support may have surfaced previously unmet need. We have also heard from our community food providers that the higher profile of food insecurity since COVID-19 appears to have reduced some of the stigma of using community food services, leading to greater use of food support.
- 32 Additionally, FSC saw a change in community food providers, with some new services from Iwi, Māori, Pacific peoples scaling up in response to this demand. People and whānau experiencing food insecurity may have found these services more approachable than more traditional community food providers.

- 33 However, we acknowledge that the system is not operating perfectly and there may be inconsistencies in the way providers conduct their needs assessments. We know that providers are constantly having to balance quality needs assessment and being able to deliver their service in a way that is not intrusive for people trying to access support or overly restrictive. In response to this, FSC will strengthen the needs assessment criteria moving forward for the \$15 million Cabinet approved transitional funding.
- 34 Additionally, the current system may be creating demand with the increase in supply since the pandemic started. However, as noted in this report there are data limitations on the need for food support in communities.

Providers have reported that providing food in communities has helped to build the trust required to address broader underlying issues

- We anticipate that some of the issues of access to affordable food due to COVID-19 restrictions are short-term, however, the change in attitudes and behaviours may have a longer-term impact on demand for food support. While there may be pockets of supply-induced demand, it is important to consider the broader impacts of providing food.
- Through the Care in the Community evaluation, providers have reported that meeting the immediate demand for food enables them to build the trust required to engage with whanau on wider welfare issues, such as mental health, addiction, and insecure housing. In these instances, meeting demand for food enables the community sector to engage on other key government priorities.

Longer-term trends in food (in)security are primarily driven by the balance between incomes and costs

37 There are multiple drivers of chronic food insecurity, but the most critical factor is the adequacy of incomes ie the balance between incomes (income support and wages/employment) and costs (housing costs and the cost of living). In a 2021 qualitative study² of over 600 individuals experiencing food insecurity in Auckland, over 80 percent of participants identified costs exceeding income as the primary driver of food insecurity.

Welfare policy changes have lifted incomes for low-income families although some of these gains have been eroded by COVID-19

38 The Government has implemented a range of policies that has had a positive impact on income for many low- and middle- income families:

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² Neuwelt-Kearns et al 2021

Understanding demand for community food providers and food grants and the drivers of this demand

- The 2018 Families Package increased financial support for low-income families, including increases to the Family Tax credit, Accommodation Supplement changes, Winter Energy Payment, and Best Start Payment.
- Indexation of main benefits to average wage growth from 2020 and on top of this increases to weekly benefit rates three years in a row (2020, 2021, 2022). Most recently, Budget 2021 lifted rates by between \$32 and \$55 per adult, in line with a key recommendation from the Welfare Expert Advisory Group (WEAG).
- Further Working for Families increases in April 2022, which will lift Family Tax Credit and Best Start payment rates and increase the incomes of 346,000 families by an average of \$20 a week.
- There are lifts to the minimum wage from \$15.75 in 2017 to \$21.20 from 1 April 2022.
- 39 According to the 2021 Families Package Update the families package increased average total family incomes by 6 percent from 2017/18 to 2018/19 and child poverty measures trended down in the two years that followed the Families Package.
- 40 Overall, MSD modelling shows that compared to 2017 policy settings the Government's changes will see around 364,000 beneficiaries better off by on average \$109 per week, increasing to \$133 per week during the 2022 winter period. Additionally, over 109,000 beneficiaries with children will be better off by on average \$175 per week, increasing to \$207 per week during the 2022 winter period.
- 41 However, job losses and reduction in hours due to COVID-19 are likely to have had an enduring impact for some families, and increased living costs (particularly housing) are putting considerable pressure on households.

Increased living costs, particularly housing, are putting considerable pressure on many families

- 42 Housing costs have been rising in recent years according to Stats NZ's latest rental price index. Over the past year, rents for new tenancies rose 5.5% and rents across the entire market, including existing tenancies, were up 3.6%.4
- 43 The wider cost of living has also risen sharply in the past year as of April 2022, the annual consumers price index (CPI) shows that inflation is at 6.9%, the highest level since 1990. The cost categories that have seen large increases include food prices - which are up 6.7% - and the costs of many

³ 2021-overall-update.pdf (msd.govt.nz)

https://www.stats.govt.nz/information-releases/rental-price-indexes-january-2022

- other essentials. For example, transport costs rose by 14%, and housing and household utility prices are up 8.6%.
- When considering the overall balance between trends for incomes and costs, available data indicates there has been some improvement in the material wellbeing of most lower income households, which is likely to be at least partially reflected in the improvement on the survey-based measures of food security. Forthcoming analysis from MSD shows that successive increases to income support payments have meant average income levels for beneficiaries in 2022 are notably higher than in previous years, even after taking into account housing costs and recent inflation (although many MSD payments are indexed). While rent and other living costs have eroded some of the gains, residual incomes for beneficiaries have nonetheless increased overall.
- 45 Stats NZ figures on income and housing costs for households in 2020/21 show increases in after-housing-cost income across all five quintiles of income, low to high. Increasing real incomes have also been reflected in the measures of child poverty in the Child Poverty Reduction Act 2018, which have trended downwards since 2018.
- 46 It is important to note that the economic and social impact of COVID-19 has been notably uneven, and this generally positive story of improvement is unlikely to apply to everyone. A number of groups may have seen an increase in need, particularly those who lost their employment due to the pandemic, and those most affected by rising housing and living costs.
- 47 If inflation continues to remain high, then it is likely to erode the gains from recent income increases, particularly if rising living costs continue to outpace wage growth as they have over the past year.
- The sector continues to report increased need and rising demand for assistance, which means that we need to continue to look into whether there are particular groups experiencing rising need who are not being picked up by survey-based indicators and continue to work with the sector to better understand what lies behind their sense of what is happening 'on the ground'.

Kore Hiakai produced a report to response to your request for more information on community food providers

49 Kore Hiakai Zero Hunger Collective is a collective of six social service agencies, including the Salvation Army, Christchurch, Wellington, and Auckland City Missions, VisionWest, and the New Zealand Council of Christian Social Services. The Kore Hiaki report (Appendix 1) was provided to your office separately and responds to your request for information to better understand the demand on community food providers.

- 50 Kore Hiakai surveyed 149 people who accessed support from either Auckland City Mission, VisionWest or The Salvation Army in April 2022 and found that: 5
 - 50.1 the people accessing community food providers were more likely to be women, Māori, Pacific, from single parent households, and beneficiaries.
 - 50.2 debt is associated with food affordability and access to food. Of the people they surveyed, although a small sample, they note that whānau regularly use debt to meet their basic living costs and after housing whānau constantly juggle and choose to pay either food, debt or their basic utilities.

We anticipate that demand for food SNGs and community food providers will remain high throughout the rest of 2022

- While short-term demand for SNGs and community food providers may be mitigated by recent increases to main benefit payments, along with temporary changes to fuel taxes and public transport costs, other factors will influence demand for food in the longer-term. A particularly critical factor is likely to be inflation and the rising cost-of-living, which was initially thought to be transitory but now appears to be widespread and persistent.
- Community food providers are reporting that demand for their services has already switched from people self-isolating to hardship caused by the cost of living. This increased demand is expected to continue while cost of living stays high (especially housing, debt, transportation, and food) and while inflationary pressures remain.

MSD will use the \$15 million transitional funding for the Food Secure Communities programme

- MSD's transitional approach away from community food providers towards long term food security will focus on shifting the balance of investment back towards food security and providing a level of security for providers to meet ongoing needs.
- 54 Cabinet agreed that the \$15 million of funding for transitionary food supports be allocated to include:
 - 54.1 \$11 million for the sector to respond to immediate demand for food support
 - 54.2 \$2 million to support services to restore the pre-Delta and Omicron levels of organisational resilience

⁵ It is important to note that this data is an indicative 'snapshot' and may not accurately reflect the make-up of those accessing these services for Kore Hiakai. It also was taken prior to the 1 April 2022 main benefit increases, so will not reflect any impact they will have had.

- 54.3 \$2 million to support sustainability in the food secure sector via targeted initiatives.
- MSD is currently finalising a procurement approach for this funding. The proposed plan includes a closed tender for the \$11 million based on advice from regional teams who have a strong understanding of the key community food providers in their region. MSD is hoping to notify recipients of this funding in the next two to three weeks.
- MSD will conduct an open tender process for the remaining \$4 million which focuses investment on food security initiatives that can be scaled up to significantly increase the food security of vulnerable communities. This will build on previous investments we have made including the 2021 Food Secure Communities Implementation funding [REP/21/12/1372 refers].

In September 2022, you will receive further advice on options for MSD's role in the food system post June 2023

In April 2022, Cabinet agreed to continuing to fund community food services for a year transitional period ending June 2023 with a view to exit funding community food providers, while shifting focus to food security [CAB-22-MIN-0132 refers].



- It is important to note that the options above are only examples. These options will be refined through MSD's engagement with community food providers and will need to consider the welfare support that MSD will continue to provide under the Care in the Community (CiC) model until Cabinet decides to lift the legislative requirement to self-isolate.
- 60 You will be receiving an update through a separate report in August on the future of the CiC model should the legislative requirement to self-isolate remain in place beyond August 2022 Any decisions made at that time on CiC will be reflected in our September advice to you.
- The advice you will receive in September builds on the preliminary analysis provided to you in this paper and will seek to answer the following two questions:

s9(2)(f)(iv)			

We will work closely with the community food sector and relevant government agencies to develop this advice, as which will be informed by findings from cycle 2 of the Care in the Community real-time evaluation. Given that adequacy of income is a core underlying driver of food security, this advice will also be informed by broader Welfare Overhaul work and the review of Working for Families.

Our advice will also be informed by food security work programmes across government and the wider food sector

- The Mana Kai initiative, a collaboration between government, business, and community leaders, is working to create a national food roadmap that will enhance our food system. Aligned with and in response to the Mana Kai initiative, the Ministry for Primary Industries (MPI) is coordinating work that includes MSD, the Ministry for the Environment and the Ministry of Education to provide Ministers with a cohesive system view on government's overall intervention in and contribution to the food system. We expect you will receive this advice in late July.
- As Cabinet agreed that this work be done in partnership with the community food sector, we recommend that you agree to MSD sharing this report with key community food leaders. This will ensure the transition planning starts from a mutual understanding of demand for food support, and its drivers.

Appendix

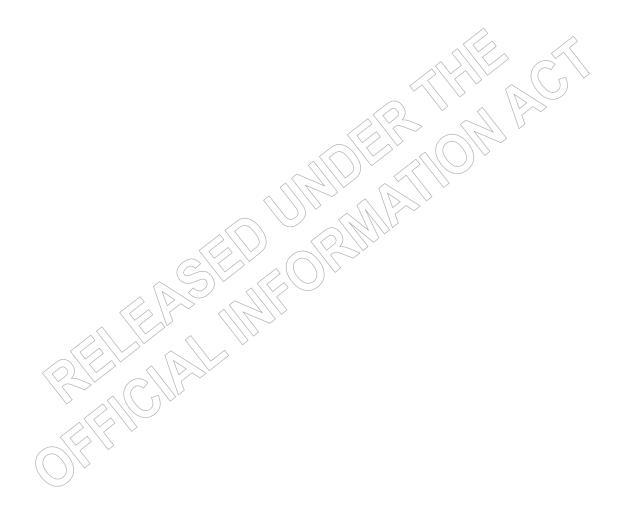
Appendix 1 Kore Hiakai Zero Hunger Collective report - April 2022

File ref: REP/22/5/398

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kore hiakai

Zero Hunger Collective

Exploring the Ongoing Need for **Food Assistance**

Kore Hiakai Zero Hunger Collective report -April 2022

Introduction

He rongoā te kai, He kai te rongoā

As Aotearoa emerges from the Omicron outbreak we begin to look at what the future could be beyond these initial two years of COVID. Many of the underlying drivers of poverty have been highlighted or exacerbated by COVID lockdowns. We have the opportunity at this point to create systems and mechanisms to address the underlying deficits that see increasingly more people experiencing poverty across Aotearoa.

We know that the underlying drivers of poverty are:

- · the complexity of low wages,
- · high cost of living, particularly housing,
- and systems that do not prioritise wellbeing over profit.

In order to understand what is shaping the experience of those currently living with poverty and what the appropriate immediate levers to respond to that are, Kore Hiakai Zero Hunger Collective, and partners, engaged with whānau via survey.

Insight was gathered by surveying 149 people who have recently accessed support from one of the participating agencies, VisionWest Waka Whakakitenga, Auckland City Mission Te Tapui Atawhai and Salvation Army New Zealand Te Ope Whakaora. These surveys were carried out over the phone with a mix of food, building financial capability, and other clients. Those conducting the survey had some level of relationship with the respondents. The reach of these providers gives a good sample across the motū.

This report was prepared at the request of The Right Honourable Carmel Sepuloni, Minister of Social Development. It is not currently intended for public release.

92% of whānau regularly made a choice between food and other expenses. Of those who made this choice 82% had Work and Income Debt.



Executive summary of findings

These findings re-enforce what we have already understood to be the ongoing drivers of the need for food assistance. They indicate that:

- · Low incomes remain insufficient to meet basic living costs
- Whānau regularly use debt, especially Work and Income debt, to meet their basic living costs
- Currently whānau on low incomes are reliant on both regular Special Needs Grants AND regular Food Assistance to meet their basic living costs, in order to provide adequate kai for their whānau
- Whānau are deeply aware of the impact of ongoing poverty on them and their whānau in regard to physical and mental health.

Inadequate income drives the experience of food insecurity for those who have participated in this survey with only 4% of those surveyed feeling that they always have enough to provide food after meeting their basic weekly costs. Housing continues to be a wicked problem, and the most dominant cost within these households. After housing whānau constantly juggle and choose to pay either food, debt or their basic utilities.

Inadequacy of income shows clearly in the data exploring what whānau have available to pay for kai once their weekly bills have been paid. Whānau with three or more members in their household struggle to have enough for affordable healthy kai. And yet the respondents recognised that food made a significant difference to the physical and mental wellbeing of their whānau. The struggle of not being able to provide what is known to be needed for wellbeing is taking a toll on the health of our low income families.

From this research it seems that accessing debt has been normalised in low income households as a way of meeting basic living costs. This also eats away at the ability for whānau to provide the basic necessities of life. Debt to Work and Income was a significant part of the debt whānau were servicing. We have assumed that this debt is through the high number of special needs grants whānau draw on, generally on a monthly basis. This again points to the inadequacy of income for whānau in this survey group.

We are interested in how the 1 April changes for many low income families might see a shift in the experience of whānau, particularly how these increases interact with inflationary pressures, reduced transport cost and the private rental market. Alongside increases to the baselines of all aspects of lower incomes, we conclude that addressing the Work and Income debt load that most whānau carry would make a significant change for whānau to be able to regularly access affordable healthy kai.

Tric Malcolm Pou Ārahi, Kore Hiakai Zero Hunger Collective

Context of this survey

We undertook this research to respond quickly to a question from Minister Sepuloni.

The main parameters for this survey are:

- That it is a snapshot of those accessing Food Assistance through the three participating organisations
- That whānau have an active current relationship with the organisation gathering the data
- That data was gathered between 29 March – 4 April 2022
- That we did not seek out specific populations or explore specific narratives.

Therefore the demographic data is incidental, a snapshot in time to gain indicative data from.

A significant number of this survey are receiving a Work and Income benefit. Because this is a snapshot of data, we cannot say if this proportion is an accurate reflection of the percentage of those accessing these services within the organisations carrying out the survey.

There are limitations around the data sought in regard to debt. We asked about the number and kind of debts whānau had but not the extent.

Whānau have shared their insights and data for the purposes of this research, knowing that their personal details will not be included. The insights of this research are only relevant to this point in time.

Whānau received a koha for their contribution.

The data was analysed by Kore Hiakai Zero Hunger Collective and the New Zealand Council of Christian Social Services.

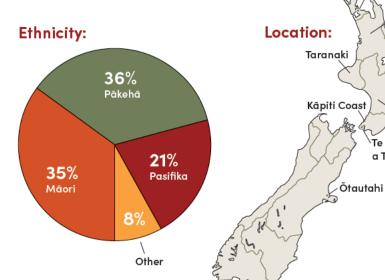
It is important to note that increases in Work and Income benefits that came into affect on 1 April 2022 will not yet have affected the group this data was gathered from.

Survey sample (Q2, 3, 4, 6 & 7)

Gender:



149 respondents



Households: (Q6 & 7).

Households in this survey included





are adults living without children in their household:

- 38 live alone
- 14 have 2 adults
- one has 4 adults
- one has 5 adults.



live with children in their households:

households: adults: children:







Tāmaki Makaurau Waikato

Manawatū

Te Whanganui a Tara

























A third of those surveyed are parenting alone. All of those parenting alone are women.

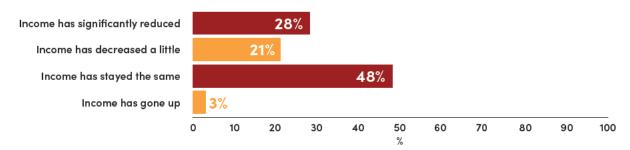


recipients of Work and Income benefits Work and Income workers 16% superannuation and wage workers

Because of the smaller proportion of salary or waged workers and superannuitants we are less able to gain deeper insights from their data. It could be helpful to specifically survey a large number from this group in order to understand their lived experience better.

Although a smaller number of pensioners and wage/salary earners were included in the survey, there remains some indicative findings amongst both of these groups that warrant further investigation. That being – the inadequacy of pension levels to meet the rising costs of living – the frequency of low income families to Work and Income for Special Needs Grant Support and to Pataka Kai.

Income impacted by COVID (Q9)



When considered alongside increases in the cost of living this shows that over 97% of respondents are attempting to meet their increasing weekly costs without any increase to their income, and often a reduction in income.



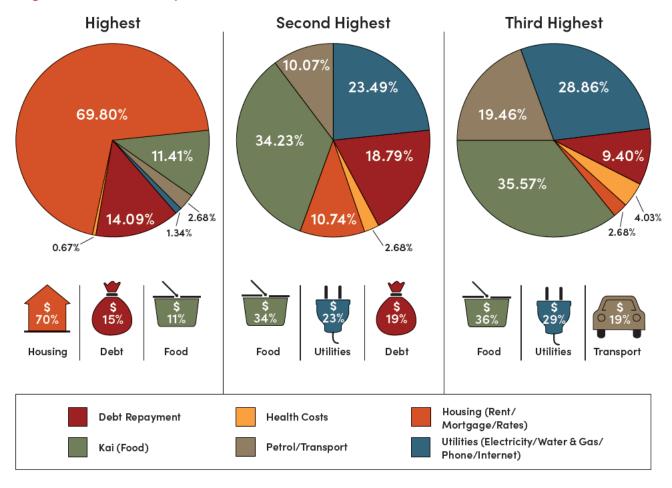
Consistently those receiving Special Needs Grants received a SNG more than once a month, monthly or every few months.

Considering the high number of respondents who receive a benefit as their main source of income, this shows that Special Needs Grants are regularly used to supplement income for those receiving a Work and Income benefit. Noting that they are also receiving food assistance would suggest that their income remains inadequate despite regular Special Needs Grants.

Superannuitants and salary or waged workers who accessed Special Needs Grants were also doing so every few months or monthly, but not significantly more frequently than monthly. This indicates that those on low incomes still also need their income supplemented to meet core expenses.

Expenditure (Q12, 13, 14)

Highest household expenses



As expected, housing is the highest expense for 70% of households. What has surprised us is the role that debt plays as a priority for whānau. When housing is taken out, debt and food featured within the top three priorities for the highest and second highest expense for households.

Debt is not a 'core' essential. A 'core essential' is something that is required in order to thrive (food, shelter, warmth, compassion, connectivity). Yet it features within the highest expense in many households. It is obviously being used as a tool to be able to afford core essentials.

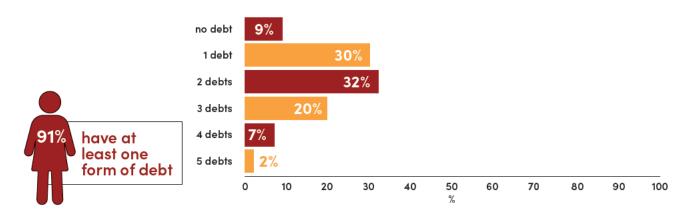
Although social housing is meant to enable those on low incomes to better afford their other living costs, housing is still the most common highest expense for those receiving Work and Income benefits. Despite accommodation supplements and other housing assistance (Housing New Zealand, social housing providers etc) this cost materially dominates within household budgets, increasing pressure on the ability to purchase food.

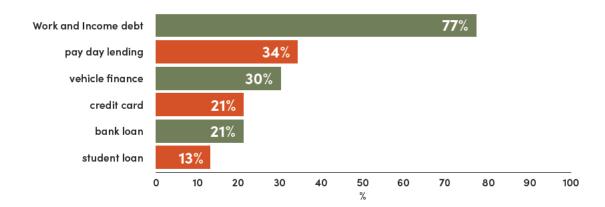
It would be interesting to understand what portion of income is spent on housing and therefore how much is left for the remaining living costs. The modelling from the Kore Hiakai Ka Mākona 2021 report suggests it could be as high as 80%.¹

Kore Hiakai Ka Mākona 2021 Report into Income Adequacy in Aotearoa New Zealand: Three Household Scenarios

Debt

What debt are you paying off? (Q18)

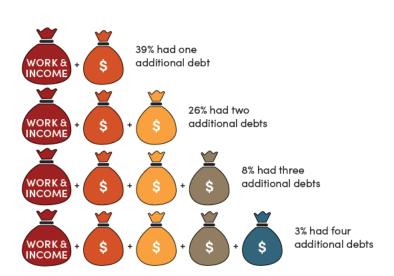


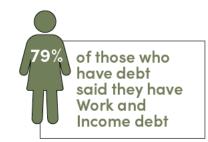


Work and Income debt and the number of other debts

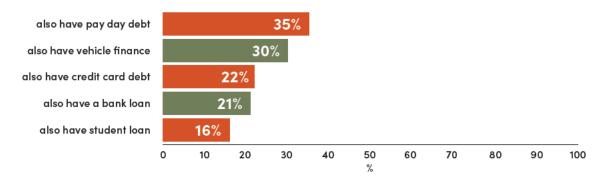
Of those with debt 23% have only Work and Income debt and nothing else.

Of those who had another debt alongside their Work and Income debt:





What are the co-existing debts with Work and Income debt?



For women parenting alone, 91% have debt, 79% have Work and Income debt.

64% of those debts were being carried by Māori or Pasifika women parenting alone. (Māori and Pasifika make up 56% of the total cohort).

Of those parenting alone households, those with two children hold the most number of debts. Note we did not seek the amount of those debts, only the number of debts.

This evidence reinforces research done by Kore Hiakai in 2019 which showed that Māori and Pasifika women with two children parenting alone are most likely to be food insecure in Aotearoa.

We are also wondering how levels of interest on these debts form a regular part of core household expenses, further increasing weekly expenses.

Delaying paying debt to provide adequate food (Q17)



delayed debt repayments to provide adequate food each week for their families

- 84% receiving a Work and Income benefit delayed paying debt
- 75% receiving salary or wages delayed paying debt
- 67% receiving superannuation delayed paying debt

Our insight is that those on low incomes are already in debt and struggling to service it and would rather compromise or increase their debt than not provide food for their whānau.

The level of Work and Income debt, accompanied by the level of Special Needs Grant frequency, suggests there is value in investigating the options to interrupt this pattern, such as a pilot where whānau have their Work and Income debt forgiven, and then monitor whether Special Needs Grant frequency reduces.

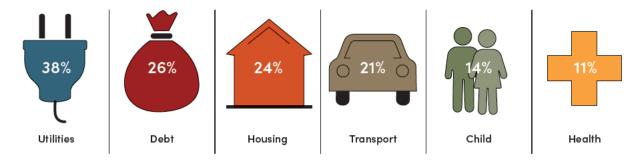
Food insecurity

Not enough to buy food (Q19)



Choose between food and other expenses (Q15, 16)

In the last month 92% indicated that they had to choose between buying food and paying other expenses.



When people chose between food and other expenses the most common chosen alternative was utilities, closely followed by debt. It is notable that debt features so high on the list. It is obvious that while housing is the single biggest expense, when people have to choose they will pay for housing over food.



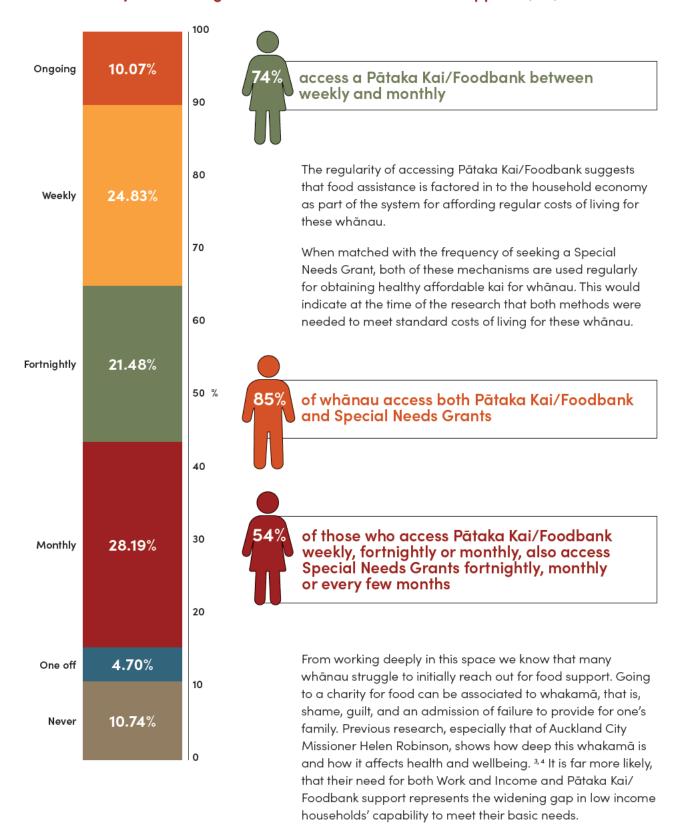
We are also surprised by the frequency with which transport is chosen.²

What do you go without? (Q22)

Whānau indicated that general food is the first thing that they go without, followed by meat, which was identified as a separate item for many whānau. Personal hygiene items, medical items and clothing came next, followed by transport.

We note that this data does not take into account the changes in public transport charges that took affect on 1 April 2022.

How often do you need to go to a Pātaka Kai/Foodbank for support? (Q20)



³ Auckland City Mission Shine the Light Report 2020.

⁴ Shining a Light on Food Insecurity in Aotearoa New Zealand research by Helen Robinson, University of Auckland, 2019.

After essential bills – how much is left for food? (Q23)

When we look at the amount required to meet the basic cost of a food budget for the families in this survey, very few were able to meet their basic costs from what was left when they had paid their other bills.

The Otago University study into the cost of food estimate the cost of a basic weekly shop. We acknowledge that this is not intended to be extravagant in any way. Other research into the average weekly shop for a family of four in Aotearoa is significantly higher.

The weekly estimates just for food, it does not include hygiene or other non-food items:5

Average single adult aged 19 years and above	\$68
Pre-school child aged 0-4 years	\$32
Primary school aged child aged 5-10 years	\$48
Adolescent aged 11-18 years	\$69

^{**}Otago University figures are for Q1 2021. Kore Hiakai has averaged the male and female amount.

There isn't a specific amount for older people, pregnant or breast-feeding people, for special dietary requirements

Food Costs for household combinations:

1 person household	\$68*	
2 person household	\$100 – \$137	
3 person household	\$132 – \$205	
4 person household	\$164 - \$274 (2 adults + 2 children \$200+)	
5 person household	\$196 – \$343 (2 adults + children \$232+)	
6 person household	\$228 - \$412 (2 adult + children \$264+)	

^{*}for all combinations of households with only adult members multiply this number.



of single person households would struggle to have enough left to afford healthy kai after their bills are paid.

68% would significantly struggle.



of two person households would significantly struggle to have enough left to afford healthy kai after their bills are paid.



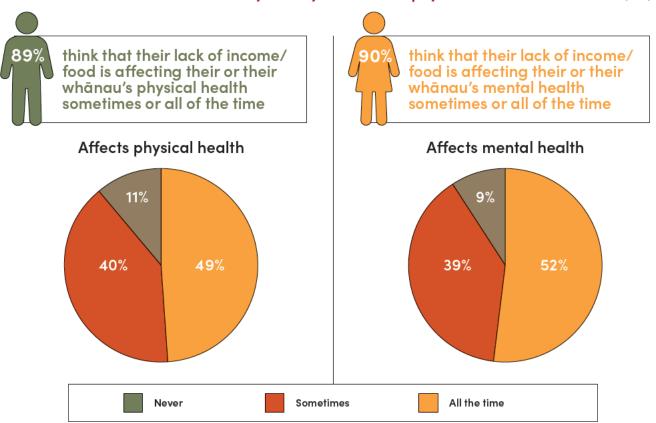
of three person households would struggle (depending on the age of their children) to have enough left to afford healthy kai after their bills are paid.



of households with four persons or more would significantly struggle to have enough left to afford healthy kai after their bills are paid.

University of Otago Department of Human Nutrition New Zealand Estimated Food Costs 2020 and 2021

Does lack of income/food affect your or your whānau physical and mental health? (Q21)

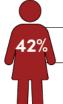


Our insight is that whānau are deeply aware of how being food insecure and living in poverty affects both the physical and mental health.

Hope: what the future holds (Q24)

29% perceived that their financial situation would improve once the COVID crisis is over





thought their financial situation would stay the same

29% did not know if their financial situation would improve once the COVID crisis is over.

We expected that this question might show indications of the hope those currently accessing food assistance have for their futures being different and more empowering. From their answers this doesn't look apparent.

Concluding thoughts

The weight of carrying food insecurity shows not only in the inability to pay for food but also in the on-going stress it creates for whānau. This shows up in both physical and mental health impacts. The impacts of on-going long-term food insecurity are well documented in Aotearoa. We commend low income whānau for their resourcefulness and resilience in the way they navigate such relentless circumstances.

Inadequate income, along with the weight of debt, drives the need for people to return to community food providers to supplement their weekly income in order to provide healthy kai for their whānau. The Government has implemented initial measures intended to shift low-income levels towards meeting basic cost-of-living for whānau. There remains a material gap between low-incomes and the ability to meet basic cost-of-living. Alleviating the weight of debt, particularly, Work and Income debt, for low-income families would shift their weekly expenses and create greater access to provide food for their whānau from their own income. If assistance is needed for food provision, no debt should be incurred. When food assistance is needed in a long term ongoing way, basic income needs to be increased in order to allow whānau to afford adequate kai and maintain their own mana.

Ngā mihi maioha

Ngā mihi to all those whānau who shared their wisdom and experience with us creating a rich and deep resource to draw from. Your voice and insight is deeply important for shaping a fair and accessible Aotearoa where all can thrive.

Ngā mihi to all the kaimahi who sat alongside whānau listening to their stories and precious insights in order for them to be collated, so that we might inform our leaders and the decision they make.

Ngā mihi to VisionWest Waka Whakakitenga, Auckland City Mission Te Tāpui Atawhai and Salvation Army NZ Te Ope Whakaora who have contributed their time and skill to craft and gather this survey, and to the New Zealand Council of Christian Social Services for assisting with this analysis so that we might have this story to offer.

Nga mihi maioha to Rebecca Wedge of Bunkhouse Graphic Design for capturing and interpreting these insights so beautifully.



Kore Hiakai are committed to treating data and the people held within data with mana and compassion. This project has been audited and guided by the data risk analysis framework 'Ngā Kete o te Wānanga.'

The Kore Hiakai Zero Hunger Collective is a collective of six social service agencies who have joined forces to bring about change. They are: The Salvation Army, Christchurch City Mission, Wellington City Mission, Auckland City Mission, VisionWest, and the New Zealand Council of Christian Social Services.

