



25 November 2024

Tēnā koe

Official Information Act request

Thank you for your email of 27 October 2024 requesting information about the Ministry of Social Development's (the Ministry's) cost of designing and implementing the Traffic Light System (TLS).

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on each part of your request set out separately below. Some sections of your request are grouped together for clarity.

- *What has been the cost of designing and implementing the new traffic light system for managing Job Seeker beneficiaries?*
- *What additional costs are expected to be incurred in setting up this new system?*

The TLS was introduced on 12 August 2024 with further changes planned for 2025. Changes are part of the 'reducing benefit dependency' programme of work which contributes to the Government's target of 50,000 fewer people on the Jobseeker Support benefit by 2030. The Ministry is working hard to enable all who can work, into work.

The initial overall implementation of the TLS (as outlined in the below Cabinet paper) is projected to cost \$6.545 million which comprises of system changes and communications. Please note, this initial cost is subject to change as we move through the detailed design.

More information on the changes for Phase 1 and 2 of the TLS can be found in the Cabinet paper '*Changes to welfare settings to support people into employment and off benefit: Traffic Light System*' available on the Ministry's website, here: www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/information-releases/cabinet-papers/2024/changes-to-welfare-settings-to-support-people-into-employment-and-off-benefit/paper-changes-to-welfare-settings-to-support-people-into-employment-and-off-benefit-traffic-light-system.pdf.

- *What has been the cost of operating the new system?*

In order for us to provide the breakdown of specific costs for operating the TLS, the Ministry would need to divert personnel to complete the assessment of our BAU costs to specify which costs are directly associated with TLS. The diversion of these resources would impair the Ministry's ability to continue standard operations and would be an inefficient use of the Ministry's resources. As such, your request is refused under section 18(f) of the Act, requires substantial collation. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your requests given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced.

- *What savings have been made from the operation of the new system?*
- *What savings have been forecast for this and the next two years from the new Job seeker system?*

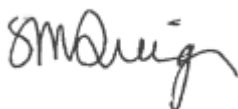
The TLS was implemented to make it clear to clients what their obligations are and when they are failing to meet those obligations. As these changes are being implemented alongside many others, it is not possible to model forecasted savings from implementing the TLS therefore your request for this information is refused under section 18(e) of the Act as the information does not exist.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

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 my decision on your request, 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

pp. 

Magnus O'Neill
General Manager
Ministerial and Executive Services