



10 October 2024

Tēnā koe

Official Information Act request

Thank you for your email of 20 August 2024, requesting information about numbers of beneficiaries who requested a review of a sanction.

On 17 September 2024, you were advised that we needed more time to respond to your request, to 10 October 2024.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below.

I am providing you with an overview of the Ministry of Social Development's (the Ministry's) new Traffic Light System (TLS), before responding to your specific questions.

An overview of the Traffic Light System

The TLS does not add any new work, work preparation or social obligations and does not add or change the nature of financial benefit sanctions or who they apply to. TLS changes will instead help beneficiaries clearly understand and stay on track with meeting their existing obligations, so that they can avoid sanctions and the associated impacts.

Should a client require further support from Work and Income, they can call the general inquiries line on 0800 559 009.

To further strengthen the impact of the Traffic Light System, the Minister for Social Development and Employment intends to introduce legislation to enable non-financial sanctions to be imposed instead of a financial sanction. You can read more here: www.beehive.govt.nz/release/green-light-welfare-works#:~:text=Social%20Development%20and%20Employment%20Minister,are%20not%20meeting%20those%20expectations.

Non-financial sanctions will provide an alternative to financial sanctions for parents with children who fail to meet their obligations and reduce the consequent impacts of sanctions on children.

The Ministry plans to undertake a review of both non-financial sanctions (Money Management and Community Work Experience) a year after implementation to

better assess and determine their impacts and consider opportunities for improvements.

Additionally, for financial sanctions, the current settings will remain, wherein clients with dependent children do not have their whole benefit sanctioned. Instead, only a maximum sanction of 50% of the total benefit may be imposed. Meantime clients will continue receive any subsidiary assistance such as the Accommodation Supplement if they eligible for this.

Your request for information

You requested the following:

- 1. The number of beneficiaries who requested a review of a sanction, the reason for the review and the outcome of the review, however WINZ records that data, for the June quarter 2024 and June quarter 2023.*
- 2. Please also provide the [information requested] above for the week of August 12, compared to the corresponding week in 2023.*

To address your questions about review of a sanction, it may be helpful to know that a sanction may apply when the Ministry considers there has been an "obligation failure". The term describes certain types of obligations that a client can be sanctioned for failing to comply, see section 233 of the Social Security Act 2028.

Where the Ministry determines a client has not met their obligations without a good and sufficient reason, a sanction will be applied. You can find information about Jobseeker Support obligations on the Ministry's website here:

www.workandincome.govt.nz/on-a-benefit/obligations/obligations-for-getting-jobseeker-support.html.

An obligation failure can lead to one or both pathways for a client to address Ministry concerns. Note that the sanction review process can involve two parts. These are:

- **Dispute** – clients have five working days when notified of the failure to dispute a sanction. This dispute could be due to the client disagreeing with the decision or providing a good and sufficient reason for being unable to meet their obligations. If the client is satisfied with the outcome the dispute process ends at this point.
- **Review of Decision** – clients are entitled to seek a Review of Decision (RoD) if they were unsuccessful in disputing a sanction and have three months to lodge a RoD from when they received notification of the sanction decision.

I am providing the data to respond to your questions in three appendices below.

Appendix One provides two tables with the number of beneficiaries recorded by the Ministry where the client disputes their obligations failure within the 5-day notice period.

Please note that this information addresses decisions which were addressed by the client and a case manager.

If clients don't agree with a decision we've made on their obligation failure, they can challenge it. This is called a Review of Decision (RoD), and the Ministry will conduct an administrative review to ensure its decision was made in accordance

with the legislation, upon receiving a RoD. This part of the review process also allows the Ministry to change the decision where and if it is appropriate.

Where it is confirmed that the decision is correct in part or fully following an administrative review, the RoD automatically progresses to a Benefits Review Committee (BRC) to review the Ministry's decision. Clients can consent to discontinuing their review if they are satisfied with the outcome by voluntarily withdrawing their RoDs.

Information on how the review of decision process works can be found on our website here: www.workandincome.govt.nz/about-work-and-income/complaints/review-of-decisions.html.

Appendix Two that provides your requested data for the Review of Decisions that Ministry clients lodge against the sanctions where they have been unsuccessful in disputing an obligations failure.

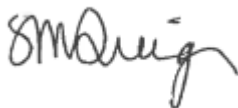
Appendix Three provides information for Review of Decisions that went to the Benefit Review Committee.

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

Appendix One

Table 1: Number of reviews/disputes recorded for obligation failure in June 2023 and June 2024 quarters, by quarter ending and review outcome.

Quarter ending	Review outcome			Total
	Appeal Withdrawn	Failure Overturned	Failure Upheld	
30 June 2023	135	3,807	75	4,020
30 June 2024	171	3,552	132	3,852

Table 2: Number of reviews/disputes recorded for the of obligation failure in August 2023 and August 2024 quarters, by quarter ending and review outcome.

Month ending	Review outcome			Total
	Appeal Withdrawn	Failure Overturned	Failure Upheld	
31 August 2023	33	948	45	1,029
31 August 2024	66	2,046	72	2,181

Note: Appendix One is a count of reviews, not clients. We do not record the reasons for the review. A client can have more than one sanction and/or obligation within the reporting period.

A single obligation failure may have multiple reviews lodged within the reporting period.

Note: in Table 2, the Ministry can only provide data for the month of August, and not by week as requested.

Appendix Two: Review of Decisions – Obligation Failure/Sanction Related Review of Decisions.

Quarter ending	Review of Decisions outcome			Total
	Appeal Withdrawn	Failure Overturned	Failure Upheld	
30 June 2023	5	3	1	9
30 June 2024	10	11	1	22
7-11 August 2023	1	0	0	1

The request asks for comparative data for 2023 (12-16 August 2024), for the purposes of this request, we have used the period 7-11 August 2023.

Appendix Three: Review of Decisions – that went to the Benefit Review Committee.

Quarter ending	RoD heard by Benefit Review Committee outcome			Total
	Appeal Withdrawn	Failure Overturned	Failure Upheld	
30 June 2023	1	0	0	1
30 June 2024	0	0	1	1
12-16 August 2024	0	0	1	1