

26 March 2025

Tēnā koe

Official Information Act request

Thank you for your email of 25 February 2025, requesting a current assessment of the progress the Ministry has made towards implementing the recommendations of the 2019 Welfare Expert Advisory Group (WEAG) report.

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

The Ministry does not report on progress made against the WEAG recommendations. As such, we've interpreted your request as being for the most recent assessment, which is the attached report (as at January 2024):

 REP/24/1/006 - Update on work relating to the Welfare Expert Advisory Group's recommendations

Some information is withheld under section 9(2)(f)(iv) of the Act 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.

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.

Anna Graham

General Manager

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Ministerial and Executive Services



Report

Date: 19 January 2024 **Security Level:** In Confidence

To: Hon Louise Upston, Minister for Social Development and

Employment

Update on work relating to the Welfare Expert Advisory Group's recommendations

REP/24/1/006

Purpose

This report provides an update on work relating to the Welfare Expert Advisory Group's (WEAG) recommendations, as requested following an earlier update we provided you on work relating to the WEAG recommendations that apply to disabled people and people with health conditions. The summary, attached as Appendix One, provides additional information on the current status as an update of information that was included as an appendix to the December 2022 Cabinet paper on the Welfare Overhaul work programme. Officials are available to discuss this with you if you request.

Recommended actions

It is recommended that you:

| | nt and future work relating to the WEAG our office, which officials are available to |
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| Simon MacPherson Deputy Chief Executive Policy | Date |
| Hon Louise Upston Minister for Social Development and Employment | Date |

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Appendix One: Welfare Expert Advisory Group (WEAG) Recommendations and related work as of January 2024

This document shows content from the 2022 Cabinet paper on the welfare overhaul work programme and provides an update on work that is related to the WEAG recommendations as of January 2024.

| Rec # | WEAG Recommendation | Content from the 2022 Cabinet paper on the welfare overhaul work programme Note: This is a product of the previous Government. | Updates (Changes since late-2022 and current status) |
|-------|--|--|--|
| 2 | Amend the Social Security Act 2018 to state that anyone exercising power under the Act have regard to the following purpose and values. The purpose of the welfare system is to whakamana tāngata and ensure a dignified life by: • providing financial security and social security sufficient for an adequate standard of living • supporting people to achieve their potential for learning, caring or volunteering, and earning through good and appropriate work. The welfare system is underpinned by Kia Piki Ake Te Mana Tangata, including kaupapa Māori values of: • manaakitanga – caring with dignity and respect • ōhanga – economics • whanaungatanga – treasuring kinship ties and relationships • kotahitanga – unity • takatūtanga – preparedness • kaitiakitanga – guardianship. Use the following principles to guide the design and operation of the welfare system. • Be person-centred and wellbeing focused • Keep children paramount • Value whānau and families • Treat people with dignity, respect, compassion • Provide an income sufficient for an adequate standard of living • Provide full and correct entitlements • Deliver support that is easy to access, timely and appropriate • Provide an employment service that supports people into good and appropriate work | Review of the purpose and principles of the Social Security Act 2018 MSD conducted targeted engagement sessions earlier in 2022 on the review of the purpose and principles of the Social Security Act and proposed commitments to te Tiriti o Waitangi, particularly with regard to an overall focus on wellbeing and a stronger shift to suitable employment. Findings from this engagement have been collated and will be used to inform the ongoing review of this work and other work in the wider welfare overhaul. Development of a Māori Values Framework for the welfare system In late 2020, MSD established Ngā Mātanga Māori, a group of mātauranga Māori experts who hold mana in Māoridom, to develop a Māori values framework which could underpin the welfare system and explore how those values could be given effect. This group provided its final advice in October 2021, which proposed a framework consisting of: • three primary values (manaakitanga, whakawhanaungatanga, and tiakitanga) • three tikanga to guide the implementation of those values (tika, pono, and aroha) • an overarching cultural understanding within which the values should be understood (te hira o te tangata, te ora o te whānau – the dignity of the individual within the context of their whānau). Work is now underway to give effect to this framework within MSD, before being applied across the wider welfare system. The advice from Ngā Mātanga will be released soon. | Work on the purpose and principles of the Social Security Act 2018 was paused in 2022 to focus on other work programme priorities. There are currently no plans to restart this work. Advice from Ngā Matanga Māori was published in March 2023. We are using the Māori Values Framework within MSD. |

| Rec # | WEAG Recommendation | Content from the 2022 Cabinet paper on the welfare overhaul work programme | Updates (Changes since late-2022 and current status) |
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| | | Note: This is a product of the previous Government. | |
| | Support provision of housing that is affordable, secure, of good quality and appropriate for the person (and their family or whānau) | | |
| | Promote mutual expectations | | 200 |
| | Aim for equitable outcomes | | |
| | Build and maintain effective linkages with other parts of government | | |
| | Be sustainable. | | |
| 3 | Establish a cross-Ministerial approach to implement and monitor the effectiveness of the implementation and impact on outcomes of the Welfare Expert Advisory Group's recommendations (across welfare, health, housing, justice, education and employment) that is cognisant of responsibilities under Te Tiriti o Waitangi (the Treaty of Waitangi) and involves users of the welfare system. | The Minister for Social Development and Employment has been using the Social Wellbeing Cabinet Committee as the main forum to discuss progress of work in alignment with the Welfare Expert Advisory Group's recommendations and will continue to do this as the welfare overhaul progresses. | No additional updates. |
| 4 | Direct the Chief Executive of the Ministry of Social Development to design and implement a welfare system that will fulfil the new purpose and principles of the amended Social Security Act, is cognisant of responsibilities under Te Tiriti o Waitangi and involves users of the system. | All work on the welfare overhaul work programme will have regard for the Crown's responsibilities under Te Tiriti o Waitangi/Treaty of Waitangi. MSD engaged on potential approaches to embedding Te Tiriti o Waitangi/Treaty of Waitangi obligations within the welfare system alongside engagement on the purposes and principles of the Social Security Act in early 2022. Findings from this engagement process will now be used to inform changes to the proposals, with further advice to be provided to the Minister for Social Development and Employment in due course. Responsibility for the overall design of the welfare system rests with the Government, and not with the chief executive of MSD. | Work on amending the Social Security Act 2018 has been paused. There are currently no plans to restart this work. However, findings from the previous engagement have been collated and could be used to inform any future work in this space if required. |
| 5 | Direct the Ministry of Social Development and Inland Revenue to publish yearly, whether as part of their Annual Reports or Statement of Intent, or as a standalone report, information on key outcomes for those interacting with the welfare system, including information about full and correct entitlements, take-up | The Minister for Social Development and Employment has already directed MSD officials to expand reporting in line with recommendation 5 to ensure we have a better understanding of outcomes for clients. This includes the "heartbeat initiative", which measures people's experiences at Work and Income. | Work to expand reporting, in line with recommendation 5, continues to ensure we have a better understanding of outcomes for clients. Evaluation and monitoring: MSD uses a range of approaches to evaluate employment |
| | rates of payments, employment outcomes, the impact of employment supports and services, and after-tax and abatement earnings. Measures should include: | In July 2022, MSD commenced a 12-month pilot to establish a measure of proportion of clients receiving full and correct entitlement. MSD also produce yearly reports on employment effectiveness of employment assistance, which can be broken down by a number of variables. | products and services that, taken together, help to guide investment decisions about the mix of employment supports it provides. This includes outcomes-focused evaluations including analysis by demographic variables. |
| | full and correct entitlement for all who are eligible by ethnicity, gender, location, health conditions and disabilities, and number and age of dependent children (0-17 years) | MSD is continuing to improve published information on key outcomes for those interacting with the welfare system through revised impact statements and key performance indicators published in its SOI and reported upon in its Annual Report. | We also continue to monitor the provision, uptake, and impact of services through our Vote Social Development appropriation performance measures. |

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| | take-up rates of payments by ethnicity, gender, location, health conditions and disabilities, and number and age of dependent children (0-17 years) employment outcomes by benefit type, ethnicity, gender, location, health conditions and disabilities, age, and duration off benefit (3, 6 and 12 months) impact of employment supports and services on outcomes by ethnicity, gender, location, health conditions and disabilities, and number and age of dependent children (0-17 years) after-tax and abatement earnings for those receiving financial support from Inland Revenue or the Ministry of Social Development by ethnicity, gender, location, health conditions and disabilities, and number and age of dependent children (0-17 years). | Work to improve measures and data sources is on-going. MSD has also produced its first annual incomes report. There is also a comprehensive range of data made available via weekly, monthly and quarterly reporting on the MSD website and through the Social Development Data application www.data.msd.govt.nz. | A report of the findings from the pilot to establish a measure of proportion of clients receiving full and correct entitlement is due to be completed in 2024. Clients often have complex circumstances that can change their entitlement to financial assistance after the initial assessment. We are continuing to work on a method of sustainably capturing data on and developing a measure for correct entitlement as one of the 10 key measures for the Te Pae Tawhiti programme. Further information on Te Pae Tawhiti is included in the response to recommendation 9. In 2022, as part of the Families Package monitoring and evaluation work programme, MSD published estimates of take-up for Working for Families, and Best Start, and Best Start, including some sub-group breakdowns where appropriate. This work identified that there would be some value in updating these estimates on a three-yearly cycle. Additionally, work is ongoing to finalise measures of Accommodation Supplement take-up using the Integrated Data Infrastructure, and the New Zealand Income Support Survey. These measures will include sub-group breakdowns where appropriate. In 2023, MSD produced its first Total Incomes Annual Report using a newly developed dataset which explores the full range of financial support that main benefit clients receive. This report follows the WEAG recommendation that MSD should begin annually reporting a measure of client income. A 2024 Total Incomes Annual Report will also be produced, subject to approval from the Minister for Social Development and Employment. Our new suite of Key Performance Indicators implements recommendations from the WEAG around improved outcomes, greater equity for Māori and Pacific peoples and looks to reduce average debt per person. |
| 6 | Embed the competencies required to achieve greater equity for Māori in the job descriptions, key performance indicators and performance reviews of the Ministry of Social Development's management and staff. | Work is underway within MSD to explore this, such as through MSD's Māori Strategy and Action Plan—Te Pae Tata. | MSD is ensuring capability is included in procurement processes to ensure equity is captured early on and suppliers are aware of the unique needs of our clients. |
| 7 | Include in the amended Social Security Act specific requirements for the Chief Executive of the Ministry of Social Development to be accountable to iwi (as recognised collectives) and to Māori (as individuals, | Accountability measures on the Chief Executive of MSD are being considered as a core aspect of giving effect to te Tiriti o Waitangi / the Treaty of Waitangi in the welfare system. This was part of the engagement sessions MSD ran in early 2022, | Work on accountability measures on the Chief Executive of MSD as a core aspect of giving effect to Te Tiriti o Waitangi/the Treaty of Waitangi in the welfare system has been paused in order to prioritise work in other areas |

¹ https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/evaluation/families-package-reports/estimating-changing-working-for-families-eligibility-and-take-up-rates.pdf
2 https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/evaluation/families-package-reports/estimating-take-up-of-the-best-start-tax-credit.pdf

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| | whānau and communities) for achieving equitable wellbeing outcomes for Māori from the welfare system. | alongside the review of the purpose and principles of the Social Security Act. Findings from this engagement have been collated and will be used to inform ongoing work in this space. | of the welfare system. There are currently no plans to restart this work. |
| 8 | Direct the Ministry of Social Development to commit to building its cultural responsiveness to Pacific People, to achieve equitable outcomes for Pacific People engaging with the welfare system. Cultural responsiveness includes having an awareness of cultural obligations experienced by Pacific People around contributions for weddings, funerals and other critical cultural events and taking account of the nuances within diverse Pacific communities. | | MSD's first Pacific Prosperity Progress Report (the progress report) has been produced using the Pacific Prosperity Outcomes Framework and will be available in early 2024. |
| | | Pacific providers are viable, sustainable, and provide high- quality services Pacific providers: Receive fair and equitable support to strengthen capability Work within sustainable operating models | |

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| | | Are innovative and effective in their delivery of social services. MSD practices an equitable approach to enabling and delivering services for Pacific communities Are innovative and effective in their delivery of social services. Has positive relationships with Pacific peoples, staff, and providers Ensures Pacific peoples are involved in decision-making, design, development, and delivery of services Commits to long-term investments that support Pacific aspirations. | C. 1987 |
| 9 | The Welfare Expert Advisory Group recommends, in addition to the recommendations elsewhere that will improve outcomes for Māori, the Government: • supports the Ministry of Social Development to continue to shift towards whakamana tāngata – to build the mana of others and uplift them in a way that honours their dignity • supports the Ministry of Social Development to continue to review and evaluate, with Māori, the services the Ministry delivers to ensure they are effective in improving outcomes for Māori • works with Māori to consider other effective ways of delivering welfare services and funding that are informed by Te Ao Māori, including longer-term, whānau-centred, strengths-based initiatives. | MSD's overall purpose is to help New Zealanders to be safe, strong and independent. This is reflected in MSD's strategic direction—Te Pae Tawhiti, which focuses on mana manaaki (treating people with respect and compassion and being open and fair), kotahitanga (working collectively with others and fostering strong relationships) and kia takatū tatou (taking a long-term strategic approach to community, regional and economic development). MSD has also developed and released Te Pae Tata, a Māori strategy and action plan, which articulates how we will work with Māori to achieve better outcomes for Māori, beginning with embedding a Māori world view into MSD. This will inform MSD's engagement with whānau, hapū, iwi and Māori organisations to identify opportunities to work in partnership. This work will help to give effect to measures developed in response to recommendations 1, 4, and 7, in the development of a kaupapa Māori values framework to underpin the welfare system and options for embedding Te Tiriti o Waitangi/Treaty of Waitangi obligations within the welfare system. As we deliver on our Te Tiriti o Waitangi commitments and incorporate te ao Māori into everything we do, we will significantly improve service experience and outcomes for clients, whānau, and communities, delivering this change through a multi-year, multi-Horizon transformation programme. Te Pae Tawhiti Programme (the Programme) seeks to enable MSD to deliver services that are easier to use, more accessible and integrated across employment, housing, and income support. The Programme is in the design phase and over the last few months we have been engaging with clients and staff, including Māori, across the motu to identify and design what better experiences for people and whānau will look like in the Future Service Model, and how MSD's staff, processes and technologies will support these experiences. | In June 2023, Cabinet [GOV-23-MIN-0016] agreed to start the Te Pae Tawhiti Transformation Programme, beginning with Horizon One for the three-year period 2023/24 to 2025/26. The Programme will help MSD achieve the three shifts set out in Te Pae Tawhiti – Our Future. In building MSD's future service model, the Programme is working to embed a service approach that offers multiple tiers of escalating support that will transform client experience. The Programme has a dedicated client engagement workstream – developing a best-practice model ensuring that staff-client interactions are effective and focused on supporting clients towards independence and employment. This will be delivered through the tiered service model. Horizon One establishes a new employment service, and new student experience, including a new payment system and improved digital experience along with an improved system to support partnering for outcomes with community providers. As MSD begins transformation, we will support the Crown's commitments as a Te Tiriti o Waitangi/Treaty of Waitangi partner within the day-to-day operations of the Programme. |

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| 10 | Develop a mutual expectations framework to govern interactions between the Ministry of Social Development and those who interact with the welfare system. | Work to rebalance mutual expectations is progressing through a variety of changes. This includes ensuring MSD's employment service supports people into suitable and sustainable employment, and the removal of the subsequent child policy. Since 2018 the Government started work to ensure clients are treated with dignity and respect at MSD. This included the client commitment which is at all service centres and the launch of the eligibility guide. This work continues as part of MSD's strategic direction, Te Pae Tawhiti. The Te Pae Tawhiti Programme is a multi-year change work programme to enable the Ministry to deliver services that are easier to use, more accessible and integrated across employment, housing and income support. One of the key shifts MSD is seeking is Mana manaaki. Mana manaaki is about building the mana of others and uplifting them in a way that honours their dignity, is warm, kind and compassionate to people and whānau and treat them with care, honour and respect. This will improve interactions in the welfare system. As part of the long-term welfare overhaul work programme the reviews on the purpose and principles of the Social Security Act 2018 and the work obligations and sanctions in the Social Security Act 2018 will consider options to rebalance the mutual expectations framework in the welfare system. Some targeted engagement was undertaken to inform the review on the purpose and principles of the Social Security Act 2018 in early 2022. The work on options for legislative change is currently on hold, and will be reprioritised once a timeline for introducing a Bill has been confirmed. | Work to further develop the mutual expectations framework in the welfare system was part of the review of obligations and sanctions and the purpose and principles of the Social Security Act 2018. This was paused in 2022 to focus on other priorities of the work programme at the time. There may be opportunities to further develop a mutual expectations framework though the Traffic Light System, ensuring that staff and clients are both clear on what is expected of them and what they can expect of each other. Advice on the Traffic Light System is currently being developed, with initial advice to be provided in due course. |
| 11 | Remove some obligations and sanctions (for example, pre-benefit activities, warrants to arrest sanctions, social obligations, drug-testing sanctions, 52-week reapplication requirements, sanctions for not naming the other parent, the subsequent child work obligation, and the mandatory work ability assessment for people with health conditions or disabilities). | The Government has repealed Section 192 of the Social Security Act 2018 (the Act). In November 2021, the Government also removed the subsequent child policy. The initial income stand-down period before receiving a main benefit was temporarily removed by the Government in response to COVID-19, allowing all eligible New Zealanders to receive income support as soon as they needed it. As a further removal was not funded through Budget 2021, initial income stand-downs returned on 25 July 2021. In Budget 21 we received funding to extend the current temporary deferral and fund a new process around subsequent work capacity medical certificates for Jobseeker Support – Health Condition and Disability. Further work will continue to explore the removal of sanctions, with a focus on those with an impact on child wellbeing. | A range of work is currently underway in relation to obligations and sanctions to respond to this Government's priorities, including: Welfare that Works, the Traffic Light System and 26-week reapplications. Advice on these work areas will be provided in due course. |

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| 12 | Improve outcomes by ensuring the public-facing, frontline service is consistent with the new purpose and principles through sufficient resourcing (for example, staffing, support and services), an appropriate performance framework, and complaints and disputes processes. | The Government is already making changes to improve frontline services in line with recommendation 12 and will continue to do so. The pre-budget announcement of additional staff is also an important part of this by providing extra resources on the frontline. Additional funding for further frontline staff and employment services to support an increase in demand was received as part of Budget 2020, with \$250 million to increase MSD's workforce capacity by 807 FTE and \$150 million for the Employment Service Response. MSD has also made improvements to its service centres by making changes to front of house areas such as having watercoolers, new 'kids area' furniture and signages to help service centres be a more welcoming and accessible environment. The new front of house changes were designed with input from clients and has been rolled out to all service centres. | The Service Centres for the Future refurbishment of frontline offices has created warm, welcoming and safe environments for clients and communities. The new service centre layouts also support positive experiences for people accessing Ministry services. This is achieved through the layout designs which incorporate enhanced security features that are safe for everyone who uses them, while also providing increased privacy. Service Centres have a refreshed look and feel, including the introduction of warmer colours and wall space to reflect regional connections. So far, 108 of 122 service centres have been refurbished and several further fit outs are to be progressed in 2024. There are also six new build/replacement sites in progress which will have the new layout put in place. |
| 13 | Assist recipients of Sole Parent Support to return to part-time work when their youngest child is 6 years old (subject to supports being available, such as good quality childcare) instead of the current 3 years. Support but not require all sole parents to return to work when their youngest child is under 6 years old. | Work on the review of work obligations has been paused in order to prioritise other areas of the welfare overhaul work programme. | A range of work is currently underway in relation to obligations and sanctions to respond to this Government's priorities as discussed in recommendation 11. There are no additional updates. |
| 14 | Continue to prioritise a reduction in outstanding benefit debt through sustainable repayments, and minimise the creation of overpayments, including reviewing recoverable hardship assistance and current practice, to be more consistent with whakamana tāngata. | The review of Hardship Assistance is underway as part of the Debt to Government work programme. Income limits have been permanently increased and will be indexed to net average wage growth from 1 April 2023. This ensures that hardship assistance is available to those who need it. On 1 December 2022, policy changes were made to SNGs for dental treatment to make them more adequate and accessible. Most notably, the maximum allowable amount has increased from \$300 to \$1,000, which was a Labour Party 2020 manifesto commitment. | The hardship review has been paused. In line with MSD's Te Pae Tawhiti programme, policy and legislative changes could help us unlock even greater benefits for clients and efficiencies for MSD by reducing benefit debt. These would require significant policy and other resources and would potentially have significant fiscal implications. It is better to look at these changes as part of the intended system transformation as part of the Te Pae Tawhiti programme. **Solution** **Solution** **Solution** **Color: **Author of the Te Pae Tawhiti programme** **Te Pae Tawhiti |
| 15 | Align the regulations and practice around benefit debt so that it is treated in substantially the same way as Inland Revenue treats taxpayer debt. | A cross-agency group of officials was convened in 2019 to consider a cross-government approach to prevent and manage debt. This work is currently led by Under-Secretary Dr Deborah Russell. The Cabinet Social Wellbeing Committee (SWC) has | In July 2023, Cabinet formally adopted an all-of- government policy framework for debt to government developed through the Debt to Government work programme [SWC-23-MIN-0092 refers]. The framework |
| 16 | Instigate a cross-government approach to managing debt to government agencies. | agreed the Debt to Government work programme should have the dual focuses of: ensuring debt recovery is fair, effective, and avoids exacerbating hardship; and preventing debt from occurring so that it does not create future problems for those in hardship [SWC-21-MIN-0171 refers]. Cabinet recently received an update on the debt to government work programme, including the outline of a framework for debt | is intended to guide the establishment, management and recovery of debt owed to government. Cabinet agreed that relevant policy papers for debt owed to government submitted to Cabinet would include a discussion of whether the proposal is consistent with the principles and guidance in the framework. |

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| | | to government and its principles, categories of debt, dimensions of debt management and approach to individual people's circumstances [SWC-22-SUB-0170 refers]. Joint Ministers will report back to Cabinet on the work programme in June 2023. | Cabinet invited the Ministers responsible for the Debt to Government work programme to report back to Cabinet regarding the framework in July 2024. MSD will work with Inland Revenue (the lead agency for the work to date) to provide advice to you on options ahead of the scheduled report-back. |
| 17 | Endorse the Ministry of Social Development's three- tiered approach to responding to fraud allegation: intervene, facilitate and, as a last resort, investigate. Apply the principles of natural justice in all steps, and, if the outcome is disputed, permit a review independent of the Ministry of Social Development. | The Minister for Social Development and Employment endorsed MSD's approach to fraud, as suggested in recommendation 17, and will continue to ensure fraud is handled appropriately across the welfare system and for the COVID-19 economic supports administered by MSD. | Overall, the number of cases responded to across MSD's three-tier model has remained stable, however, a greater proportion are now responded to without investigation or prosecution. |
| 18 | Enhance and improve the support for people exiting prisons, including increasing the Steps to Freedom grant, and ensuring that any person who leaves prison has appropriate identification and is engaged with specialised care and supportive housing initiatives. Move practices around prisoner integration out of the 'pilot' stage and draw on evaluation data to embed integrated support for these individuals. | As part of the Supporting Offenders into Employment service, MSD continues to provide tailored wrap-around support to eligible people before and after they are released from prison, to achieve their goals, secure and sustain employment and reduce recidivism. This was recently agreed to be part of MSD's regular suite of employment products. The cross-agency initiative Māori Pathways has also been rolled out to Hawkes Bay Christchurch Women's Prison, and Northland. This programme is designed in partnership with Māori to reduce re-offending and improve outcomes for whanau. | Previous work explored increasing the Steps to Freedom re-establishment grant. This work was paused in order to prioritise work in other areas of the welfare system. We understand you have expressed an interest in this area, and we can provide further advice if required. |
| 19 | Adopt the following 10 principles to redesign the income support system. Income support is adequate for meaningful participation in the community, and this support is maintained over time Income support ensures people are always better off in paid work and high effective marginal tax rates are avoided as much as possible Main benefits cover a larger proportion of people's living costs than they do currently (reducing reliance on other assistance) Child-related payments follow the child and can be apportioned with shared care. Payments for specific costs provide support that is adequate, appropriately designed and easy to access Changes to income support reduce disincentives to form relationships. The income support system proactively supports people to access their full and correct entitlements | The income support system has experienced significant improvements since the release of the WEAG report to align with the 10 principles outlined in recommendation 19. These principles have underpinned recent changes including: • Increases in benefits and benefit abatement thresholds have improved the adequacy of income support, while supporting incentives to work as beneficiaries are able to work more hours (while receiving a main benefit). • Amending the process for subsequent work capacity medical certificates so that the client's health practitioner will have more flexibility to recommend the time between medical reviews based on how long the client's ability to work is expected to be affected by their disability, injury or health condition, instead of being a mandatory period. These principles continue to inform ongoing work including: • Initial steps to review the operational policy, training and guidance on how staff determine relationships. MSD is also considering as part of its longer-term work programme a range of issues related to the unit of | Further changes relevant to these principles included: • Budget 2023 investment in Childcare Assistance • The enactment of the Child Support (Pass On) Amendment Act 2023. ss(2)(f)(v) |

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| | and promotes these entitlements to the broader population The income support system is easy to access and provides timely support, including to people transitioning in and out of the system The income support system is as simple as possible balanced against the need to provide adequate support for people in a variety of circumstances at a reasonable cost to government People are treated with dignity and respect when accessing this support. | Note: This is a product of the previous Government. entitlement and how relationships interact with the welfare system. Work on options to best recognise split and shared care in the benefit system. The review of Working for Families, which is considering options that remove pockets of very high effective marginal tax rates and make work pay as families increase their hours of paid employment. The review of Childcare Assistance, which is considering improvements to the accessibility of support, as well as additional financial support to meet childcare costs to improve in-work incomes for working families with formal childcare costs. From 1 July 2023 child support will be passed on to sole parent beneficiaries and treated as income for benefit purpose. This change improves income adequacy for sole parent beneficiaries and removes inequities that currently exist in the welfare system between sole parents and repartnered couples. These changes ensure income support is adequate for meaningful participation in the community, and, through the automation component, that the income support system is easy to access and provides timely support. | C1 1082 |
| 20 | Reform main benefits by: • increasing main benefits by between 12% and 47% as set out in table 2, page 99 • increasing the abatement thresholds for: • Jobseeker Support to \$150 a week • Sole Parent Support and Supported Living Payment to \$150 a week and \$250 a week. | After-tax rates of main benefits has increased by \$25 from 1 April 2020. The abatement thresholds for Jobseeker Support (single person or couple) increased to \$160 per week from 1 April 2021 and between \$160 and \$250 per week for sole parents and Supported Living Payment recipients. On 1 July 2021, all main benefit rates increased by \$20 per week, per adult, (\$40 for couples). Further increases occurred on 1 April 2022, including: • further increasing main benefit rates to meet the levels recommended by the WEAG, with an additional \$15 (after tax) per week, per adult, for families with children, and • increasing youth rates of main benefits by same amount as the equivalent adult benefit, and • increasing student support rates by \$25 per week. Youth rates of main benefits will be the only rates that remain below those recommended by the WEAG, for those not already paid at the adult rate. There are significant implications for studying and training incentives by raising these rates, that require careful consideration. Youth rates will be considered in future welfare overhaul work. | No additional updates. |

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| 21 | Fully index all income support payments and thresholds annually to movements in average wages or prices, whichever is the greater. Index Accommodation Supplement rates to movements in housing costs. | Indexation of main benefits to average wage growth was passed as part of Budget 2019 and implemented in April 2020. From 1 April 2022, the income thresholds for Childcare Assistance was adjusted annually in line with average wage growth. This change will maintain financial incentives to work for low-income families by helping to maintain their entitlement to Childcare Assistance as their wages grow. | The Coalition Government has committed to index main benefits to inflation (any percentage movement upwards in the Consumers Price Index) from 1 April 2024. |
| 22 | Consider introducing a Living Alone Payment that contributes to the additional costs of adults living alone (without another adult) on a low income. | This work remains on the welfare overhaul work programme and will be considered as part of work to improve the income support system. | This work was not progressed under the welfare overhaul work programme and is not under being considered at this time under the current work programme. |
| 23 | Reform Working for Families and other tax credits by: increasing the Family Tax Credit to \$170 a week for the eldest child and to \$120 a week for subsequent children increasing the abatement threshold for the Family Tax Credit and changing the abatement rate to: 10% on family annual incomes between \$48,000 and \$65,000 15% on family annual incomes between \$65,000 and \$160,000 50% on family annual incomes in excess of \$160,000 replacing the In-Work Tax Credit, Minimum Family Tax Credit and Independent Earner Tax Credit with a new Earned Income Tax Credit introducing an Earned Income Tax Credit of up to \$50 a week for people with and without children and with a couple-based income test making the Best Start Tax Credit universal for all children aged under 3 years. | On 1 July 2020, the hours test for the In-Work Tax Credit (IWTC) was removed as part of the Government's initial response to COVID-19. In April 2021, the Government also introduced a grace period for people receiving the IWTC. This change meant people receiving IWTC payments could continue to receive these when taking a short unpaid break from working. The Minimum Family Tax Credit has been increased in 2020, 2021 and 2022, following increases to main benefit rates and abatement thresholds, to continue to ensure sole parents are better off in work at the minimum required hours. The Government has announced that work is underway to review Working for Families (WFF). MSD is working with Inland Revenue, Treasury, and the Department of the Prime Minister and Cabinet to review WFF. Advice on the scope, scale and timing of the review was provided to joint Ministers in April 2021. On 1 April 2022 initial changes were made to increase the Family Tax Credit (FTC) payment rate by \$5 per week and abatement rate to 27%, alongside scheduled indexation. Rates also will increase from 1 April 2023 as part of scheduled indexation with FTC increasing to \$136 a week for the eldest and \$111 a week for subsequent children. Public engagement to inform the review took place in April/May 2022, and a report summarising the key findings has been released. Officials are continuing to provide advice to Income Support Ministers on options for change. | From 1 April 2024, rates of the Family Tax Credit and Best Start Tax Credit will be increased as part of ongoing indexation to inflation. The Family Tax Credit will increase from \$136 to \$144 per week for the eldest child and from \$111 to \$117 per week for subsequent children. The Best Start tax credit will increase from \$69 to \$73 per week. Officials are progressing a proposal through Budget 2024 to increase the In-Work Tax Credit by \$25 per week from 1 July 2024. |
| 24 | Reform supplementary assistance and hardship assistance so they are adequate, appropriately designed and easy to access. | The review of Hardship Assistance is underway as part of the debt to government work programme. Income limits have been permanently increased and will be indexed to net average wage | The previous review of Hardship Assistance is paused. |

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| | | growth from 1 April 2023. This ensures that hardship assistance is available to those who need it. On 1 December 2022, policy changes were made to SNGs for dental treatment to make them more adequate and accessible. Most notably, the maximum allowable amount has increased from \$300 to \$1,000, which was a Labour Party 2020 manifesto commitment. | * V382 |
| 25 | Require the Ministry of Social Development to, within 2 years, complete work, including commissioning independent research and focus groups, to establish a minimum income standard for New Zealand (with 5-year reviews). | MSD has commenced work to develop advice on these recommendations. This work has been temporarily put on hold to divert resources to other priority work items. | No additional updates. |
| 26 | Increase, as soon as possible, overall income support to levels adequate for meaningful participation in the community, as defined by the minimum income standard (which reflects different family circumstances, for example, children, disabilities and regional area) and maintain this level of support through appropriate indexation. | Main benefit rates were increased on 1 April 2020, 1 July 2021 and on 1 April 2022. They will also continue to be adjusted in line with average wage growth over time. Rates of Family Tax Credit were also increased on 1 April 2022- and continue to be adjusted for inflation. These changes have helped make income support levels more adequate and have led to around a 40 percent increase in After Housing Cost income (inflation adjusted) for those on a main benefit since 2018. More work on a minimum income standard is required, which will be considered as part of the renewed welfare overhaul work programme. | No additional updates. |
| 27 | Pass on all child support collected to receiving carers, including for recipients of Unsupported Child's Benefit. | In March 2022, Cabinet agreed to fund child support pass on as part of Budget 2022. Inland Revenue and MSD are working on the implementation of the initiative on 1 July 2023 with sole parents receiving their first child support payment in August 2023. At this time, the Budget initiative will not apply to caregivers receiving the Unsupported Child's Benefit in respect of children for which this benefit is granted. Child Support pass-on for UCB recipients is being considered by Oranga Tamariki—Ministry for Children as part of current work to reform the system of financial support for caregivers, following the 2019 review of financial assistance for caregivers. Officials will provide further advice to Ministers on the interaction between child support and caregiver payments so that it supports tamariki to thrive under the protection of their family, whānau, hapū or iwi and provides more support to caregivers outside of the State care system. | On 1 July 2023, the Child Support (Pass On) Acts Amendment Act came into force, with the first payments being passed on to parents on a sole parent rate of main benefit in August 2023. These changes do not apply to Unsupported Child's Benefit (UCB), as child support pass-on for UCB recipients is being considered by Oranga Tamariki—Ministry for Children as part of current work to reform the system of financial support for caregivers. |

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| 28 | Move income support settings over time to be more neutral on the impact of being in a relationship in the nature of marriage. | MSD is in the initial stages of reviewing operational policy, training and guidance on how staff determine relationships (advice to be provided to the Minister for Social Development and Employment in late 2021). The Government will also be exploring further work in line with the New Zealand Income Insurance Scheme and with a prioritisation of those unable to work. | s9(2)(f)(iv) |
| 29 | Urgently expand and accelerate Government efforts to substantially increase public housing on an industrial scale and continue urgent efforts to end homelessness. | The Public Housing Plan 2021-2024 was released in February 2021 to give an indication of the location and number of new places that would be delivered through the Budget 2020 funding (which funded an additional 6,000 public and 2,000 transitional homes). The Plan focuses on areas that are now facing high population growth and where the Housing Register is growing. Alongside previous Budget housing initiatives in 2018 and 2019, the Government is on track to deliver over 18,000 additional places by 2024, having delivered more than 10,000 permanent public homes since November 2017 and 3,000 transitional homes since October 2019. The Government Housing Dashboard shows the changes in public and transitional housing. The Government is also undertaking work to ensure that homes meet the needs of public housing tenants. Single-Site Supported Housing (SSSH) provides a solution for people and whānau with a wide range of health, mental health and social support needs who would benefit from living in one building with tailored support services available on-site 24/7. Kāinga Ora is developing two sites that employ the SSSH model in Auckland and Wellington. Agencies continue to implement the Homelessness Action Plan. All of the 18 immediate actions are in place or underway with progress being made to support individuals, families and whānau at risk of or experiencing homelessness and positive wellbeing and housing outcomes. Work is progressing on the development of longer-term actions to build on current homelessness responses. Challenges with implementation and traction in reducing homelessness continue, including construction headwinds, COVID-19 impacts, capacity pressures and delays, continued housing affordability issues and housing supply shortages. A range of interventions are needed to complement and support public and transitional housing delivery, such as those noted in Recommendation 34. Improving the supply and diversity of | Work is progressing on the proposed fast track as part of the 100-day plan. MSD is responsible for assessing and updating applications for public housing (register management). MSD continues to meet its Service Level Agreement (SLA) and KPI of new public housing applications being started within 30 days of initial contact and Public Housing Needs Assessments being completed for all clients in receipt of an Emergency Housing Special Needs Grant (EH-SNG). The Homelessness Action Plan (HAP) for at risk groups was signed and agreed by the previous associate Minister of Housing in July 2023. The Minster agreed to the scope of the five at risk groups: Pacific, Rainbow, Elderly, Ethnic Communities and Disabled people in Auckland. The HAP is to provide support for individuals, families and whānau at risk of or experiencing homelessness, and for positive wellbeing and housing outcomes. Ministerial agreement was provided in July 2023 to progress engagement on the HAP. |

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| | | The Emergency Housing Review is underway and will result in a number of actions to reduce housing insecurity and improve the wellbeing of those in emergency housing. | 282 |
| 30 | Increase the range of home ownership and tenure options for people on low and low-middle incomes. | The Progressive Homeownership Scheme will help between 1,500 and 4,000 low to middle income households to access shared ownership, rent-to-buy, or leasehold arrangements to step into home ownership. The Progressive Home Ownership initiative is delivered through joint work between HUD and Käinga Ora and supported by \$400m funding. The fund has a specific aim to address housing affordability issues for three priority groups: Māori, Pacific peoples, and families with children. At the end of the of September 2022, 181 households had been assisted to step into homeownership across the country and a total of 477 homes had been contracted through the fund. Officials are reviewing the Kāinga Whenua Loan, which is an initiative between the Crown and Kiwibank to help Māori achieve homeownership on multiply owned Māori land. It supports Māori to build, purchase or relocate a house, and can also be used for repairs and maintenance for an existing house on whenua Māori. It is aimed at (though not restricted to) first home builders on communally owned land and is backed by a government insurance scheme that makes it less risky for Kiwibank to provide the loan. The aim of the current review is to increase the uptake of the Kāinga Whenua Loan, as there have been fewer loans than were expected. Officials are aiming to put recommendations to Cabinet in late 2022 or early 2023. The Affordable Housing Fund opened in July 2022 and will provide \$350 million to partner with a range of community housing providers, Māori and iwi, councils, philanthropic organisations, developers, and investors to support the development of affordable homes for low-to-moderate income families and whānau in areas with significant rental affordability issues. The Affordable Rental Pathway is focusing on much-needed affordable rentals for low-to-moderate income families and whānau in areas with significant rental affordability issues. | The Affordable Rental Pathway, led by HUD, is focusing on affordable rentals for low-to-moderate income families and whānau in areas with significant rental affordability issues. Rents are expected to be less than 80% of the median market rent for the type of home. As of December 2023, funding grants were approved for 15 successful applicants from round one and early progressions from round two of the Affordable Rental Pathway. A total of 266 affordable rental homes are expected to be completed by 30 June 2027 or earlier. The Build Ready Development Pathway is securing affordable housing through build-ready developments that may not otherwise go ahead. 180 homes are currently contracted for delivery in Manurewa, Auckland. |
| 31 | Increase the capacity of third-sector community-based housing providers. | HUD is working closely with Homelessness Sector Services, formed by Te Matapihi and Community Housing Aotearoa, to identify the needs of providers, build their capability and capacity and promote effective practices, such as trauma- | We expect the role and capacity of community providers will be issues covered by the review of Kainga Ora. |

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| | | informed care approaches and supporting kaupapa Māori approaches. | |
| | | One of the immediate actions under the Homelessness Action Plan (HAP) is to enhance the capability and capacity of Māori providers. Progress on this work has been supported by the launch of the He Taupua fund in August 2020. As of 20 September 2022, 39 projects have been funded through He Taupua (under the HAP workstream). In terms of housing delivery, the \$20m assigned to support kaupapa Māori approaches in HAP has meant 158 people housed. Additionally, partnerships with Māori housing provider through the Whai Kāinga Whai Oranga programme will deliver 1000 new homes, 700 repairs and 2700 infrastructure sites to whānau Māori. | CX NOSO |
| | | The Ministry for Pacific Peoples (MPP) is progressing work to support Pacific organisations to become registered community housing providers through the Community Housing Provider Registration Support Programme. Community Housing Solutions was contracted by MPP to provide support with capability development and registration with the Community Housing Regulatory Authority. Six Pacific organisations are currently part of the programme. | |
| 32 | Develop and enact laws and regulations to ensure healthy homes and housing security, decent standards of housing quality, universal design, and accessibility. | In 2019, Kāinga Ora – Homes and Communities, released its first Accessibility Policy 2019-2022. One of three key outcomes of the policy was the introduction of a target of for incorporating universal design into new builds of 15 percent. Kāinga Ora has around 500 accessible homes in its build pipeline for delivery by the end of 2022/23 and around 5,670 homes throughout the country that have undergone accessibility modifications work. By mid-2024 Kāinga Ora aims to deliver at least 1,000 homes that meet Full Universal Design standards. | No additional updates. |
| | | Amendments to the Residential Tenancy Act came into effect in August 2020 and February 2021 in part aimed at improving security of tenure. For example, by specifying the reasons a landlord can end a tenancy, limiting the frequency of rent increases to once every 12 months and prohibiting rental bidding. A further change enabled tenants experiencing family violence to quickly terminate a tenancy to seek safety with regulations to operationalise it currently being developed and expected to be gazetted in December 2022. | |
| | Q-0 | The healthy homes standards cover heating, insulation, ventilation, moisture ingress and drainage, and draught-stopping. | |
| 33 | Subsidise housing costs for people on low incomes (in addition to raising main benefit rates to provide an adequate income) and ensure the combination of | The Government has started a review of the Accommodation Supplement. In November 2021 Income Support Ministers directed MSD to focus on options to increase take-up of the Accommodation by eligible, non-beneficiary, working | From March 2023, Housing Support Products for Residential Tenancy Act went live. The new products |

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| | changes to housing support and abatement rates make households better off. | households. To help shape advice MSD undertook targeted engagement with stakeholders to better understand barriers to take-up. Further options on increasing uptake through a targeted marketing programme as well as consideration for solidifying a boundary review and responding to recent recommendations from the Retirement Commissioner will be considered. Following a review of Housing Support Products and housing-related hardship assistance, funding was secured through the 2022 Budget to improve lower-income households' ability to access and sustain private rental housing, with an aim to prevent homelessness, and to simplify the available housing-related assistance. From March 2023, there will be a single new housing-related hardship assistance programme for all eligible clients. Key changes include: • increased maximum limits for bond, rent in advance and rent arrears to reflect actual costs • an increase to the number of times clients can receive support per year • IT and operational improvements to streamline assistance for both staff and clients • making the HSP appropriation demand-driven (to align with broader hardship assistance funding) • aligning recoverability settings under the programme, where previously some clients were eligible for non-recoverable assistance • extending eligibility to include clients in less formal tenancy arrangements (such as boarding or flatting, without being named on the tenancy agreement) The package also includes piloting a non-recoverable payment for groups where there are gaps in current assistance (eg better supporting clients to leave emergency housing). | amalgamated with the previous recoverable assistance for bond, rent arrears and moving costs. Work is still continuing to expand HSPs to clients in less formal arrangements. The agreed start date in June 2024. This expansion will allow HSPs to assist clients who are in boarding or flatting situation, or without a tenancy agreement. The package did include piloting a non-recoverable payment for groups where there are gaps in current assistance (e.g. better supporting clients to leave emergency housing), however this has been paused and not deemed a priority in the current work programme. |
| 34 | Improve access to affordable, suitable housing support for people on low and low-middle incomes, including a range of affordable home-ownership products and papakāinga housing. | HUD is leading and supporting work to create the foundations for more housing to be delivered where it is needed, with a greater variety of typologies and prices to meet diverse needs. This includes: Comprehensive review of the Resource Management Act and implementation of the National Policy Statement on Urban Development (NPS-UD), and Medium Density Residential Standards to free up more land for housing. Infrastructure Funding and Financing Act, which makes it easier to fund and finance the infrastructure required to support new developments. | HUD is continuing to lead and support work to create the foundations for more housing to be delivered where it is needed, with a greater variety of typologies and prices to meet diverse needs. This now also includes: • supporting efforts to free up land for housing by providing policy advice on the Government's Going for Housing Growth Policy, including setting 30-year Housing Growth Targets for councils to comply with and strengthening the National Policy Statement on Urban Development and new rules for infrastructure funding in greenfield developments |

| Note: This is a product of the previous Government. Comprehendive review of the building complex or the building complex or challenging urban development Act, which provides for Specified Development Act, which provides for Specified Development Projects. Boosting sector capacity and capability through initiatives such as the Construction Sector Accord, Immigration Rebalance and extension of the Apprehim Boost to further support trades training. Changes to tax settings to make the tax system fairer for owner-occupiers by reducing demand from speculators and investors, while maintaining demand for new housing. The Government has also scaled up direct investment in infrastructure provision, government-led development, and partnerships to deliver more affordable homes. Three initiatives are necessary complements to the Government's public and transitional housing delivery (see update on Recommendation 29), representing the diversity of barriers, opportunities and transitional housing delivery (see update on Recommendation 25), representing the diversity of barriers, opportunities and needs across the housing system. First Home Buyer Support The First Home Products support aligible first home buyers to overcome the deposit barrier, The First Home products to increase uptake, make buying a home more accessible to first home buyers, and target groups with lower uptake; that is Maori, Pacific peoples, and individual buyers with children or dependent adults in their household. In 2021/2022, 5,760 grants, were bagin, and 650 homes were bought using the loan. The Progressive Homeownership Scheme has also been established to help between 1,500 and 4,000 to middle income households to access shared ownership, rent-to-buy, or leasehold arrangements to set pint home ownership. | Rec # | WEAG Recommendation | Content from the 2022 Cabinet paper on the welfare overhaul work programme | Updates |
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| to unlock productivity growth and making houses more affordable. Boosting sector capacity and capability through initiatives such as the Construction Sector Accord, Immigration Rebalance and extension of the Apprenticeship Boost to further support trades training. Changes to tax settings to make the tax system fairer for owner-accupiers by reducing demand from rew housing. The Government has also scaled up direct investment in infrastructure provision, government-led development, and partnerships to deliver more affordable homes. These initiatives are necessary complements to the Governments but he devernment and partnerships to deliver more affordable homes. These initiatives are necessary complements to the Government but he devernment in infrastructure provision, government-led development, and partnerships to deliver more affordable homes. These initiatives are necessary complements to the Government spublic and transitional housing delivery (see update on Recommendation 29), representing the diversity of barriers, opportunities and needs across the housing system. First Home Buyer Support The First Home Products support aligible first home buyers to overcome the deposit barrier, The First Home Loan reduces the than what is normally required by banks. The grant provides a subsidy of up to \$10,000 per person to put the household. In 2021/2022, \$760 grants verify peoples, and individual buyers products to increase uptake, make buying a home more accessible to first home buyers, and target groups with lower uptake; that is Maor, Pacific peoples, and individual buyers developed and the products to increase uptake, make buying a home more accessible to first home buyers paid, and \$50 homes were bought using the loan. The Progressive Homeownership Scheme has also been established to help between \$1,500 and 4,000 low to middle income households to access shared ownership, rent-to-buy, or leasehold arrangements to step into home ownership. | | | • • | (Changes since late-2022 and current status) |
| to address housing shortage and put downward pressure on house prices. Changes to income caps and additional | | Release | Comprehensive review of the building consenting system to unlock productivity growth and making houses more affordable. Boosting sector capacity and capability through initiatives such as the Construction Sector Accord, Immigration Rebalance and extension of the Apprenticeship Boost to further support trades training. Changes to tax settings to make the tax system fairer for owner-occupiers by reducing demand from speculators and investors, while maintaining demand for new housing. The Government has also scaled up direct investment in infrastructure provision, government-led development, and partnerships to deliver more affordable homes. These initiatives are necessary complements to the Government's public and transitional housing delivery (see update on Recommendation 29), representing the diversity of barriers, opportunities and needs across the housing system. First Home Buyer Support The First Home Products support eligible first home buyers to overcome the deposit barrier. The First Home Loan reduces the minimum deposit requirement to five percent, which is lower than what is normally required by banks. The grant provides a subsidy of up to \$10,000 per person to put towards the deposit. In May 2022, changes were made to the First Home Products to increase uptake, make buying a home more accessible to first home buyers, and target groups with lower uptake; that is Māori, Pacific peoples, and individual buyers with children or dependent adults in their household. In 2021/2022, 5,760 grants were paid, and 650 homes were bought using the loan, however Budget 2022 funding enables an additional 7,000 grants and 2,500 more homes bought using the loan. The Progressive Homeownership Scheme has also been established to help between 1,500 and 4,000 low to middle income households to access shared ownership, rent-to-buy, or leasehold arrangements to step into home ownership. On 19 July 2022, the Government announc | • implementing the Urban Development Act, which provides for Specified Development Projects – a new way of planning and funding complex or challenging urban development projects. The Government has also scaled up direct investment in infrastructure provision, Government-led development, and partnerships to deliver more affordable homes. These initiatives are necessary complements to the Government's public and transitional housing delivery (see update on Recommendation 29), representing the diversity of barriers, opportunities and needs across the housing system. The total allocated funding under the Infrastructure Acceleration Fund (IAF) is \$926.7 million, across 30 IAF agreements. Developers are committed to delivering approximately 14,000 houses once the infrastructure is in place. However, as the infrastructure funded will unlock new land ready for development, the IAF is expected to enable 30,000 - 35,000 new homes over the next 10-15 |

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| | | Access to affordable rental housing | |
| | | The Kāinga Ora Land Programme progressed its first acquisition in 2021 with the \$70.4 million purchase of Ferncliffe Farm in the priority-growth area of Tauranga's Tauriko West and will enable delivery of approximately 1,000 more homes in Tauranga. | 082 |
| | | The implementation of the Homelessness Action Plan is driving new housing supply for Māori, including through partnering with Iwi, hapū and marae and providing funding to Māori Community Housing providers to increase supply (for example through He Taupua funding). | Č |
| | | The Affordable Housing Fund, noted in recommendation 30, will also support the development of affordable homes for low-to-moderate income families and whānau through partnerships with a range of community housing providers, Māori and iwi, councils, philanthropic organisations, developers, and investors. | |
| | | Infrastructure Investment | |
| | | Cabinet has allocated \$2.3 billion from the Housing Acceleration Fund (HAF) to support Large Scale Projects across Auckland and Eastern Porirua. This will fund infrastructure required to support housing growth and enable public houses that have reached the end of their useful life to be replaced with warm, dry, fit-for-purpose homes. | |
| | | The investment in Auckland will enable build out of around 17,800 homes (13,400 net new homes) on Kāinga Ora land, including 6,500 public homes (an uplift of around 2,100 public homes), and a remaining mix of affordable and market housing. The infrastructure capacity provided by these projects has the potential to unlock a further 11,000 homes on surrounding privately owned | |
| | 06/69/2 | Iand. The investment in Eastern Porirua will enable around 744 new homes (558 net new homes) on Kāinga Ora land, including 286 public homes (an uplift of around 100 public homes), 401 affordable homes (300 of which are market homes intended to be made affordable through the Porirua Pacific Housing Initiative), and 57 market homes. | |
| | \$-ex | The Infrastructure Acceleration Fund has been established and one fast-tracked project was signed in December 2021 to enable over 400 additional homes at Kenepuru Landing in Porirua. Around \$376 million has been allocated to two additional projects estimated to support 20,000 new homes in areas of high housing need. | |

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| 35 | Establish an effective employment service of the Ministry of Social Development so it is better able to assist people to obtain and keep good, sustainable work. | In 2019, this Government invested in supporting people into meaningful and sustainable employment through several Budget 2019 initiatives: • new frontline staff to help support people into meaningful work • boosting Mana in Mahi to extend places available for young people to access an apprenticeship or industry training qualification and be provided with pastoral care to support them into long-term sustainable employment, and • additional funding to support disabled people and people with health conditions into employment through Oranga Mahi, disability Employment Services and Support Funds. We began further work on supporting positive social and employment outcomes, including through strengthening MSD's employment services to proactively support people experiencing difficulty in finding or staying in employment. COVID-19 affected the planned trajectory of implementing this vision, as demand for income support and employment services drove the need to respond to more New Zealanders who had previously not interacted with MSD and typically only needed short -term assistance to navigate the labour market. These low-intensity investments were provided digitally and over the phone to support people into employment, and included: • digital service offerings such as Click to Enrol • early response initiatives such as Rapid Response Teams and the Rapid Return to Work Service, and • all of government coordination of delivery of initiatives | You have been very clear that employment and effective employment interventions are a key priority. The Te Pae Tawhiti Programme will deliver a new digital employment service and strengthened service model for job seekers, employers, and training providers that integrates with the income support system and is able to work with digital services in the employment market. The digital employment service will be introduced from early 2025. Budget 2023 included: • funding to extend the all-of-government Connected service for two years • funding to extend the Early Response Teams for one year to the end of June 2024 • funding to continue to support people with health conditions and disabilities through the Oranga Mahi programme to June 2025 • an extension to the Apprenticeship Boost Initiative to the end of December 2024 • funding to improve and grow the Direct Career Guidance Service for people who want to transition into new or different work (including both a phone service and a face-to-face service located in Connected spaces in MSD service centres) • funding for Click to Enrol • staffing for Rapid Return to Work. |
| 36 | Revamp active labour market, employment and training policies across government to make them more coherent and effective. | In response to the impact of COVID-19, MSD received funding to meet the increased demand for employment services, products and staff. Through 2020, funding was secured for: • increasing frontline income, housing and employment staff • meeting the increased demand for employment products and services • expanding Flexi-Wage over the next two years (including ring-fenced funding for Flexi-Wage Self -Employment) • expanding Mana in Mahi to increase the level of support provided to participants and employers, expand the target cohort to people at risk of long-term benefit receipt (not just young people), and extend the length of time | The cross-agency Review of Active Labour Market Programmes (ALMP Review), jointly led by MSD and MBIE, was carried out between 2021-2023. The Review, agreed by the Employment, Education and Training Ministerial Group: • built an evidence base of what ALMPs work well and for whom (including the barriers and challenges New Zealanders face entering and re- entering the labour market), to inform policy development and resource allocation • identified gaps in ALMPs for disabled people and economically displaced workers, and created work programmes to address those gaps |

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| | | overhaul work programme Note: This is a product of the previous Government. | (Changes since late-2022 and current status) |
| | Release | someone can be supported through the programme from one year to two years. Reinstating the Training Incentive Allowance until 2025. Through Budget 2021, funding was secured for: meeting the increased demand for employment products and services retaining the additional frontline employment and income support staff brought on to help people impacted by COVID-19, and reinstating the Training Incentive Allowance over the next four years to provide additional study support at levels 4-7 on the NZQF to sole parents on benefits as well as disabled people and carers receiving the Supported Living Payment. Budget 2022 included: funding to improve equitable access to driver licences, funding MSD contracted driver licence support for up to 64,000 people over 4 years. \$10.908m over two years to support MSD to continue current Mana in Mahi first-year settings as a one-year programme from 5 August 2022. an extension to the Apprenticeship Boost Initiative to the end of December 2023. an additional \$66.202m for the Māori Trades and Training Fund to support by-Māori-for-Māori employment-focused training programmes over the next three years. In May 2022, the Government agreed to expand MSD's role in providing employment services to people at risk of poor labour market outcomes, whether they're on benefit or not, with a focus on those who most need support i.e. people with a high risk of long-term benefit receipt or other key priority groups who interact with the benefit system, such as sole parents and disabled people (CAB-22-MIN-0189 refers). The Government is also progressing several longer-term workstreams, including: strengthening employment services through investment in digital services and proactively supporting workers at risk of poor labour market outcomes and employers addressing barriers to employment through the crossagency driver licensing work programme and childcare assistance review | developed cross-agency principles to guide the introduction of any new ALMPs and effective allocation of expenditure on new and existing ALMPs across government began development of a resource (The Monitoring and Evaluation Framework) that guides agencies to adopt more standardised data collection, best practice approaches of monitoring and evaluation of ALMPs is underway. Provide an employment service that supports people into good and appropriate work: As part of post-COVID work on clarifying the existing operating model for employment and defining priority cohort clients, MSD has more recently implemented a renewed focus on employment-related information at the new application for financial assistance stage, such as ensuring job seeker profiles are completed and a current CV is uploaded to the client record. MSD is working on establishing a modern integrated digital employment service to transform our ability to match clients to jobs and training, provide staff with better tools (such as being able to digitally monitor and report on clients' job search activities), and, through self-service options for clients and employers. This will improve the efficiency of MSD's employment services so that staff can focus more on those for whom face-to-face conversations are most effective. |

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| | | better calibrating the immigration system to balance the need for skilled migrants and the need to maintain the domestic workforce, and aligning to the Employment Strategy and supporting implementation of the seven Employment Action Plans. | 082 |
| | | The Government is undertaking a cross-agency Review of Active Labour Market Programmes (ALMP Review), jointly led by MBIE and MSD, with the Employment, Education and Training Ministerial Group (EETMG) agreeing in June 2022 to work to address gaps in employment support for displaced workers and disabled people, including people with health conditions. EETMG also agreed to options to strengthen the ALMP system through application of investment principles to new services and by identifying opportunities to improve monitoring and evaluation of ALMPs across government. | Č |
| 37 | Strengthen the Ministry of Social Development's redundancy support policies to better support displaced workers. | The Government has implemented various policies in response to COVID-19 that directly address redundancy support for displaced workers. These included: | The Government has stopped work on the New Zealand Income Insurance Scheme. |
| | | setting up supports such as the wage subsidy to limit redundancies introducing the temporary COVID-19 income relief payment to ease transitions for displaced workers, and | |
| | | the temporary removal of the initial income stand-down period to quicken access to a main benefit for those who needed it, until 25 July 2021. | |
| | | The Government has undertaken significant work to explore the feasibility of introducing a New Zealand Income Insurance Scheme, to better support displaced workers, including those leaving work due to a health condition or a disability. Public consultation on the scheme took place over a three-month period between February and April 2022. In July, Cabinet made | |
| | 20/035 | decisions on the policy design but final decisions on outstanding policy issues, including replacement rate and levy structure, coverage for self-employed, and bridging payment eligibility, will be considered by Cabinet on 25 October to inform the drafting for the Bill, which is expected to be introduced in December 2022. Agencies (MSD, TSY, IRD, MBIE, DPMC, ACC) are continuing to work together to develop the policy, support the legislation drafting process and implementation of the | |
| | | proposed scheme. The expected launch date is 2025. The Direct Career Guidance Service has been transferred from TEC to MSD as of July 2022, and work is ongoing to ensure that professional career support is available to displaced workers." | |
| | | MSD will also continue to respond to larger-scale redundancy events with its Early Response Teams. | |

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| 38 | Abolish, in the Youth Service, compulsory money management, and separate case management from youth mentoring so it is consistent with and has a positive youth development focus. | Consultation with young people and providers was completed in 2019. Further advice was provided and it was agreed that compulsory redirections would be maintained, but the payment card for compulsory money management purposes would be abolished, with any remaining money after redirections going to the young person's bank account (REP/21/5/537 refers). Maintaining compulsory redirections will ensure young people can meet essential household needs and expenses. Removing the Payment Card responds to issues raised such as having limited access to goods and services and contributing to debt, and allows all Youth Payment (YP) and Young Parent Payment (YPP) recipients greater freedom to exercise their budgeting skills. The recommended option also aligns with the wider welfare overhaul work programme, by increasing trust between YP and YPP recipients and MSD, and aligns with the Youth Plan's focus of encouraging youth decision making and autonomy. Further work is also underway through the Oranga Tamariki Action Plan about how to better support young people who have recently left Oranga Tamariki care or who have a previous connection. This will include exploration on intensive case management for this cohort. | We will provide advice to you in coming weeks on the Welfare that Works model, which aims to shift young people who have been unable to enter the workforce in a fulfilling way off welfare and into work. Specifically, contracting not-for-profit community providers, such as non-government organisations or iwi, to provide Job Coach support to young people between 18 to 24 years old who have been on Jobseeker Support for three or more months. Under the Welfare that Works Model, someone who fails to undertake or complete the activities agreed to in their Individualised Plan will face sanctions from MSD, which could include a temporary or permanent reduction in their benefit, as well as compulsory money management as a non-financial sanction. As part of our advice, MSD will consider commonalities, differences, and interactions between Welfare that Works and the existing Youth Service model. For instance, we will look at: SEQUICION See also current status work relating to recommendation 38 above. |
| 39 | Use evidence-based approaches that support young people to be learning, earning and, where young people are parents, caring. These approaches need to build on the strengths of young people and provide a basis for their long-term engagement with the changing world of work. | MSD has several programmes that support youth development, including He Poutama Rangatahi, Mana in Mahi and Apprenticeship Boost (the latter two are open to all groups, with relatively high take up among young people). Further work is being progressed on: • reviewing the expanded Mana in Mahi offering • continuing to fund He Poutama Rangatahi • supporting the implementation the Youth Employment Action Plan, as well as actions in the other Employment Action Plans that improve outcomes for young people, and • developing the cross-agency long-term insights briefing on Preparing All Young People for Satisfying and Rewarding Working Lives. | He Poutama Rangatahi has expanded from 31 active programmes in seven regions in June 2020 to over 80 nationwide currently (December 2023). The Education to Employment (E2E) is a collaboration between MSD and the Ministry of Education to help provide school students with pathways to employment. E2E is available nationwide and is targeted towards secondary school students. It aims to strengthen connections between schools and employers to raise awareness of trades as a career pathway and support students in the transition to higher education, training and employment in their local labour market. Funding for the FTE of the E2E Brokers has been secured until June 2025. See also content in recommendation 38 above. |

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| | | This will also be done in alignment with the Oranga Tamariki Action Plan and cross-agency work to ensure young people are supported through transitions out of care. | 1982 |
| 40 | Improve the health and wellbeing of people with health conditions and disabilities, along with carers of people with health conditions and disabilities who interact with the welfare system by: • providing financial support that is adequate to live a life with dignity and is equitable across the social sector • implementing evidence-based approaches to support engagement in good, suitable work and the community where this is possible • implementing strategies to prevent work-limiting health conditions and disabilities. | A Budget 2021 bid to improve the subsequent work capacity medical certificate process for Jobseeker Support – Health Condition and Disability was progressed and implemented in early 2022. People with health conditions and disabilities needing support from the welfare system will have benefited from wider steps taken to improve income adequacy (e.g. raising main benefits and annual indexation of main benefits in line with wage growth). Financial assistance for disabled people and people with health conditions and their carers will be reviewed as part of the longer term welfare overhaul work programme. In 2019, Government provided additional funding to support disabled people and people with health conditions into employment through Oranga Mahi (including Individual Placement Support), disability Employment Services and Support Funds. Clients with health conditions and disabilities seeking work will also benefit from funding provided to expand MSD's employment supports and services (see above). The ALMP Review is considering options to address gaps in support for disabled people, including people with health conditions (see recommendations 35 and 36). As noted earlier, further advice on relationship rules will be prioritised for cohorts who are unable to work which can include those with health conditions or disabilities. | The Oranga Mahi suite of programmes includes Here Toitū, a free 12-month dedicated support service for people currently on a benefit or at risk of receiving a benefit due to health conditions or disabilities. In 2023, Here Toitū 'Responding Early' has been developed particularly for those who are striving to keep their job while managing a health condition or disability. In addition, online pastoral care services Puāwaitanga (counselling) and Whītiki Tauā (mentoring) have been further extended and ease of access improved. Further funding was received in Budget 2023 to continue the Oranga Mahi programme to June 2025, with the aim to support 6,000 individuals affected by disability or health conditions to reduce their time away from the labour market by addressing health and well-being barriers. The next two years will allow for evaluations to be completed to assess the effectiveness of the services, which will provide insights to determine the programmes continuation beyond June 2025. Oranga mahi delivery has generally been small scale and received time-limited funding. Work is currently underway to review guidance around how staff determine relationships for benefit eligibility. This should work towards ensuring disabled people and people with health conditions have access to full and correct entitlement and work to decrease overall material hardship. We are also updating our understanding of the additional cost of disability. That is, the additional costs that disabled people incur as a result of their disability that non-disabled people would not (e.g., accessibility related renovations on their homes, additional cost of transport for public and private vehicles). An increased understanding of cost of disability could lead to improvements to Disability Allowance and/or Child Disability Allowance, which are supports that aim to help with additional costs of disability. As part of the response to the Employment Action Plan for disability (Working Matters), MSD completed a discovery phase of work to explore |

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| 41 | Include in the scope of the New Zealand Health and Disability System Review the relationship between the health and disability system and the accident compensation scheme and how the relationship between these and the welfare system could be changed to improve outcomes for people with health conditions and disabilities and carers. | The Government recognises that improvements in outcomes for people with health conditions and disabilities requires greater integration across systems. The proposed New Zealand Income Insurance scheme will go some way to addressing the current inequity whereby a person who experiences an accident can receive much more support than a person with a non-accident related health condition or disability, despite a similar loss of ability to work. Further work to improve the interfaces between MSD and other agencies working with people with health conditions and disabilities will need to consider broad-ranging work currently underway (e.g. reform of the health and disability system, social insurance, Mahi Aroha). underway (e.g. reform of the health and disability system, Mahi Aroha, Disability Action Plan, | Employment (CE) as a targeted ALMP for disabled people furthest from the labour market. Funding was also received through Budget 2023 to test delivery of vocational rehabilitation and pain management services from ACC providers in two regions and deliver them to people living with musculoskeletal pain or impairments. These supports are designed to support people to either stay in work or return to work through coordination between health, rehabilitation and employment professionals, as well as employers. Though the ALMP review, the relationship with Ministry of Health was strengthened to better support people with disabilities and health conditions. In practice the New Zealand Health and Disability review did not explore the relationship with the welfare system to a great extent. |

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| 42 | Direct the Ministry of Social Development to develop the capacity and capability to engage with, promote and fund community organisations to provide wideranging opportunities for volunteers and people receiving benefits to be meaningfully engaged in their communities. | Cabinet has recently agreed to a Social Sector Commissioning Action Plan 2022 to 2028 (SWC-22-MIN-140) which seeks to embed a relational approach to commissioning. Relational approaches to commissioning that emphasise building relationships between all parties so they can focus on what is important to the person, family and whānau. Under relational approaches to commissioning, people, families and whānau (including beneficiaries) seeking support are actively engaged in the process of building the life they are seeking. Volunteers can play make significant role in supporting people, families and whānau to be connected to their community. | You have been clear that an active and empowered community sector including volunteering is a priority. Improving MSD's approach to commissioning is being progressed as part of Te Pae Tawhiti Programme. In Horizon One, the focus is on replacing at risk technology and identifying opportunities to test and learn about our approach to commissioning for social services covering procurement, investment, contracting, and reporting. Other supporting initiatives: The Flexi-wage Project in the Community (FWPIC) – offers a unique wage subsidy opportunity administered by MSD, designed to financially support community organisations to employ prospective staff for a period of time. This has meant voluntary staff in community organisations are provided with a paid employment opportunity, before deciding on the next step to either enter into a course of tertiary study e.g., social work or review their employment pathway. FWPIC – features an opportunity to maintain employment for existing staff who face redundancy or where community organisations maybe between funding periods. |