



28 March 2025

Tēnā koe

Official Information Act request

Thank you for your email of 3 March 2025, requesting information about copies of four reports from January 2025. I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below.

The following reports are released in full:

- **REP/24/12/1132** – Report - *Care in the Community evaluation findings*
- **REP/24/11/1076** – Aide-memoire – *Achieving NCEA Level 2 and the effects on material hardship.*
- **REP/25/1/005** – Report - *Quarterly Employment Reporting Suite Summary*

The following report is released in part:

- **REP/25/1/028** – Report – *Quarterly Reporting on the Jobseeker Support Target*

Please note paragraph 23 of this report, which states that this analysis was conducted on an ad-hoc basis for information only. As such, the calculations used are not an official measure of duration and will not match official numbers.


Additionally, some information in this report 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

p.p. 

Anna Graham
General Manager
Ministerial and Executive Services

Aide-mémoire



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

Date: 27 November 2024 **Security Level:** IN-CONFIDENCE
For: Hon Louise Upston, Minister for Child Poverty Reduction
File Reference: REP/24/11/1076

Achieving NCEA Level 2 and the effects on material hardship

Background

This note responds to a request from your office seeking advice on the effects of NCEA Level 2 (NCEA L2) achievement on the long-term risk of experiencing material hardship.

It presents high-level information about the relationship between qualifications and the risk of material hardship. It also summarises some recent findings on the association between NCEA L2 achievement and future earnings.

Summary of key points

There is a well-established positive relationship between qualifications, employment and income.

While material hardship is influenced by a range of factors, income plays an important role.

One of the key mechanisms for addressing material hardship is to increase household incomes, particularly for those at the lower end of the income distribution.

Actions to increase the qualification levels of school leavers are likely to result in these individuals earning higher incomes over their lifetimes, and a reduced likelihood of unemployment. This in turn is likely to reduce the likelihood that they and their children will experience material hardship.

There is also evidence that growing up in a low-income household increases the risk of low educational attainment. To the extent this in turn increases the risk of poverty later in life, this is likely to drive the transmission of poverty and disadvantage across generations.

However, given the range of variables that influence material hardship, and other uncertainties (e.g. economic and labour market factors), we cannot quantify the scale and timing of any impact of increased educational achievement on measured child material hardship rates.

There is a well-established link between qualifications and earnings

An NCEA L2 qualification is regarded as the desirable minimum level of educational attainment needed to participate in tertiary education, support entry to the workforce and facilitate full participation in society.

Studies looking at the relationship between educational achievement and material hardship tend to focus on the impact of material hardship on educational achievement – there is limited evidence in the opposite direction.

However, there is strong evidence that income is the most significant factor that influences whether a household is in material hardship. We have therefore looked at evidence of the relationship between educational attainment and future incomes.

There is a well-established and substantial body of national and international data on the link between education and earnings. The data invariably show people with higher-level qualifications, on average, earn more than those with lower levels.¹

Higher levels of qualification tend to increase the chances of gaining, and staying in, employment and receiving higher pay. Having a higher qualification is a protective factor against unemployment. It also has a cumulative effect on future earnings, as people with higher qualifications are more likely participate in further and ongoing education and training, further increasing their earnings over time.

¹ Scott, D. (2020, June). *Education and earnings. A New Zealand update*. Education Counts. <https://www.educationcounts.govt.nz/publications/80898/education-and-earnings>

In this note we have focused on the evidence from New Zealand because the returns of education are highly country specific.

Across all the evidence reviewed here, it is important to be aware of three main limitations.

- The evidence is correlational. While there is likely to be a causal impact of educational attainment on earnings, some of the association is likely to be because other factors (like individual and family circumstances) may cause both lower educational attainment and lower future earnings.
- The evidence is retrospective. The future relationship between attainment and earnings is highly dependent on the economy, the future of work and policy settings.
- Future earnings are only a proxy for the risk of material hardship. Income is a very important determinant of material hardship, but a wide range of other factors, like differences in unavoidable costs (e.g. the costs of disability), also influence material hardship rates.

Evidence shows a strong correlation between achieving NCEA L2 and higher future earnings

Ministry of Education analysis from 2020 found students who left school with NCEA L2 in 2009 earned, on average, nearly twice as much nine years later as those who left school with no qualifications, and 17 percent more than those who left school with NCEA L1.²

72 percent of those with NCEA L2 are in employment after 9 years, compared to 64 percent with NCEA L1 and 45 percent with no qualification.

Annual average earnings after 9 years for people that achieved NCEA L2 as their highest qualification was \$35,000. Whether a person with this level of income is in material hardship will depend on their wider circumstances and household characteristics. These differences relate to the whole cohort of people with NCEA L2 (workers and non-workers), and therefore reflects both

² Scott, D. (2020, June). *Education and earnings. A New Zealand update*. Education Counts. <https://www.educationcounts.govt.nz/publications/80898/education-and-earnings>

| | |
|---|---|
| | the benefit of getting employment, and the benefit once in employment. |
| Evidence shows a relationship between level of education and being in material hardship | MSD's 2022 Child Poverty Report shows that 32 percent of children in households without formal educational qualifications live in material hardship. This compares to 21 per cent for children in households with a school qualification (i.e. NCEA L1-3 or equivalent), 16 percent with a non-degree post-school qualification, and 4 percent with a bachelor's degree. This report also shows that 43 percent of children in workless households are in material hardship, compared to 7 percent of children in households with at least one full-time worker. |
| MSD's Social Outcomes Model (SOM) provides insights on the relationship between NCEA L2, unemployment and income | <p>Data from MSD's 2023 Social Outcomes Model (SOM)³ shows that young (20–30-year-old) New Zealanders who don't have NCEA L2 qualifications (compared with those with NCEA L2 or above), on average over the next ten years are estimated to be:</p> <ul style="list-style-type: none"> • nearly five times (4.7x) more likely to be continuously unemployed (18.2% vs 3.9%) • about three times (2.8x) as likely to be unemployed for more than five years (47.9% vs 17.0%) • about four times (3.8 x) more likely to have continuously low income (14.5% vs 3.8%) • twice as likely (2.1 x) to have low income for more than five years (53.0% vs 25.6%) • twice as likely (2.2x) to spend some time on a main benefit (63.3% vs 29.1%) • about six times (6.1x) as likely to be continuously on a main benefit (15.3% vs 2.5%) • about four times more likely (4.1x) to spend more than five years on a main benefit (38.6% vs 9.3%). <p>As noted in relation to the other evidence reviewed here, the SOM is a correlative, rather than a causative, model.</p> |

³ Key data definitions and caveats to these data are described in Appendix 1. See Appendix 2 for the SOM data in graph form.

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Responsible manager: Hannah Kerr, Director, Child Wellbeing and Poverty Reduction

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Appendix 1: Key data definitions and caveats that apply to the analysis presented using MSD's Social Outcomes Model.

Unemployed means earning less than the equivalent of 20 hours per week at the minimum wage, so this will include people earning less than this threshold.

Continuously unemployed means earning below this threshold every quarter for the next ten years.

Unemployed for more than five years means earning below this income threshold for more than half (of the quarters in) the next ten years, but these do not have to be continuous.

Low income means earning less than the equivalent of 40 hours per week at the minimum wage, so this will include people earning less than this threshold.

The data used to produce the estimates from the Social Outcomes Model are from Stats NZ's IDI.

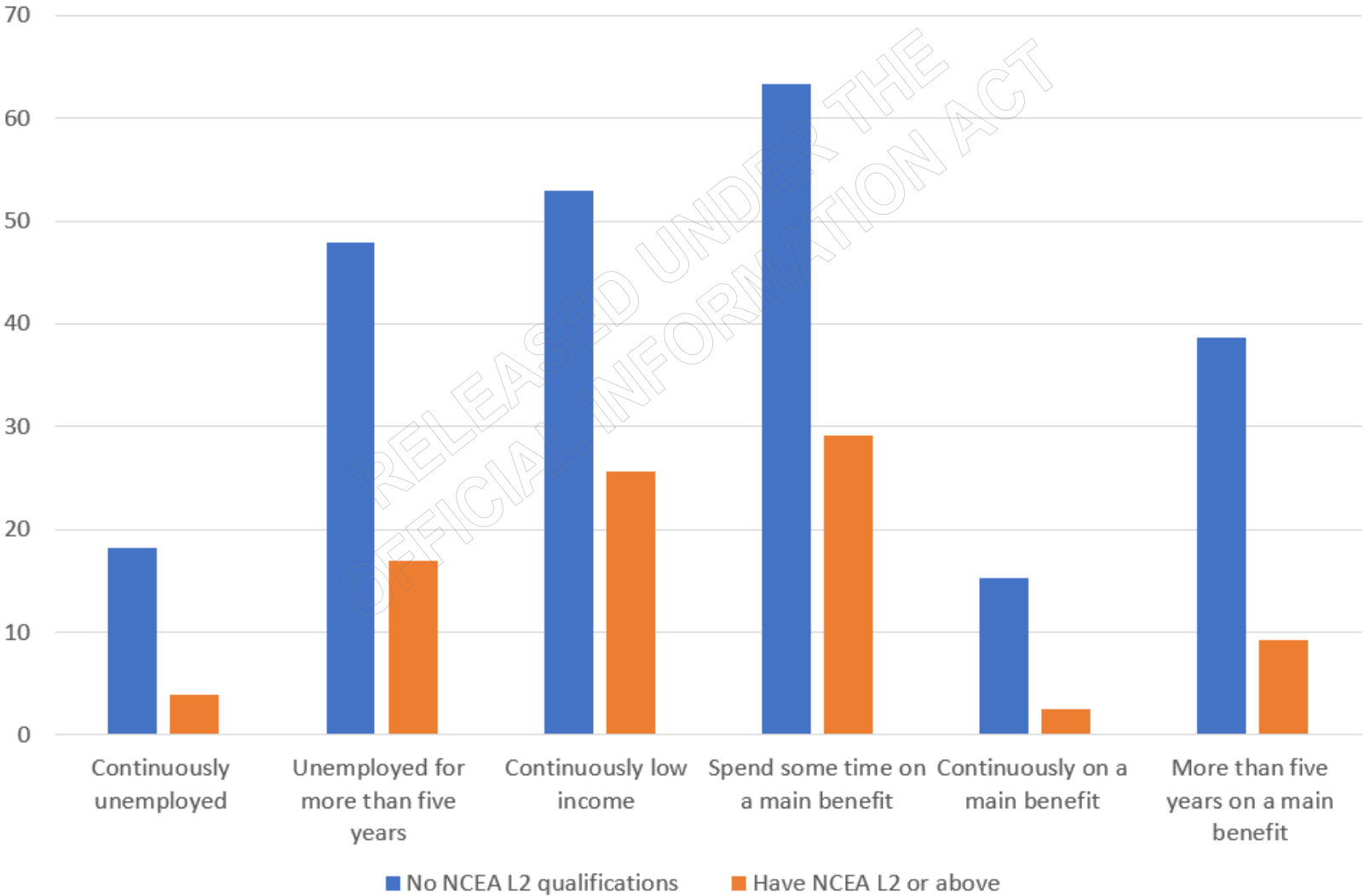
IDI disclaimer:

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Statistics Act 1975. The results presented in this study are the work of the authors, not Stats NZ or individual data suppliers.

These results are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI) which is carefully managed by Stats NZ. For more information about the IDI please visit <https://www.stats.govt.nz/integrated-data/>

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes and is not related to the data's ability to support Inland Revenue's core operational requirements.

Appendix 2: SOM modelling





Report

Date: 24/1/25 **Security level:** IN CONFIDENCE

To: Hon Louise Upston, Minister for Social Development and
Employment

Care in the Community evaluation findings

REP/24/12/1132

Purpose

1. The Care in the Community (CiC) welfare response ran from November 2021 until September 2022 and provided households with support to safely isolate and minimise the transmission of COVID-19.
2. The report provides you with an overview and key findings from evaluation of the CiC welfare response.

Recommended actions

3. It is recommended that you:
 - a. **note** that the evaluation was undertaken to understand implementation and outcomes of the CiC welfare response
 - b. **note** that the evaluation found the CiC welfare response was successful in enabling households to isolate safely, and that support was timely, respectful, and tailored to household needs
 - c. **note** that MSD intends to publish the three evaluation reports (survey workstream report, case study workstream report, synthesis report) and evaluation overview A3 pack on the MSD website in February 2025

d. **note** that we will work with your office on the timing of the release.



Sacha O'Dea
Deputy Chief Executive, Strategy and
Insights

21/1/25

Date



Hon Louise Upston
Minister for Social Development and
Employment

20250129

Date

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Background

4. In November 2021, the government introduced the Care in the Community (CiC) welfare response in the unprecedented context of the COVID-19 pandemic. Led by the Ministry of Social Development (MSD), the response involved a locally-led, regionally-enabled and nationally supported approach to enable people to safely self-isolate and minimise the transmission of COVID-19.
5. This included community providers taking a leading role in the response, overseen by Regional Leadership Groups and Regional Public Service Commissioners, and with the support of central government. The welfare response connected people in need of assistance with a broad range of government and community supports, including supports available through trusted local providers.
6. MSD rapidly established new systems and processes in support of the CiC welfare response, including coordination, the triage of referrals, management of communications, and delivery of support. This required MSD to reassign Service Delivery staff to support the welfare response, while still ensuring the continuation of its business-as-usual operations to assist individuals and households (e.g., through Work and Income services and supports).
7. In 2022, MSD undertook a real-time evaluation of the welfare response to produce rapid insights and inform ongoing decision-making. Findings from the real-time evaluation were published on the MSD website in early 2023.
8. In 2023, MSD conducted an outcomes-focused evaluation of the welfare response. The outcomes-focused evaluation focused on the innovative partnerships within the locally-led, regionally-enabled, and nationally supported model that enabled delivery of the response. It also explored the outcomes achieved through the CiC welfare response, particularly for individuals, families and whānau supported through the response.
9. The evaluation did not aim to explore the role of MSD's range of regular supports and services (e.g., programmes and services provided through Work and Income; income, employment and housing supports) in facilitating self-isolation.
10. The outcomes-focused evaluation consisted of two externally contracted workstreams, including:
 - a. A survey workstream (undertaken by Allen + Clarke) exploring the welfare response through interviews with key central government stakeholders and surveys of Regional Leadership Group members, community providers, Community Connectors, and households that received CiC welfare support.

- b. A case study workstream (undertaken by Kaipuke Ltd.) exploring the regional mechanisms of the welfare response through interviews with regional leaders across six case study regions.
11. In 2024, MSD developed a synthesis of findings from the real-time evaluation and outcomes-focused evaluation.
 12. The three evaluation reports (survey workstream report, case study workstream report, synthesis report) have been completed. The appended evaluation overview A3 pack has been produced to summarise and accompany the reports.
 13. The synthesis report was shared in confidence with Royal Commission of Inquiry (RCOI) into the COVID-19 welfare response, alongside the real-time evaluation. The RCOI's Lessons Learned report, released 28 November 2024, noted that the CiC welfare response is an "initiative that offers a model that should be used in future pandemics, may have utility in other crises, and has lessons for service provision in non-emergency times".¹

Key evaluation findings

The welfare response was successful in enabling households to isolate safely, and local level efforts were critical to its success

14. The majority of households (83%) reported that the support they received through the CiC welfare response enabled them to isolate safely.
15. Households most urgently needed and valued food support. The majority of households reported that food support arrived when they needed it (92%), enabled them to self-isolate without going hungry (84%), made them feel supported (90%), and reduced mental and financial stress (83% and 86% respectively). The provision of food support helped community providers and government agencies to develop relationships with households. This, in turn, increased the willingness of people to seek support for other needs, including among people who had not previously engaged with government or community supports.
16. Community Connectors were the 'face' of the welfare response and identified what each household needed to stay home through their isolation period. The majority of households agreed that their Community Connector understood their household's needs (92%), and that they had been respectful (90%), timely (86%), easy to talk to (87%), and built trust with their household (80%).
17. Evaluation participants attributed the success of the welfare response to trust in community providers and Community Connectors. Their understanding of

¹ New Zealand Royal Commission. (2024). *Lessons from COVID-19 to prepare Aotearoa New Zealand for a future pandemic*.

local needs increased the reach of the response to people who may have otherwise been unable to access it.

Regional leadership mechanisms mostly worked well in providing coordination and oversight of the welfare response in the regions

18. The evaluation found that Regional Public Service Commissioners (RPSCs) used their existing intersectoral relationships to assemble broad-based Regional Leadership Groups (RLGs). In most regions, iwi were represented on RLGs or otherwise involved in decision-making, though representation was less consistently sought for Pacific peoples and other priority groups (e.g., disabled people, older people, ethnic communities).
19. Harnessing local level 'intel', RLGs successfully worked to identify and resolve issues in the regional delivery of the welfare response (e.g., ensuring access to community facilities for local providers). Where necessary, RLGs escalated barriers to local delivery to central government. Community providers acknowledged the value of RLGs in aiding local level delivery, with 86% agreeing that they were well supported by their RLG to deliver the response.

Investment in iwi participation, high trust commissioning practices and joined up government collaboration at the national level supported delivery of the welfare response

20. The investment in resourcing iwi involvement at the regional leadership level was perceived as a commitment to Te Tiriti o Waitangi and a positive example of Crown/Māori partnership.
21. High trust commissioning and flexible contracts allowed community providers and Community Connectors to be agile in responding to the changing needs of their communities. Community providers' most highly rated aspect of the contracting model was certainty of funding, which enabled quick delivery of support. However, resourcing was not always sufficient to maintain provider workforces.
22. Implementation was well-supported by MSD's operational infrastructure and efforts, which included redirecting Service Delivery staff to provide coordination, the triage of referrals, management of communications, and delivery of support.
23. All of Government collaboration developed a sense of collective responsibility for the welfare response. While the CiC model demonstrated a shift towards regional leadership, some RLGs felt that central government had not considered local and regional guidance in their decision-making. Incompatible IT systems and the lack of appropriate data sharing agreements also hindered triage of referrals between agencies at times.

Evaluation limitations

24. A mixed methods approach was used to collect a combination of qualitative and quantitative data for the evaluation. Data collection methods included document review, surveys of different stakeholder groups, regional case studies, and interviews. These methods were used to converge on evaluation findings and help to strengthen their validity.
25. Findings are limited in their generalisability and representativeness. Evaluation limitations include the following:
- a. The Ministry of Health was unable to share unit record information about positive COVID-19 cases with MSD. This meant it was not possible to identify who needed support to isolate and the extent to which these needs were met through the response.
 - b. There was no way to identify the total population that received CiC welfare support. While community providers completed weekly estimates of the number of households they had supported, there was no expectation that providers capture personal details from households supported or that they share this information with MSD.
 - c. Exploring value for money was not feasible because of the difficulty identifying how costs were allocated across the range of welfare response activities and the challenges determining the role of the welfare response in producing outcomes.
26. There are opportunities to collect information that would enable a value for money assessment if a similar initiative or response is rolled out in the future. For example, ensuring that relevant agencies and community organisations share unit record information so that this can be matched to data within MSD source systems or other data within the IDI.
27. The appended evaluation overview A3 pack and synthesis report provide a more comprehensive explanation of evaluation limitations.

Next steps

28. MSD intends to publish the three evaluation reports and the evaluation overview A3 pack on the MSD website in February 2025.
29. We will work with your office on publication including timing.

Attachments

Appendix 1: Evaluation overview A3 pack

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Responsible manager: Mat Walton, Manager, Community Insights, Evidence and Effectiveness



Care in the Community Evaluation Pack

- Context
- Limitations
- Key findings



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Context.

The Care in the Community welfare response used a locally-led, regionally-enabled and nationally supported approach to help people in need during the COVID-19 pandemic

The Care in the Community (CiC) welfare response was designed to help people remain safe and supported while they were required to isolate because of COVID-19. MSD partnered with community providers, iwi and Māori, local government, and other agencies to deliver a locally-led, regionally-enabled and nationally supported response.

This included:

- enabling Regional Public Service Commissioners (RPSCs) and Regional Leadership Groups (RLGs) to oversee planning, alignment, and delivery of welfare support in their regions
- resourcing iwi to engage and participate in RLGs
- strengthening community providers' capability and capacity
- funding Community Connectors to provide short term support to self-isolating households, and later to households impacted by COVID-19 who could not access other supports
- directing funding to food providers as well as funding to boost the infrastructure, capacity, and efficiency of local and national food organisations.

The welfare response was delivered at a time of great uncertainty and situated within a broader landscape of supports made available for people impacted by COVID-19

In October 2021, the government introduced the COVID-19 Protection Framework (CPF) to minimise the impact of COVID-19 and protect the critical systems that support people's health and wellbeing. People with COVID-19 were supported to self-isolate in the community under the CPF. The CPF was in place until mid-September 2022 but when it was first introduced it was not known how long the framework would be required.

During the CPF, CiC support was delivered by a range of health and welfare providers and overseen by multiple agencies. The Ministry of Social Development (MSD) was responsible for coordinating the CiC welfare response - an integrated package of welfare and community supports made available to isolating households. The overarching aim was to support people to stay safe at home for the duration of their isolation period, limiting the potential of further COVID-19 transmission. The Ministry of Health and MSD shared an expectation that health and welfare providers would coordinate their services as much as possible to achieve intended CPF objectives.

Projections of COVID-19 positive cases based on different scenarios were used to inform CiC responses. These projections recognised that some communities would be impacted by COVID-19 more than others due to lower vaccination rates, poor service infrastructure, and long-standing disparities in health and wellbeing access and outcomes. Projections estimated that without dedicated welfare support there would be more breaches of self-isolation, greater health risks to communities through increased transmission, and increased pressure on the health system.

The CiC welfare response was not delivered in isolation. Alongside this, there was a range of other support delivered by MSD and other agencies to address different COVID-19 impacts. This included temporary increases to eligibility for hardship assistance, the COVID-19 Wage Subsidy Scheme, and the COVID-19 Support Payment. The COVID-19 Leave Support Scheme and the COVID-19 Short Term Absence Payment were also designed to enable people to self-isolate while positive with, or awaiting test results for, COVID-19. These supports were provided on top of regular benefits and payments available via Work and Income (e.g., Special Needs Grants, Temporary Additional Support).

As MSD was responsible for managing the welfare component of the All of Government COVID-19 response, many new systems and processes were established at pace to facilitate coordination, triage referrals, organise communications and deliver support. MSD also redirected operational staff to support with the delivery of the welfare response while still maintaining BAU practices for supporting individuals and households (e.g., via Work and Income supports and services). These included:

- the Contact Centre Services team, which rapidly established and staffed a dedicated COVID-19 Welfare Line 0800 number
- the National Triage team, which facilitated and coordinated the triage response for referrals from the Ministry of Health and redirected referrals to regional case managers
- the Centralised Services and Operational Delivery team, which managed workforce coordination and assessed available resource across MSD and the amount teams could contribute without sacrificing core critical demand.



A ‘no wrong door’ approach was used to ensure broad-based access to welfare support

People could receive CiC welfare support through multiple pathways, including via the Ministry of Health, via MSD (through MSD contact centres, the MSD website, and MSD Service Centres and case managers), or directly through community organisations. MSD set up a dedicated 0800 number staffed 7-days per week and new IT supports to share information and referrals. An assessment of need was conducted through all access pathways.

The response required extensive efforts from community providers, Community Connectors, and MSD operational staff (who had to deliver the response alongside business as usual) to respond to surges in demand for support as COVID-19 case numbers increased.

During the time the CiC welfare response was in place, MSD allocated over

\$325m

to partners, iwi, service providers and community groups across Aotearoa New Zealand.

This funding enabled

500

Community Connectors

and

233

Community food providers

to deliver the response.

Over

1.3 million

food parcels were distributed to people in self-isolation, while Community Connectors supported more than

300,000

households.

MSD also provided contributory funding to

244

social service providers to enable them to pivot from their existing government contracts and deliver support to isolating households.

These costs do not reflect the total amount spent on supporting isolating households during COVID-19, including on Special Needs Grants, which were a significant component of MSD’s support for affected households.

The welfare response was adapted to respond to changing circumstances over time

Revisions were made to the CiC welfare response over time to respond to changing circumstances and needs. For example, a significant funding boost to sufficiently scale the welfare response was provided to address the Omicron outbreak. This was used to increase the Community Connector workforce, increase discretionary funding to meet non-food essential wellbeing needs, and provide further funding to foodbanks and other food organisations. When COVID-19 cases began to decline a plan was put in place to transition the focus from a crisis response to supporting communities to recover (while maintaining the capacity to shift back the focus if case numbers were to grow).

When demand for isolation support reduced, Community Connectors pivoted to providing short term support and connection with recovery and resilience supports for people impacted by COVID-19. This enabled them to respond to a broad range of emerging priorities, such as young people’s engagement in education and youth crime.

An evaluation of the welfare response was completed to identify lessons for future ways of working

A three-pronged evaluation of the CiC welfare response was conducted. This included:

- A **real-time evaluation** undertaken by MSD to generate rapid insights and inform real-time decision-making during implementation of the welfare response.
- An **outcomes-focused evaluation** to understand implementation and outcomes achieved through the welfare response. This included a survey workstream undertaken by Allen and Clarke and a case study workstream undertaken by Kaipuke Consultants Ltd.
- A **synthesis** undertaken by MSD to summarise findings from across the different evaluation activities and identify lessons for future ways of working.

Care in the Community evaluation

Limitations

The evaluation triangulated data from multiple sources to generate valuable insights about the CiC welfare response but findings are limited in their generalisability and representativeness

A mixed methods approach was used to collect a combination of qualitative and quantitative data. Data collection methods included document review, surveys of different stakeholder groups, regional case studies, and interviews. These methods were used to converge on evaluation findings and help to strengthen their validity.

The Ministry of Health was unable to share unit record information about positive COVID-19 cases with MSD. This meant there was no way for the evaluation to identify who needed support to isolate and the extent to which these needs were met through the response.

Findings reflect the perspectives of those who participated in the evaluation and cannot be considered representative or generalisable to those who did not participate. Participants included a selection of national stakeholders, community providers, Community Connectors, isolating households that received support from a community provider/Connector, and a small number of MSD Service Delivery. The evaluation did not capture perspectives of households that contacted MSD directly for support, despite this being a key referral pathway. Many participants were invested in the CiC model which may have biased their perspectives on the success of the response.

The evaluation cannot determine whether reported outcomes are a direct result of the CiC welfare response

Comparison with a counterfactual is recommended to understand whether an initiative is responsible for outcomes. This involves comparing observed outcomes to those expected if the initiative had not been implemented.

However, in rapidly changing, complex situations it can be impossible to develop an accurate estimate of what would have happened in the absence of an initiative. This is because the absence would have affected the situation in ways that cannot be predicted, as in the context of the CiC welfare response.

There were several other challenges to establishing a causal link between the CiC welfare response and observed outcomes through this evaluation:

- The primary challenge was the absence of information (data) on who was eligible for and who received welfare support (to be able to form a comparison group).
 - The CiC welfare response was designed to support people to self-isolate, and MSD was careful not to introduce barriers that may have disincentivised people from accessing support (e.g., through the use of personally identifiable information).
 - The Ministry of Health was unable to share information on COVID-19 positive cases for the purpose of monitoring and evaluation.
 - This meant it was not possible to identify the total population that received CiC welfare support. While community providers completed weekly estimates of the number of households they had supported, there was no expectation that providers capture personal details from households supported or that they share this information with MSD.

- Even with this information it would have been difficult to construct a comparison group because there would likely be differences on several key characteristics between those who accessed welfare support and those who did not.
- One data source that is commonly used for comparing outcomes between groups is the Integrated Data Infrastructure (IDI). If it was possible to identify those who were eligible for or who received support within the IDI, it would still not be possible to demonstrate a causal link between the response and any observed differences in outcomes like hospitalisation because of the difficulty separating the impact of the Omicron outbreak from the response.
- Another issue is that the IDI does not contain information on many of the intended outcomes of the response, including compliance with isolation requirements and the extent to which people felt adequately supported to remain isolated.
- The design phase of the evaluation did not consider qualitative approaches to inferring impact (e.g., theory-based, case-based, or participatory design approaches).

The inability to attribute outcomes to the CiC welfare response precluded a value for money assessment

Understanding the extent to which an initiative resulted in outcomes (both intended and unintended) is critical to be able to calculate its total costs and benefits. Exploring value for money was not feasible because of the difficulty identifying how costs were allocated across the range of welfare response activities and the challenges determining the role of the welfare response in producing outcomes.

We learned that there are opportunities to collect information that would enable a value for money assessment if a similar initiative or response is rolled out in the future

Ensuring that the right data collection systems are in place is important to be able to assess the outcomes, impact and value of any social initiative. To support future evaluation, particularly the collection of good outcomes data, it is recommended that:

- Diverse stakeholders are engaged to identify appropriate outcomes indicators (ways of knowing that change has happened) and data on these indicators is collected and available for analysis.
- Relevant agencies and community organisations share unit record information so that this can be matched to data within MSD source systems or other data within the IDI.
- Systems are in place to assure agencies and community organisations of how data will be protected and safely used. This could involve a trusted third party, such as Statistics New Zealand, having responsibility for the data and ensuring it is matched and anonymised before it is shared with MSD.

Key
findings.

The welfare response enabled households
to isolate safely which contributed to
reducing the spread COVID-19

83% of households agreed that they were
able to successfully isolate because
of CiC welfare support.

No significant differences were found for Māori or
other priority groups.

83% of Regional
leaders
86% of Community
providers
92% of Community
Connectors
expressed strong agreement that the welfare
response was effective in enabling isolation.

Households, along with Community Connectors and
community providers, reported that food support
was the most used, helpful and important support
provided as part of the response. The majority of
household survey respondents reported that the
food:

92% was timely
84% was sufficient
90% made them
feel supported

83% reduced
mental stress
86% reduced
financial stress

Following food, the most valued supports included
general household items, help to meet urgent expenses
and medical needs, and information about community
supports. Household survey respondents appreciated
the ability to access a range of supports which they
reported mostly met their needs, including their:

86% wellbeing
needs
83% cultural
needs
68% religious
needs

Evaluation participants attributed the success of the
welfare response to local trust in community providers
and Community Connectors. Many households that
received support had never previously sought help
from community or government services, viewing it as
a “last resort.” Providers and Community Connectors
put significant effort into community outreach,
targeted communications, and welfare checks,
focusing on building relationships with hard-to-reach
populations.

Community Connectors were the ‘face’ of the welfare
response, with **75%** of households reporting that
they were supported by a Community Connector.
The majority of households reported that the
Community Connector:

92% understood their
household’s needs
90% was
respectful
87% was easy to
talk to
86% was timely
80% reduced
financial stress

Community Connectors and providers both agreed
that the most important aspect of the Community
Connector role was their understanding of the needs
of the community, followed by their flexibility, and
their existing community networks. With four of the
five top-ranked top supports being expense-related,
Community Connectors’ access to a discretionary
fund also helped them meet urgent household needs
(e.g., medical expenses, rent arrears, transport costs).

65% of households reported that CiC welfare
support was easy for them to access.
75% of households with at least one
Māori resident
and
86% of households with at least one
Asian resident

were significantly more likely to find it easier to
request support.

It is important to note that the evaluation did not
capture information directly from those who may have
needed CiC welfare support but did not receive it.
Perspectives on access to the response were captured
from regional leaders, Community Connectors,
and community providers who thought that some
communities had struggled to access support during
the response, including Māori, older people, disabled
people, and low income households.

Nevertheless,

83% Community
providers
and
89% Community
Connectors

felt they were able to increase the reach of support to
people who needed it through the welfare response.



Regional leadership mechanisms mostly worked well in providing coordination and oversight of the welfare response in the regions

The majority of RLG members reported their RPSC’s existing relationships were:

- 87% crucial for enabling an effective regional welfare response
- and
- 100% for connecting with other cross-agency stakeholders

RPSCs used these relationships to form broad-based RLGs, with 87% of RLG members agreeing that all relevant organisations were included. While iwi representatives were successfully recruited onto most RLGs, representation for Pacific peoples and other priority groups (e.g., disabled people, older people, and ethnic communities) was less consistent.

Iwi participation in RLGs was considered instrumental in ensuring the welfare response delivered for whānau Māori. However, the absence of RLG members representing other priority groups may have impacted the extent to which the welfare response was tailored to support these communities.

Harnessing local level ‘intel’, RLGs successfully worked to identify and resolve issues in the regional delivery of the welfare response (e.g., ensuring access to community facilities for local providers). Where necessary, RLGs escalated barriers to local delivery to central government. Providers acknowledged the value of RLGs in aiding local level delivery, with 86% agreeing that they were well supported by their RLG to deliver the response.

RLGs also channelled national level communications out to their regions. Messages were adapted to ensure they would resonate with communities, helping to increase awareness and access to available supports.

National level priorities, systems and processes generally supported regional and local level efforts

The uncertain and rapidly changing context for implementation of the welfare response led to the model being stood up quickly. Existing cross-government arrangements provided MSD with a foundation from which to implement the CiC welfare response.

The All of Government collaboration fostered a shared sense of responsibility for the welfare response, with MSD’s existing robust operational infrastructure and efforts enabling its implementation. However, incompatible IT systems and the absence of suitable data-sharing agreements occasionally hindered effective coordination of referrals between agencies.

Several iwi RLG members noted that the investment in resourcing iwi involvement at the regional leadership level demonstrated a commitment to Te Tiriti o Waitangi and a positive example of Crown/Māori partnership.

Although the CiC model marked a shift towards regional leadership, some RLGs felt they were not adequately consulted on broader decision-making.

With regard to the contracting and commissioning models:

- 82% of providers found them flexible enough to tailor support to community needs
- and
- 85% of providers found them flexible enough to adapt to changing circumstances

Stable funding allowed providers to focus on delivery but was not always sufficient for maintaining workforces.

Limits to CiC funding meant that:

| only | and |
|--|---|
| 28% of providers could recruit skilled personnel | 33% of providers could retain them with CiC funding |
| 71% of providers relied on volunteers to meet demand | |

Providers and Community Connectors considered the discretionary fund to be crucial for addressing immediate needs and alleviating COVID-19-related financial hardship.

A few stakeholders expressed concern that the welfare response might have led to some duplication of funding streams. However, some central government stakeholders argued that community providers managed this issue effectively by ensuring that services and supports were not duplicated on the ground.

The evaluation identified implications for future efforts to support and strengthen communities

While MSD developed and implemented the welfare response in a crisis context, there are several lessons for the design and delivery of social supports that require cross-agency collaboration and coordination going forward. These lessons include:

- The locally-led, regionally-enabled and nationally supported model worked well to deliver the CiC welfare response and could be a useful model for future situations that require the delivery of quick, coordinated and comprehensive support for communities.
- Communities are best supported by trusted local providers who understand their context and remove barriers for people who are reluctant to engage with government supports.
- Regional leadership structures should proactively recruit representation from priority groups to advocate for the needs of their communities.
- High trust responses enable support to be quickly distributed to impacted households in crisis situations.
- There is an opportunity to maintain the momentum and appetite for cross-agency collaboration that resulted from using an All of Government model.
- Flexible contracting models make it possible for community providers to tailor support to meet community needs.
- There is a need to assess whether providers and regional leaders have adequate resources and funding, particularly for delivery of future locally-led and regionally-supported initiatives.

Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 23 January 2024

Security Level: IN CONFIDENCE

To: Hon Louise Upston, Minister for Social Development and
Employment

File Reference: REP 25-01-005

Quarterly Employment Reporting Suite Summary

Purpose of the report

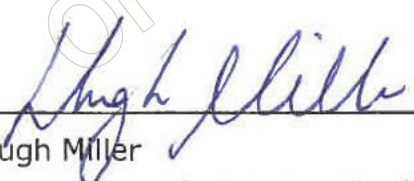
- 1 The Quarterly Employment Reporting Suite (Reporting Suite) provides you with dashboards that cover activity in the financial year to December 2024. The items covered are:

- Employment Overview
- Flexi-wage and Mana in Mahi
- Youth Service YP and YPP
- Youth Service NEET
- Mayor's Taskforce for Jobs and Ngā Puna Pūkenga
- Employment Programmes and Community Coaching
- Driver Licence Support

Recommended actions

It is recommended that you:

- 1 **Note** the contents of this summary report and the supporting dashboards.



Hugh Miller

Group General Manager Employment
Service Delivery

23/1/2025

Date

Hon Louise Upston
Minister for Social Development and
Employment

Date

Highlights

Flexi-Wage and Mana in Mahi

- 2 As at 31 December 2024, there have been 3,109 Flexi-wage placements. Of this:
 - 2,306 participants in the year to date have been receiving Jobseeker Support (75% of the total).
 - 36% of participants are youth (16-24)
 - There are 196 Flexi-wage Self Employment Participants.
- 3 In the year to date, there have been 340 Mana in Mahi placements. Of this:
 - 175 participants in the year to date have been receiving Jobseeker Support (51% of the total)
 - 72% of participants are youth (16-24)

Youth Service

- 4 As at 31 December 2024, 3,608 young people are enrolled in Youth Service.
 - 2,018 are receiving the Youth Payment
 - 1,590 are receiving the Young Parent Payment
- 5 There are 1,519 dependent children in households receiving support from Youth Service
- 6 As at 31 December 2024 2,209 young people are enrolled in Youth Service NEET
 - This is down from 2,979 at the same point 2023, due to the conclusion of time-limited funding.

Mayors Taskforce for Jobs and Ngā Puna Pūkenga

- 7 To 31 December 2024:
 - Mayors Taskforce for Jobs (MTFJ) Community Employment Programme and Initiative Fund have delivered 752 contracted employment outcomes, with 385 reaching 91 days in employment.
 - The \$8 million Community Employment Programme funding is fully allocated. Of the \$1m Initiative Fund, there is a remaining \$300,000 unallocated which is due to be contracted to participating councils by the end of February 2025 and will be used to support youth employment, aligned to council pipelines of work.
 - Auckland Council's Ngā Puna Pūkenga (NPP) has achieved 81 employment outcomes, with the second year of the Wellington City Council pilot achieving five. Year to date performance trends closely mirror last financial year, with Q2 expected to deliver 70-75% of the target. From an F25 budget of \$5 million, there is \$650,000 to commit to actively engaged councils to pilot activity aligned to their procurement.

Employment Programmes (Funds)

- 8 In the year to date, He Poutama Rangatahi programmes have had 1,474 enrolments, with a year-end target of 2,500.
 - There have been 735 employment outcomes year to date.
- 9 In the year to date, Whakawātea te ara Poutama programmes have had 456 enrolments with a year-end target of 500.
 - There have been 161 employment outcomes year to date.
- 10 In the year to date, the Māori Trades and Training Fund programmes have had 917 enrolments with a year-end target of 1,000.
 - There have been 499 employment outcomes year to date.

Community Coaching (Welfare that Works)

- 11 In the year to date, a total of 556 participants have been enrolled in Community Job Coaching
 - Of these, 251 have been on Jobseeker Support for more than 1 year, and 305 have been on for less than 1 year.
 - 46 participants have achieved an employment outcome in the year to date.

Driver Licence Support

- 12 In the year to date there have been 10,692 enrolments in driver licence programmes out of a year-end target of 19,000.
- 13 6,798 participants have obtained their licences year to date, with a pass rate of 92%.
 - This includes 4,065 learners, 1,587 restricted, and 1,146 full licences.
- 14 Over the lifetime of the programme, 2,328 clients left a main benefit after getting a licence.

File ref: REP25/1/005

Author: James Gluck, Principal Analyst, Service Delivery Employment

Responsible manager: Hugh Miller, Group General Manager Employment, Service Delivery

Flexi-Wage | Mana in Mahi

Progress Report Dashboard

F25 Quarter 2

Oct 24 – Dec 24

Report number : REP/25/1/005


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

Flexi-Wage

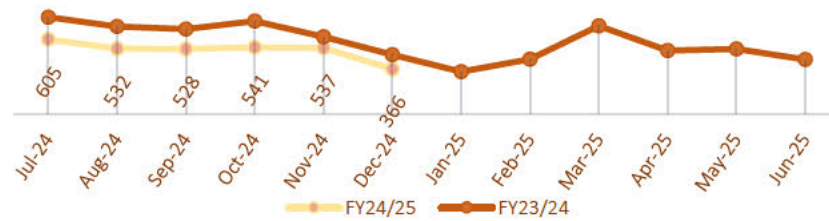
Overview


**Total Flexi-Wage
Placements
(Year to Date)**

3,109


**Total placements last
year
(Last Year to Date)**

4,047



The trendline is non-cumulative and reflects individual month's figure

| Quarter | Placements FY25 | Placements FY24 |
|-----------|-----------------|-----------------|
| Jul – Sep | 1,665 | 2,184 |
| Oct – Dec | 1,444 | 1,863 |
| Jan – Mar | 0 | 1,503 |
| Apr – Jun | 0 | 1,484 |

Mana in Mahi

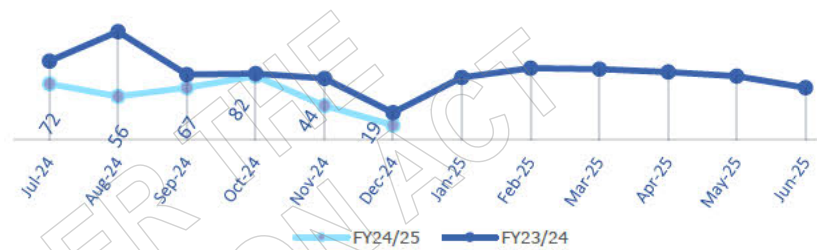
Overview


**Total Mana in Mahi
Placements
(Year to date)**

340


**Total placements
last year
(Last Year to date)**

523

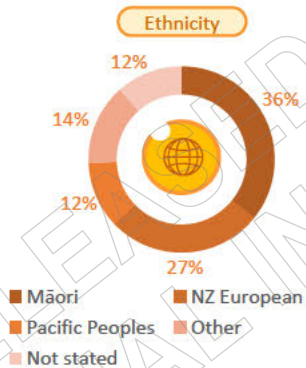
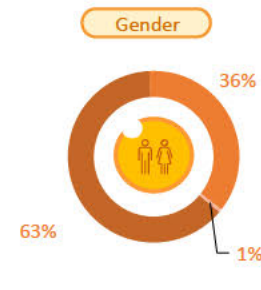
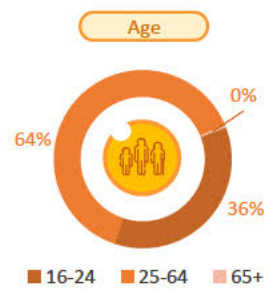


The trendline is non-cumulative and reflects individual month's figure

| Quarter | Placements FY25 | Placements FY24 |
|-----------|-----------------|-----------------|
| Jul – Sep | 195 | 324 |
| Oct – Dec | 145 | 199 |
| Jan – Mar | 0 | 263 |
| Apr – Jun | 0 | 236 |

Flexi-Wage

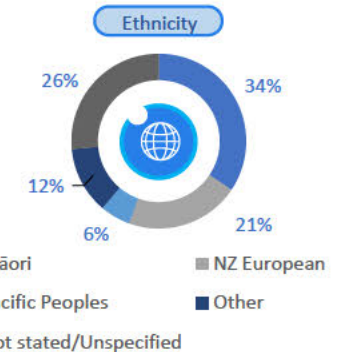
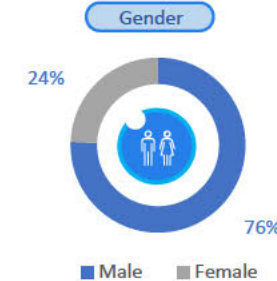
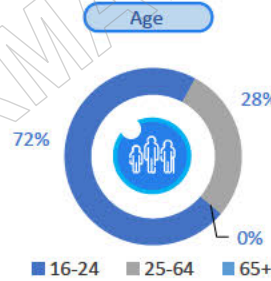
Demographics (Year to Date)



* 16–24-year age category may include some 15-year-old participants if they are approaching age eligibility soon and/or transferring from JSWR Youth.

Mana in Mahi

Demographics (Year to Date)



* 16–24-year age category may include some 15-year-old participants if they are approaching age eligibility soon and/or transferring from JSWR Youth.

Flexi-Wage

Engagement by Benefit Type

Current Quarter

Current Year to Date

Last Year to Date

BENEFIT TYPE :

Jobseeker Work Ready (JSWR)

- In JSWR less than One Year
- JSWR Youth (16-24 yrs.)
- JSWR with children
- In JSWR more than One Year

JS Health Condition & Disability

Sole Parent Support

Supported Living Payment

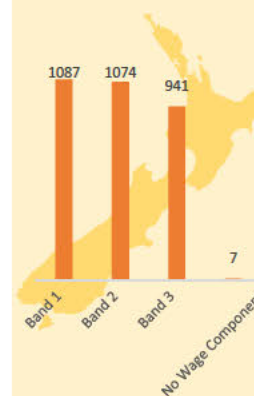
Non-Beneficiary Support

Others

| | Participants | % | Participants | % | Participants | % |
|----------------------------------|--------------|-----|--------------|-----|--------------|-----|
| Jobseeker Work Ready (JSWR) | 994 | 69% | 2,082 | 67% | 2,165 | 53% |
| - In JSWR less than One Year | 720 | 72% | 1,478 | 71% | 1,484 | 69% |
| - JSWR Youth (16-24 yrs.) | 388 | 39% | 810 | 39% | 800 | 37% |
| - JSWR with children | 108 | 11% | 237 | 11% | 273 | 13% |
| - In JSWR more than One Year | 274 | 28% | 604 | 29% | 681 | 31% |
| JS Health Condition & Disability | 130 | 9% | 244 | 8% | 312 | 8% |
| Sole Parent Support | 66 | 5% | 175 | 6% | 303 | 7% |
| Supported Living Payment | 33 | 2% | 72 | 2% | 124 | 3% |
| Non-Beneficiary Support | 207 | 14% | 500 | 16% | 1,113 | 28% |
| Others | 14 | 1% | 36 | 1% | 30 | 1% |

FW Self Employment (FWSE)
Number of participants
availing FWSE subsidy
196

FW Contract Breakdown



Mana in Mahi

Engagement by Benefit Type

Current Quarter

Current Year to Date

Last Year to Date

BENEFIT TYPE :

Jobseeker Work Ready (JSWR)

- In JSWR less than One Year
- JSWR Youth (16-24 yrs.)
- JSWR with children
- In JSWR more than One Year

JS Health Condition & Disability

Sole Parent Support

Supported Living Payment

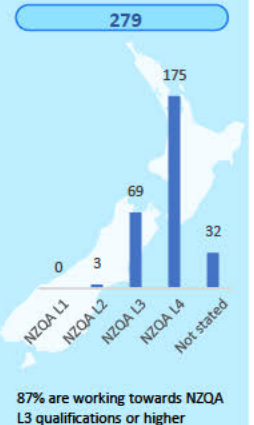
Non-Beneficiary Support

Others

| | Participants | % | Participants | % | Participants | % |
|----------------------------------|--------------|-----|--------------|-----|--------------|-----|
| Jobseeker Work Ready (JSWR) | 73 | 50% | 167 | 49% | 162 | 31% |
| - In JSWR less than One Year | 59 | 81% | 132 | 79% | 110 | 68% |
| - JSWR Youth (16-24 yrs.) | 51 | 70% | 110 | 66% | 86 | 53% |
| - JSWR with children | 4 | 5% | 14 | 8% | 14 | 9% |
| - In JSWR more than One Year | 14 | 19% | 35 | 21% | 52 | 32% |
| JS Health Condition & Disability | 3 | 2% | 8 | 2% | 22 | 4% |
| Sole Parent Support | 6 | 4% | 16 | 5% | 10 | 2% |
| Supported Living Payment | 0 | 0% | 2 | 1% | 1 | 0% |
| Non-Beneficiary Support | 60 | 41% | 144 | 42% | 323 | 62% |
| Others | 3 | 2% | 3 | 1% | 5 | 1% |

Active Participants
Includes participants who
have newly started and may
not have a training pathway
until 91 days
304

Participants with Training Pathways



87% are working towards NZQA L3 qualifications or higher

overview

3,608 enrolments

- **2,018** Youth Payment*
- **1,590** Young Parent Payment*

1,519 dependent children

Enrolled and engaged with Youth Service

- **89%** Youth Payment
- **90%** Young Parent Payment

In full time education, training or work based learning

- **44%** Youth Payment
- **35%** Young Parent Payment

NCEA achieved before they exited Youth Service

- **26%** Youth Payment
- **31%** Young Parent Payment

Not going onto a working age benefit 3 months after exit

- **38%** Youth Payment
- **10%** Young Parent Payment

88% Youth satisfaction

Completed a budgeting programme

- **65%** Youth Payment
- **80%** Young Parent Payment

70% of young parents have completed a parenting programme

region enrolment

| | |
|----------------------|------------|
| Northland | |
| – YP | 141 |
| – YPP | 98 |
| Auckland | |
| – YP | 470 |
| – YPP | 454 |
| Waikato | |
| – YP | 221 |
| – YPP | 174 |
| Bay of Plenty | |
| – YP | 178 |
| – YPP | 214 |
| East Coast | |
| – YP | 150 |
| – YPP | 124 |
| Taranaki | |
| – YP | 124 |
| – YPP | 95 |
| Central | |
| – YP | 180 |
| – YPP | 120 |
| Wellington | |
| – YP | 132 |
| – YPP | 101 |
| Nelson | |
| – YP | 83 |
| – YPP | 36 |
| Canterbury | |
| – YP | 193 |
| – YPP | 109 |
| Southern | |
| – YP | 146 |
| – YPP | 65 |

YP demographics

age

| | |
|----------|------------|
| 16 years | 22% |
| 17 years | 62% |
| 18 years | 16% |

gender

| | |
|----------------|------------|
| Male | 41% |
| Female | 58% |
| Gender diverse | 1% |

ethnicity

| | |
|-----------------|------------|
| Māori | 54% |
| NZ European | 26% |
| Pacific Peoples | 6% |
| Not Stated | 8% |
| Other | 6% |

YPP demographics

age

| | |
|----------|------------|
| 16 years | 4% |
| 17 years | 12% |
| 18 years | 29% |
| 19 years | 48% |
| 20 years | 7% |

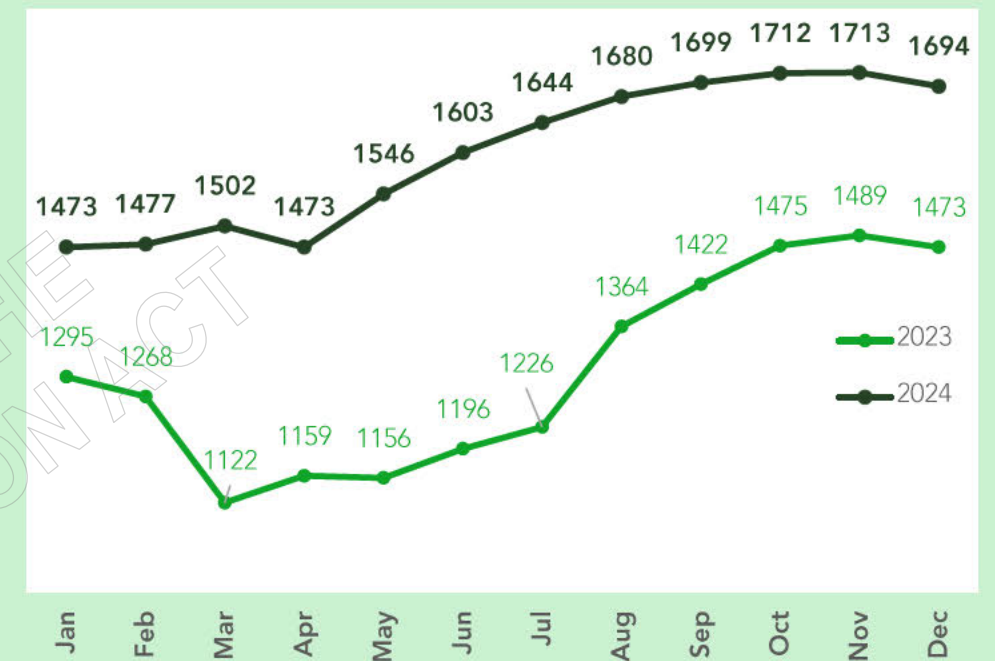
gender

| | |
|--------|------------|
| Male | 5% |
| Female | 95% |

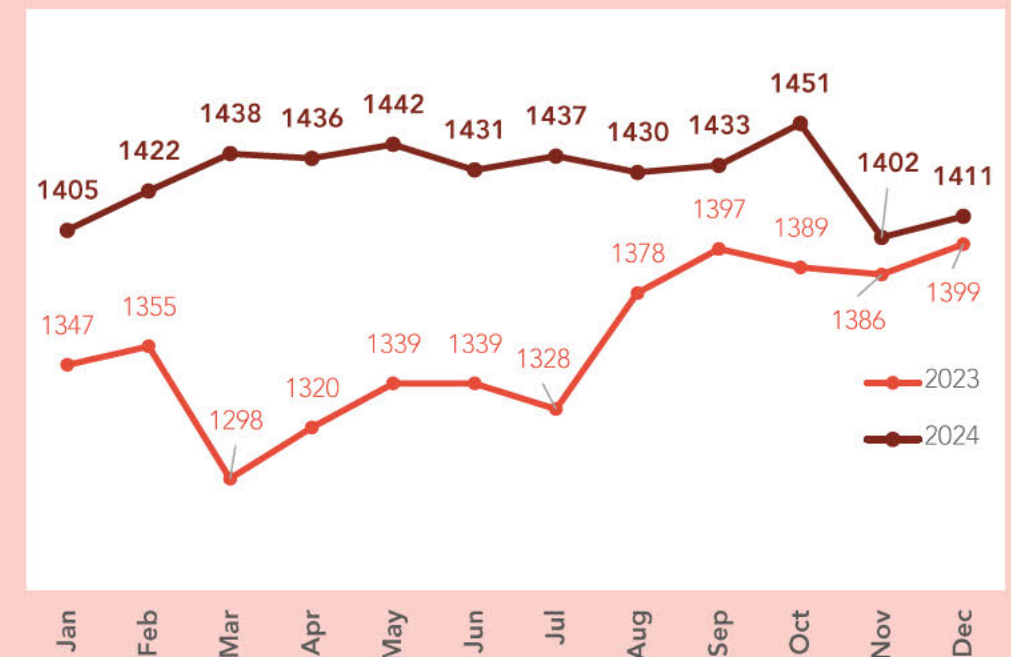
ethnicity

| | |
|-----------------|------------|
| Māori | 63% |
| NZ European | 15% |
| Pacific Peoples | 12% |
| Not Stated | 7% |
| Other | 3% |

YP current benefit**



YPP current benefit**



*Enrolment numbers include all young people currently enrolled in Youth Service. This includes those applying for a benefit, receiving a benefit, or who have recently received a benefit within the last 30 days.

**Current benefit numbers refer specifically to young people receiving a benefit (Youth Payment or Young Parent Payment).

F24 Investment and results by region

Waikato

MTFJ investment: \$705,000
Employment: 38 (from 80)

Bay of Plenty

MTFJ investment: \$1.077m
Employment: 65 (from 121)

Taranaki, King Country & Whanganui

MTFJ investment: \$1.820m
Employment: 227 (from 210)

Central

MTFJ investment: \$992,000
Employment: 65 (from 118)

Northland

MTFJ investment: \$260,000
Employment: 11 (from 30)

Auckland

NPP investment: \$3.8m
Employment: 81 (from 300)

East Coast

MTFJ investment: \$855,000
Employment: 66 (from 105)

Wellington

NPP investment: \$525,000
Employment: 5 (from 35)

Top of the South

MTFJ investment: \$1.040m
Employment: 72 (from 120)

Canterbury

MTFJ investment: \$548,000
Employment: 71 (from 61)

Southern

MTFJ investment: \$1.452m
Employment: 137 (from 166)

About our local government activity

This report provides oversight of some of MSD's local government activity. Mayors Taskforce for Jobs (MTFJ) Community Employment Programme (\$8m in F25) contracts 33 mayoral led employment programmes in rural and provincial New Zealand. The MTFJ Initiative Fund (\$1m in F25) gives member councils funding to deliver new and one-off employment activity based on local need. Ngā Puna Pūkenga (\$5m in F25) is embedded in larger council's procurement processes and releases funding to council suppliers to employ and upskill MSD clients.

Mayors Taskforce for Jobs | Key participation statistics.

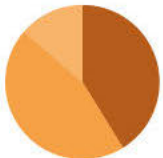
Referral Source

MSD
Family
School
Self
Other



MSD status

Client¹
Non-client
Unreported



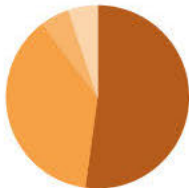
Age Group

16-17
18-19
20-24
25+



Ethnicity

Pakeha
Māori
Pacific People
Other



Overall performance

| | This quarter | | F25 YTD | | F24 YTD | |
|--|--------------|------------|---------|------------|---------|------------|
| | # | % of total | # | % of total | # | % of total |
| MTFJ – participation | 1,119 | N/A | 2,262 | N/A | N/A | N/A |
| MTFJ employment outcomes – Full-time | 460 | 52% | 740 | 84% | 799 | 72% |
| MTFJ employment outcomes – Part-time | 0 | | 12 | | | |
| NPP – employment outcomes ² | 61 | 18% | 86 | 26% | 48 | 22% |

1) 7% HCD 2) 32% Māori, 23% Pacific People, 3% HCD and 31% Youth.

Community Coaching | Welfare that Works

Overview

Total participants (Year to Date)

556

JS more than One Year (1Y+)

251

Total participants
(Year to Date)

< 30

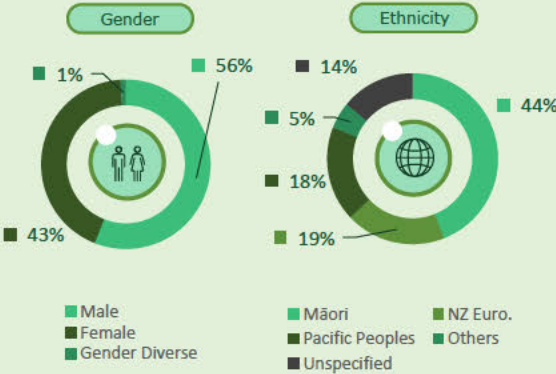
Completing Service
(Year to Date)



500

Target (Year End)

Demographics (Year to Date)



Outcomes

Total Employment Outcomes (Year to Date)

46

8

Total employment outcomes
(Year to Date)

8

Total employment outcomes
(Current Quarter)

JS under One Year (1Y+)

305

Total participants
(Year to Date)

< 47

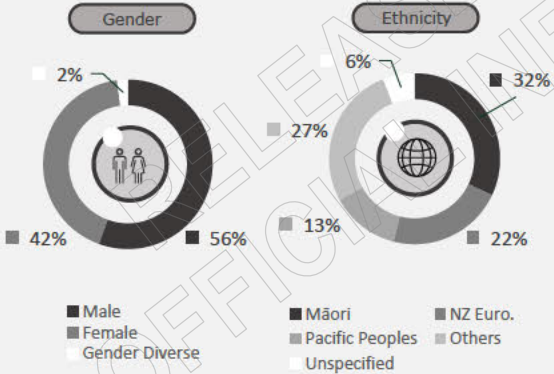
Completing Service
(Year to Date)



600

Target (Year End)

Demographics (Year to Date)



Employment Programmes - Funds

He Poutama Rangatahi (HPR)

Active Contracts

75



Engagement and outcomes

| | Current Year to Date | Target |
|----------------------|----------------------|--------|
| Enrolments | 1,474 | 2,500 |
| Employment outcomes | 735 | |
| Educational outcomes | 273 | |
| Training outcomes | 264 | |

Whakawātea te ara Poutama (WTAP)

Active Contracts

15



Engagement and outcomes

| | Current Year to Date | Target |
|----------------------|----------------------|--------|
| Enrolments | 456 | 500 |
| Employment outcomes | 161 | |
| Educational outcomes | 62 | |
| Training outcomes | 63 | |

Māori Trades and Training Fund (MTTF)

Active Contracts

52



Engagement and outcomes

| | Current Year to Date | Target |
|---------------------|----------------------|--------|
| Enrolments | 917 | 1,000 |
| Employment outcomes | 499 | |
| Training outcomes | 80 | |

overview

2,209 enrolments

86% enrolled and engaged

31% achieved NCEA before they exited Youth Service

55% In full time education, training or work based learning

96% not going onto a working-age benefit*

233 receiving in-work support

88% Youth satisfaction

regional enrolment

| | | | |
|---------------|------------|------------|------------|
| Northland | 119 | Central | 166 |
| Auckland | 604 | Wellington | 156 |
| Waikato | 268 | Nelson | 78 |
| Bay of Plenty | 189 | Canterbury | 199 |
| East Coast | 247 | Southern | 77 |
| Taranaki | 106 | | |

demographics

age

| | |
|----------|------------|
| 15 years | 1% |
| 16 years | 33% |
| 17 years | 52% |
| 18 years | 14% |

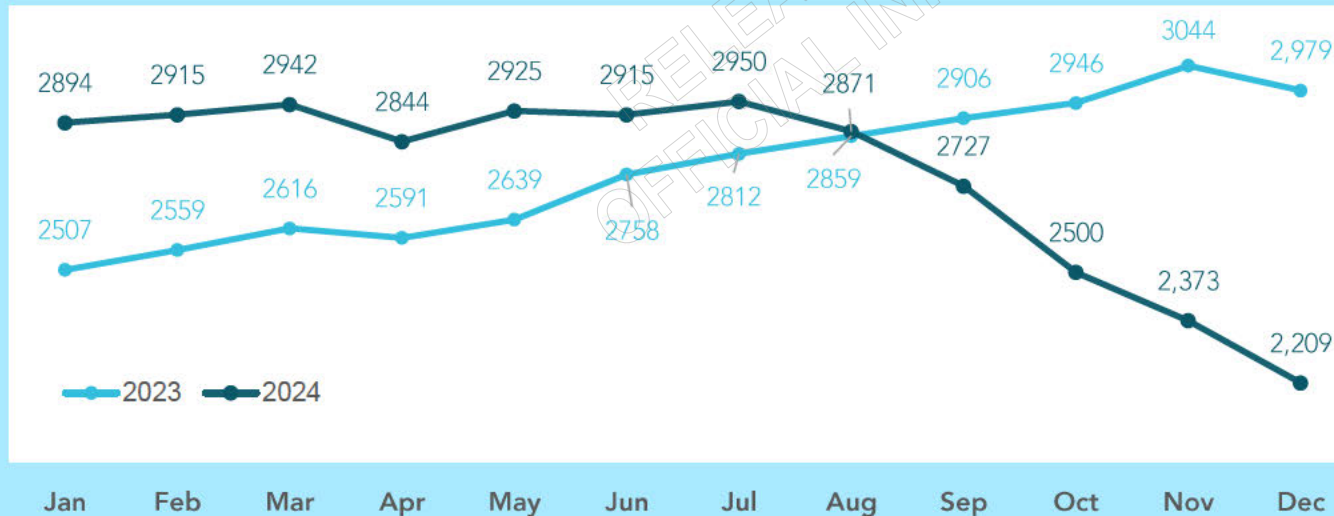
gender

| | |
|----------------|------------|
| Male | 50% |
| Female | 48% |
| Gender diverse | 2% |

ethnicity

| | |
|-----------------|------------|
| Māori | 51% |
| NZ European | 24% |
| Pacific Peoples | 14% |
| Not Stated | 6% |
| Other | 5% |

NEET enrolment — at month end**



* Young people may exit the NEET service before they turn 18 and not qualify for a working-age benefit due to their age.

** The decline in NEET enrolment numbers is attributed to the conclusion of time-limited funding in November 2024.

Driver Licence Support

Progress Report Dashboard

F25 Quarter Two

Oct 24 – Dec 24

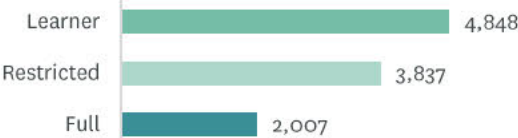
Report #No. REP/25/1/005

F25 overview

19,000
target places

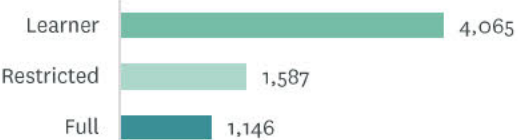
10,692
enrolments¹

Enrolments



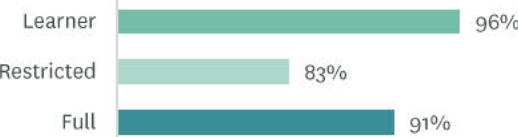
6,798
licences obtained

Licences obtained



92%
pass rate²

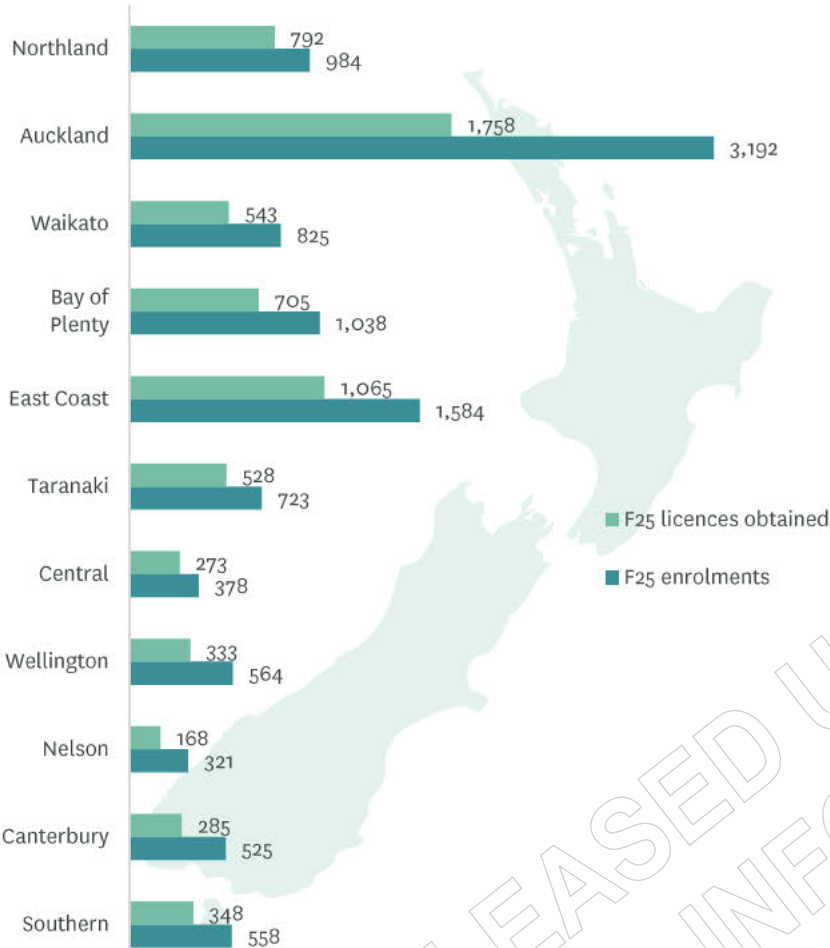
Pass rate



4,497
provisional enrolments³

3,456
active participants

F25 licences obtained and enrolments by region



F25 enrolments by region

| | Contracted providers | Places available* | F25 enrolments | Active participants |
|---------------|----------------------|-------------------|----------------|---------------------|
| Northland | 6 | 1,490 | 984 | 141 |
| Auckland | 12 | 6,714 | 3,195 | 1,302 |
| Waikato | 6 | 1,253 | 825 | 261 |
| Bay of Plenty | 5 | 1,550 | 1,035 | 366 |
| East Coast | 8 | 2,557 | 1,584 | 354 |
| Taranaki | 4 | 1,044 | 723 | 177 |
| Central | 5 | 859 | 378 | 99 |
| Wellington | 12 | 1,015 | 564 | 228 |
| Nelson | 7 | 720 | 321 | 123 |
| Canterbury | 7 | 956 | 525 | 219 |
| Southern | 5 | 868 | 558 | 186 |
| Total | 77 | 19,026 | 10,692 | 3,456 |

*Places available may change following contract negotiations.

Programme lifetime



28,485
total enrolments



19,773
total licences obtained

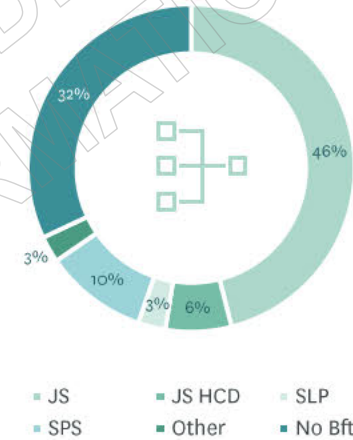


83%
overall pass rate

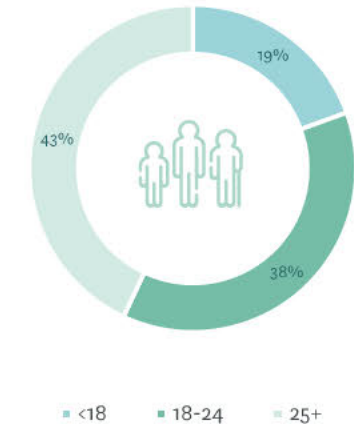
These numbers are cumulative and represent outcomes from 1 July 2023, to present.

Programme lifetime participant demographics

Benefit



Age⁴



Programme lifetime referral source

Compared source of referrals

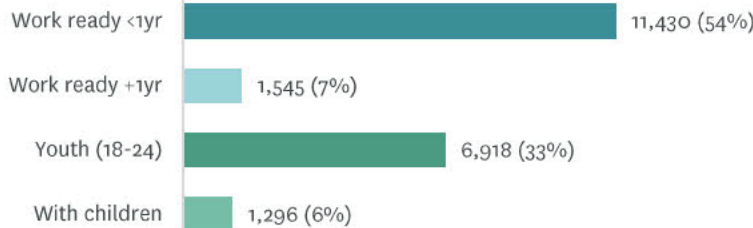


Notes

Enrolments have risen steadily as we start to see improvements to testing availability positively impact provider capacity.

Regional allocation of the additional \$4m funding is almost complete. We continue to work with NZTA and VTNZ to ensure additional funding meets the high demand for restricted and full licences across the country.

Priority cohorts – Jobseeker Support Work Ready (JSWR)*



*Participants may be included in more than one cohort

Off benefit and employment outcomes

Clients who left a main benefit after gaining a licence

2,328
clients off benefit



Caveats

- ¹ Enrolments are participants who have fully completed the enrolment process.
- ² Pass rates are the number of licences obtained by those who have completed or exited the programme, as per contract performance measures.
- ³ Provisional enrolments are participants with accepted referrals that have not yet been contacted and assessed. Those completing enrolment after 1 July 2024 will be included in F25 reporting.
- ⁴ Under 18s include those at schools with an EQI of 500+, referrals from Police or Justice, NEETs, and those in Youth Service.
- ⁵ Ethnicity demographics are shown as Total Response Ethnicity (TRE). Participants can indicate more than one ethnicity, thus percentages sum to over 100%.

All figures are subject to random rounding.

EMPLOYMENT PRODUCTS

and activity dashboard

Financial year to month-end December 2024

This report does not include programmes restricted to quarterly reporting such as He Poutama Rangatahi, Maori Trades and Training Fund, Education to Employment, Creative Careers Services, Oranga Mahi and Connected.

Status indicator representing product effectiveness

E

Effective

M

mixed

N

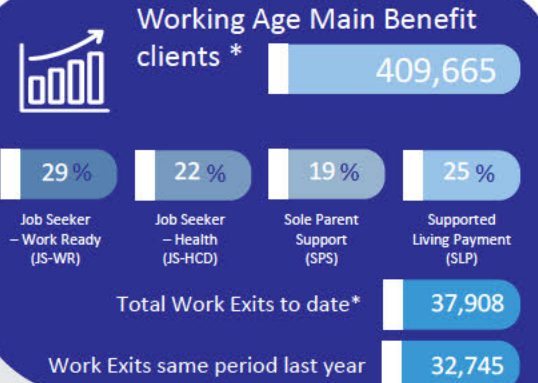
negative

NR

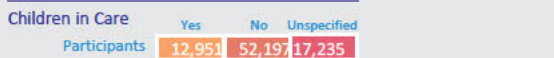
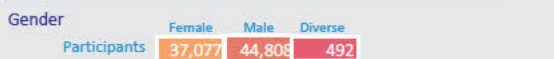
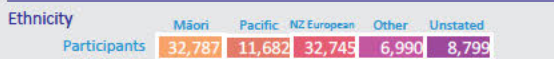
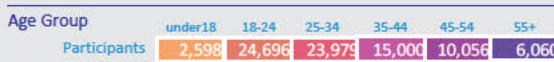
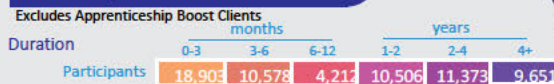
Not rated

'Not Rated' indicates that the program either has not been running long enough to assess effectiveness, or that due to complicating factors cannot be evaluated.

Ratings based on participants results up to 2019 and will be reviewed annually.

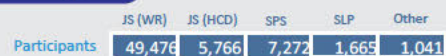


Employment Assistance Participation

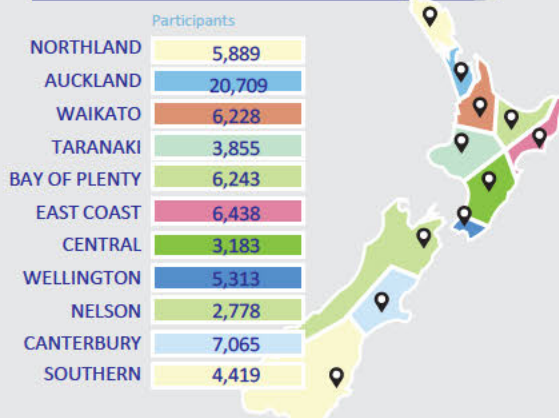


Total Participation 85,102

Benefit Type



Employment Assistance Participation by Region¹



Apprenticeship Boost

NR

This programme will support employers with retaining and taking on new apprentices as the economy recovers from the impacts of Covid-19. This means that employees will be able to continue to work and progress towards their qualifications.

Participants 2,903

Flexi-wage*

E

A wage subsidy that invests in job seekers who are disadvantaged in the labour market. Generally the amount paid and duration of the subsidy is based on the level of assistance the client needs to reach the entry-level requirements of the job.

Placements 3,109

All placements result in an employment outcome

Flexi-wage Self-Employment*

E

Flexi wage Self-Employment is a wage subsidy to help clients overcome financial barriers associated with moving into self employment. Recent changes to this product are expected to improve its rating in future evaluations.

Participants 196

Vacancy Placement

E

Work Brokers and Case Managers select and profile potential candidates for vacancies listed with MSD, with the option of providing further assistance in the form of training or hiring incentives.

Placements 6,480

All placements result in an employment outcome

Course Participation Assistance

M

The objective of Course Participation Assistance is to help clients take part in training and work related skills development for courses of 12 weeks or less.

Participants 6,852

Transition to Work - Job Search

NR

Transition to Work – Job Search helps meet costs of seeking employment. It can be used to help with job interviews and related pre-employment costs.

Participants 12,396

Transition to Work - Job Placement

NR

Transition to Work – Job Placement helps meet additional costs for transitioning into employment. It can be used to help with clothing and essential tools and equipment.

Participants 20,733

\$5K to Work

NR

5K to Work is for people to relocate to secure sustainable employment.

Participants 756

Outcomes 644

Employment products are financial assistance payments or in-house services to assist clients to secure employment.

Total Participation 53,425

WORK READINESS

Work Preparation Services

E

Programme to improve work readiness, including: drivers licencing, CV/Cover letter, interview preparation, work related micro-credentials and certificates, workability assessments, careers guidance/ mentoring.

Participants 1,842

Outcomes 495

Limited Service Volunteers

E

A voluntary six-week training programme run by the New Zealand Defence Force with the aim to help young people to start employment or training by improving their self-discipline, self confidence, motivation and initiative.

Participants 339

Outcomes 68

Other Work Readiness Programmes

M

A collection of small volume work readiness programmes not covered elsewhere in this report. Examples include: Work Confidence, and Activity in the Community.

Participants 10,308

Outcomes 173

Work Readiness programmes offer training and work preparation courses, but do not include a direct employment placement component.

Total Participation 12,489

Total Outcomes 736

EMPLOYMENT PROGRAMMES

Mana in Mahi*

E

A programme to help people who need additional support to get paid jobs while gaining a formal industry qualification. We pay a wage subsidy to the employer and provide participants with incentive payments and on-going support along the way.

Participants 340

All placements result in an employment outcome

Skills for Industry

E

This programme provides short term job-focussed training to prepare clients who require upskilling for specific requirements. The aim is for clients to move directly into entry-level employment with the industry sector they have been trained for.

Participants 13,137

Outcomes 1,771

Disability Employment Support

NR

Contracted health and disability services to assist people into work, where those services aren't available either through other agencies or on a timely basis.

Participants 45

Supporting Offenders

NR

SOE helps people leaving prison reintegrate into the community and move into sustainable work

Participants 807

Employment Placement or Assistance Initiative

E

Regionally contracted initiatives through community partners to support, enable, and place participants into and retain employment in their local labour market.

Participants 3,504

Outcomes 1,734

Self Employment Support Services

M

Programmes designed to assist job seekers into self-employment using mechanisms such as mentoring, training, business advice and coaching.

Participants 1,089

Other Employment Services

M

A collection of small volume employment programmes not covered elsewhere in this report. Examples include: Training for Work and In Work Support

Participants 335

Employment Programmes are contracted services that offer employment placement and training support.

Total Participation 19,257

* These programmes are covered in more detail in supplementary reports * Outcomes are defined as 6 months sustainability and are those achieved in the current financial year, not against participants that started in the current financial year.

¹ Includes participation in employment products and programmes and work readiness programmes. Does not include Employment Case Management. Percentages are the percentage of all Working Age Main Beneficiaries.

Report



MINISTRY OF SOCIAL
DEVELOPMENT
TE MANATŪ WHAKAHIATO ORA

Date: 22 January 2025 **Security Level:** In Confidence
To: Hon Louise Upston, Minister for Social Development and
Employment
File Reference: REP/25/1/028

Quarterly Reporting on the Jobseeker Support Target

Purpose of the report

- 1 To provide you with the Jobseeker Support (JS) target quarterly report for the quarter ending December 2024 and to seek agreement to submit the report to the Department of the Prime Minister and Cabinet (DPMC) on 31 January 2025.

Executive summary

- 2 To support the monitoring of Government targets DPMC has requested quarterly reporting on agencies' progress towards their targets from lead Ministers.
- 3 The December 2024 quarterly targets report is due to DPMC on 31 January 2025 before going to Cabinet on 24 February 2025 and will be proactively released shortly after.
- 4 Alongside the quarterly reporting, we have agreed to provide you with supplementary information to support this reporting which will include insights and intelligence from the last quarter and how we are using this information to adjust the delivery plan. This is included within this report.

Recommended actions

It is recommended that you:

- 1 **note** the key points from the December 2024 quarterly Jobseeker Support Targets report.
- 2 **note** that the final quarterly report is due to DPMC on 31 January 2025 before going to Cabinet on 24 February 2025 and will be proactively released by DPMC.

- 3 **agree** that due to worsening economic conditions the status for achieving the Jobseeker Support target remains at "At Risk", but implementation of MSD's Delivery plan is on track.

Agree / Disagree

- 4 **note** that in line with the previous quarter's processes, MSD will provide a dataset to Te Puni Kōkiri (TPK) on 31 January 2025, when the final target reporting is sent to DPMC. This includes a breakdown of demographics, grants, and exits by Māori ethnicity.
- 5 **note** the key points from the December 2024 quarter's supplementary analysis.



Sacha O'Dea
Deputy Chief Executive
Strategy and Insights

22/1/25

Date

Hon Louise Upston
Minister for Social Development and
Employment

Date

Background

- 5 To support the monitoring of Government targets DPMC has requested quarterly reporting on agencies' progress towards their targets from lead Ministers.

Key points from the December 2024 Quarterly Jobseeker Support Targets report

- 6 Between the September 2024 and December 2024 quarters, the number of people receiving JS has increased by 8,500 to 213,300.
- 7 The increase in JS over this quarter is due to a rising number of people coming on to benefit. This increase reflects the weak economic conditions seen over the December 2024 quarter.
- 8 Despite the economic challenges, the number of people who exited JS into employment has increased by 3,500 compared to the same quarter last year (17,100 vs. 13,600).
- 9 In December 2024, the exit rate into employment was 1.96 percent, compared to 1.85 percent in the same quarter last year.
- 10 The number of people on Jobseeker Support – Health Condition or Disability (JS – HCD) increased by around 5,000 (6 percent) over the last quarter which contributed towards 59 percent of the total increase in JS. In the same quarter in 2023, the number of people on JS – HCD increased by 3,000 (4 percent) which contributed towards 39 percent of the total increase.
- 11 The increase this quarter in the number of people receiving JS – HCD is mainly due to a higher number of people transferring from JS – WR. The rate of people transferring from JS – WR to JS – HCD fluctuates around an average value over the long-term. On a weekly basis, this average value was 0.4 percent between 2014 and 2019 and has increased to 0.5 percent since mid-August 2024.
- 12 There were around 13,300 sanctions applied to people receiving JS in the December 2024 quarter. This is around 7,600 more sanctions than in the same period in 2023.
- 13 In the quarter ending September 2024, the status for achieving the JS target of "Feasible" was changed to "At Risk" due to the continued increase in the number of people receiving JS. MSD has retained the status as "At Risk" for the quarter ending December 2024 subject to your approval.

Supplementary Analysis

- 14 The September 2024 quarter's supplementary analysis focussed on the trends we were seeing in JS – HCD [REP/24/10/1001]. This report highlighted the

trends we observed during the quarter ending September 2024 with an increase of transfers from JS – WR to JS – HCD.

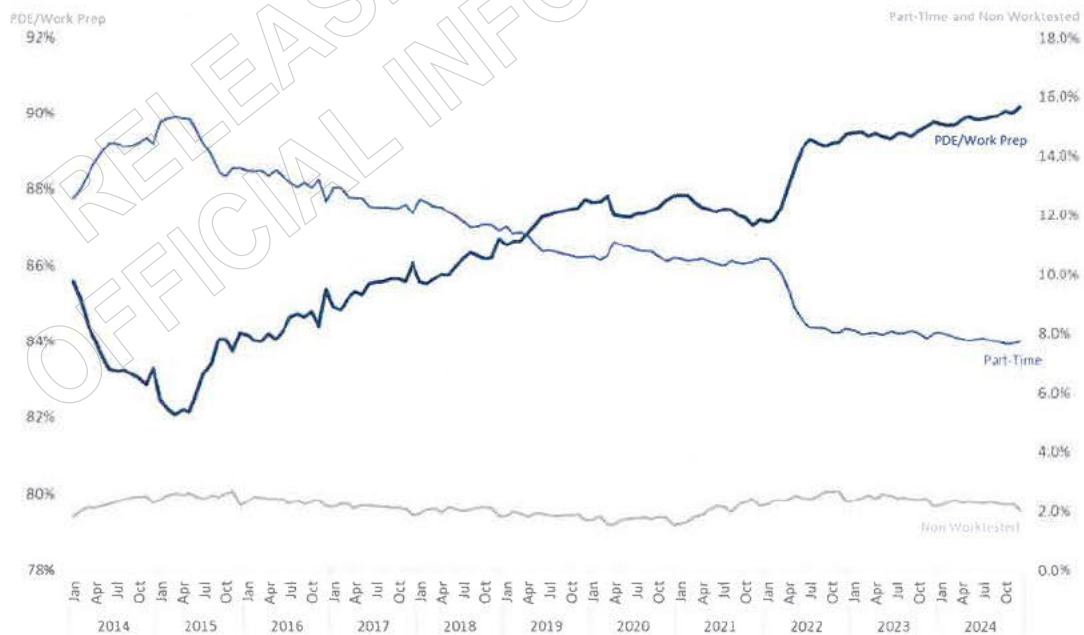
s9(2)(f)(iv)

Work Obligations

- 17 From 2015 onwards, the number of people on JS – HCD with part-time work obligations has been falling while the number of people with work preparation obligations has been increasing (shown in Figure 1).

Figure 1

Work Test Indicator for JS-HCD Clients



- 18 The composition shift of part-time work obligations and work preparation obligations had been driven by a decreasing rate of people being transferred from work preparation to part-time work obligations.
- 19 In November 2024, there were 681 people who exited JS-HCD into work. Of this group:
- 19.1 67 percent had work preparation obligations,

- 19.2 20 percent were non-work tested, and
 - 19.3 13 percent had part-time work obligations.
- 20 The above proportions have been relatively stable over the last year.

Duration on JS-HCD

- 21 At the end of December 2024, 63 percent of people receiving JS-HCD, or 67,900 people, had been receiving this benefit for less than two years.
- 21.1 43 percent of people had been on JS-HCD for less than a year.
 - 21.2 20 percent of people has been on JS-HCD for more than one year but less than two years.
- 22 Around 70 percent of people with part-time work obligations and around 62 percent of people with work preparation obligations have been receiving JS – HCD for less than two years.
- 23 This analysis has been conducted on an ad-hoc basis for information only. The calculations used in this analysis are not an official measure of duration and will not match official counts.

Clients who return to JS-HCD after leaving

- 24 There are 32% of clients on JS – HCD as at the end of December 2024 who, in the last 10 years, have left JS – HCD at least once for work for more than 3 months before coming back on to JS-HCD.
- 25 19% of current clients on JS – HCD with a psychological or psychiatric condition have had at least one instance where they have left JS – HCD to work for at least 3 months and have returned with a psychological or psychiatric condition. This is around 8,700 people (out of the 93,000 (9%) people currently on JS – HCD). Of this group:
- 25.1 86% have had only one instance of churn and 12% had two instances.
 - 25.2 47% of these churns happen within 12 months of the client leaving benefit (22% within 3-6 months and 25% within 6-12 months).

Next Steps

- 26 We will incorporate any feedback you may have and submit the December 2024 Quarterly Target report to DPMC on 31 January 2025 before going to Cabinet on 24 February 2025. The Quarterly Targets reports to Cabinet will be proactively released.

s9(2)(f)(iv)

Appendix

Appendix 1: Target 5 JS Quarterly Report

File ref: A16713273

Author: Jodene Hogwood, Principal Advisor, Performance & Reporting and Amy Smith, Analyst, Forecasting & Costing, Performance & Reporting

Responsible manager: Paul Merwood, General Manager, Performance & Reporting

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OFFICIAL INFORMATION ACT


Target Quarterly report

Target 5 – Fewer people on the Jobseeker Support benefit

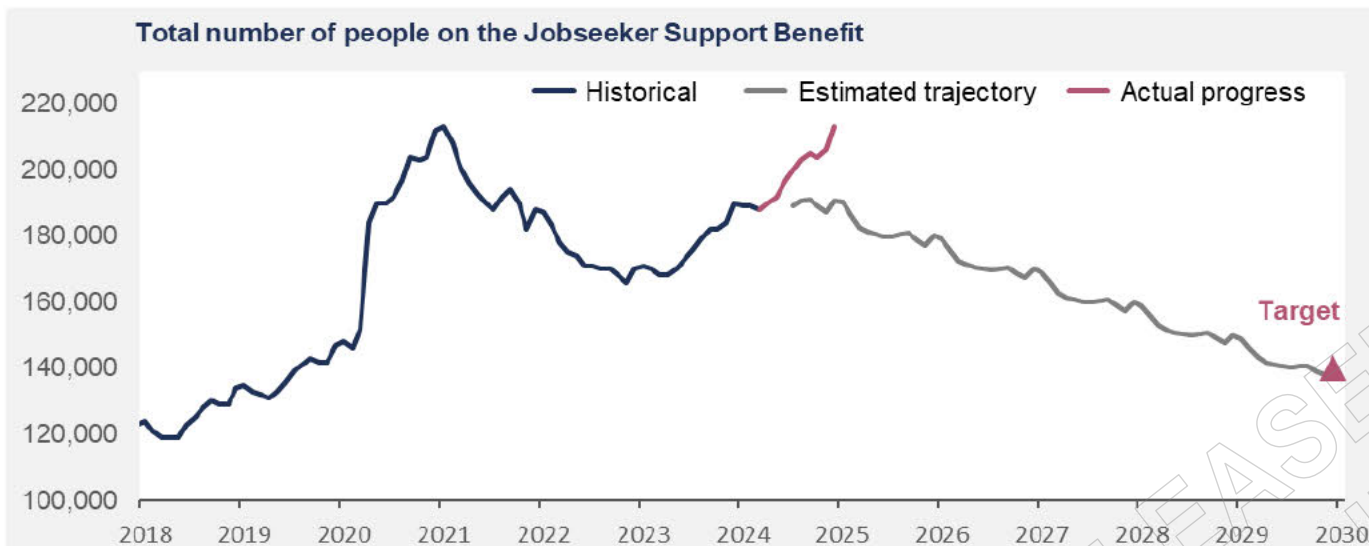
Fifty thousand fewer people on the Jobseeker Support benefit.

Quarter ending
31 December 2024

Current Target Performance

| Status | Target (Dec 2029) | Current performance at Dec-24 | Change vs last quarter |
|--|--------------------------------|-------------------------------|------------------------|
|  | 50k reduction (140k people) | 213,300 | +8,500 |

Trajectory towards target



What are the key issues and risks?

Economic outlook – Economic conditions drive changes in the number of benefit recipients. The Treasury's economic outlook at HYEPU 2024 is weaker than at BEPU 2024 as the weakness of the past two years has persisted longer than anticipated. Consistent with this outlook, Jobseeker Support (JS) is forecast to peak in January 2025 and remain elevated throughout 2025, before decreasing as economic conditions improve towards the end of the year. An improvement in economic conditions is required to help reach the JS target.

Health outcomes – Jobseeker Support – Health Condition and Disability (JS-HCD) clients comprise of 44 percent of JS recipients. At HYEPU 2024, the number of people receiving JS-HCD is forecast to be higher than at BEPU 2024 and increases over the forecast period. Assisting this cohort into employment often requires working alongside health services and developing targeted support. Further system level change and integration will be required to strengthen MSD's services for this cohort to achieve the target.

Immigration – Elevated immigration, particularly in lower-skilled roles, risks impacting MSD's ability to place clients into the local labour market. Last quarter, Cabinet agreed to changes to the AEWV system in order to ensure that employers genuinely consider the domestic labour market, particularly MSD clients, in their hiring. MSD and Immigration will need to work closely on the design and implementation of these changes to minimise the risk of immigration policy impacting progression towards the target.

Staffing and income support pressures – MSD's frontline staff provide employment support and administer benefits. There is a risk that increased income support demand will divert staff from impactful employment interventions such as case management.

Actions and Insights

What is driving changes in performance vs. last quarter?

- The number of people on Jobseeker Support (JS) has been rising (excluding seasonal factors) over the last quarter due to a significant increase in new grants.
- Jobseeker Support – Health Condition or Disability (JS-HCD) has a significant increase of 5,000 people (6 percent) and contributed towards 59 percent of the total increase in JS. This is mainly due to a higher number of people transferring from Jobseeker Support – Work Ready (JS-WR).
- MSD has been focussed on increased activation with Jobseekers to increase JS exits and despite the economic challenges driving the increase in new grants, the number of people who exited JS into employment has increased by 3,500 compared to the same quarter last year (17,100 vs. 13,600).
- In this quarter, MSD booked approximately 183,000 more appointments with clients than the same quarter in 2023, including an increase in proactive work-related appointments of almost 34,000*. The capacity in case management has been increased to 70,000 and around 32,000 clients (including those referred through case management or receiving case management) are expected to receive a range of support through contracted service programmes.
- Sanctions have also increased by 7,600 to 13,300 this quarter, compared to the same period in 2023.

What is the progress of key initiatives that support target delivery?

Employment Investment Strategy 2025-2028 – will be completed in early 2025 and will inform investment in FY25 and beyond. This strategy aims to support the achievement of the Jobseeker Support reduction target and reduce benefit dependency.

Phone-based Case Management – capacity has been increased from 6,000 to 10,000 this quarter, with the new service currently being tested with four cohorts. A rapid monitoring of outcomes of the service is underway.

Kōrero Mahi Seminars – are now fully implemented into frontline services, and these seminars are being delivered to all eligible clients. Over the quarter, 17,731 people have attended these seminars.

Welfare that Works – Community coaches – all providers are delivering services and are well on track to support around 2,100 young people.

More support for JS-HCD clients – MSD has been exploring approaches to support clients receiving JS-HCD, through Phone Based Case Management. Nelson region will be assigning three targeted caseloads for dedicated employment case management, with a focus on JS-HCD clients.

Welfare System Changes – The Social Security Amendment Bill was introduced in December and introduces 26-week reapplications for Jobseeker Support and phase two of the Traffic Light System. MSD is working to implement the changes when the legislation comes into effect.

Improved AEWV engagement – Cabinet has agreed several changes to the AEWV system. MSD and Immigration New Zealand are currently working on the detailed design for these changes to be implemented operationally. In the next quarter, MSD will finalise the process to ensure employers genuinely engage with the domestic labour market.

Individual Employment Plans – were implemented in November 2024 for the 10,000 clients in phone-based case management and employment case management clients in Canterbury. These will be extended to all 70,000 clients in employment case management in 2025.

What decisions and actions are required from Ministers?

The Social Security Amendment Bill is expected to progress through the Select Committee process through the next quarter. The Minister for Social Development and Employment may make further policy decisions as needed to finalise draft legislative amendments that would implement the proposals in line with the overall aims of the Bill. ^{s9(2)(f)(iv)}

Target 5 – Supporting indicators

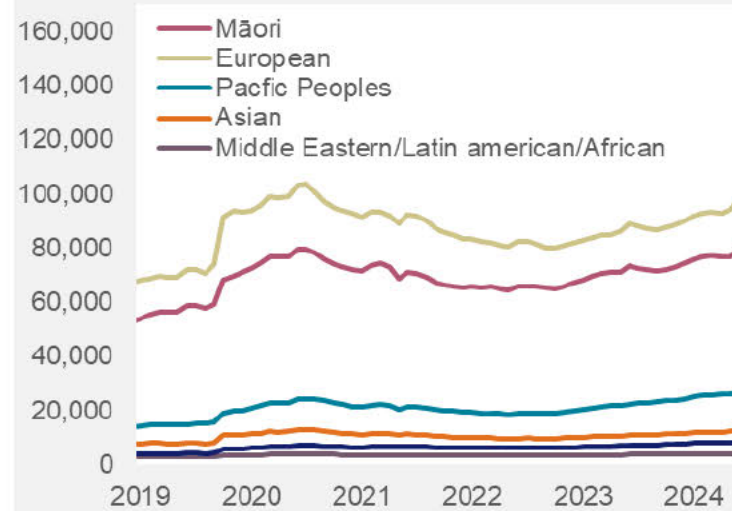
Economic activity as measured by GDP decreased in the September 2024 quarter as interest rates remained elevated to reduce economic activity and inflation. As a result, around 4,800 more people were granted a Jobseeker Support benefit compared to the same period last year (42,500 vs. 37,700). Despite the economic challenges driving new grants, the number of people who exited JS into employment had increased by 3,500 compared to the same period last year (17,100 vs. 13,600).

Quarter ending
31 December 2024

Target Breakdown

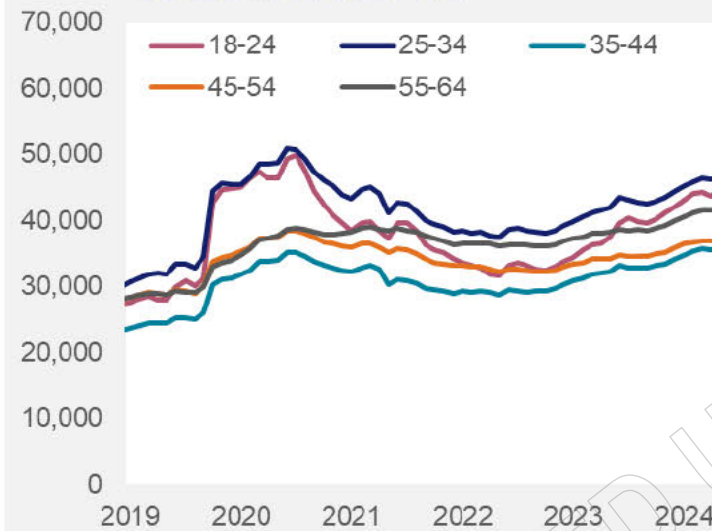
Demographic Breakdown

Jobseeker Support - ethnicity (total response)



As at the end of Dec 2024, European and Māori make up most of the recipients on JS (46% and 37% respectively) and in the last quarter increased by 5% and 4% respectively.

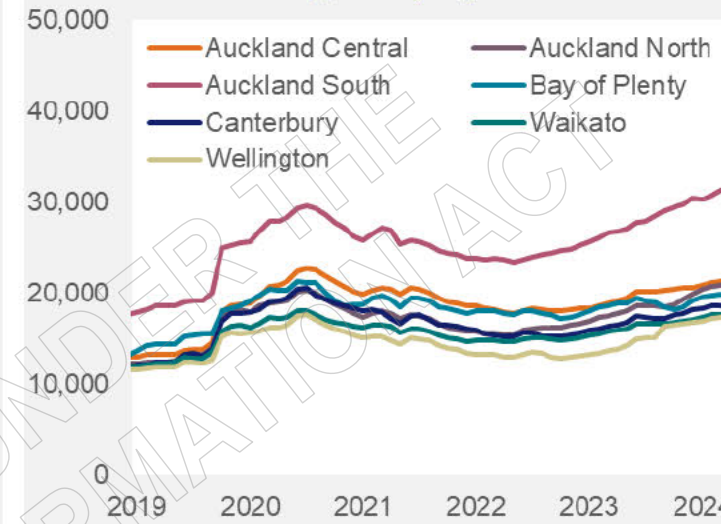
Jobseeker support by age



Youth (18-24) on JS have seen larger increases than other age bands in the past year. In the last quarter, youth on JS increased by 7%.

Geographic Breakdown

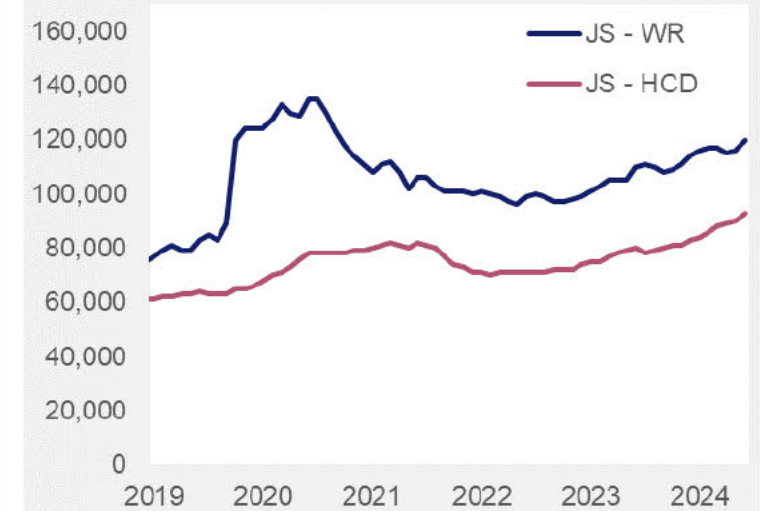
Jobseeker Support - by region



As at the end of Dec 2024, the largest proportion of recipients on JS were in Auckland South (15%). In the last quarter, the largest increase was in Wellington (8%).

Jobseeker Support – Breakdown

Jobseeker Support - Breakdown

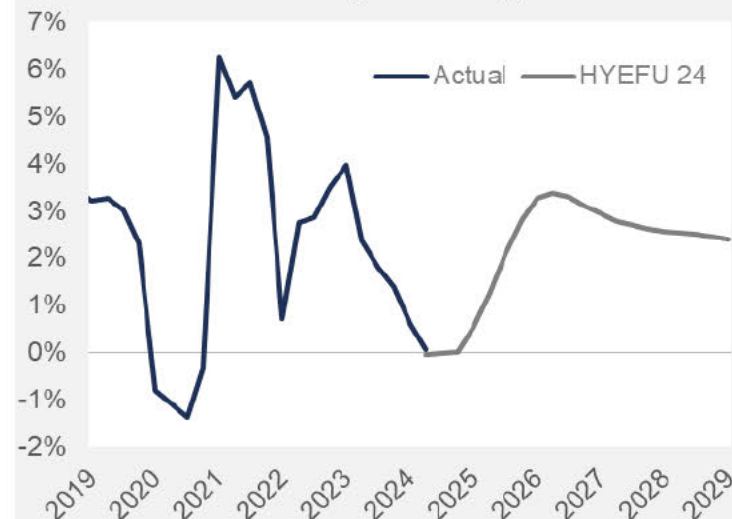


As at the end of Dec 2024, around 56% of people receiving JS were receiving JS-WR, and around 44% were receiving JS-HCD.

Leading Indicator

Leading Indicator – GDP growth

GDP - Annual Average Percentage Growth



Treasury's GDP forecast is a direct input into the Jobseeker Support – Work Ready (JS-WR) forecast. During periods of weaker economic growth, it becomes harder for people to find and retain work.

System Indicators

System Indicator 1 - Grants

Number of grants in each June quarter for Jobseeker Support



In Oct – Dec 2024 there were around 42,500 JS grants. This is around 4,800 more than in the same period in 2023 and has been increasing since 2022.

System Indicator 2 - Exits

Number of exits in each June quarter for Jobseeker Support



In Oct – Dec 2024 around 32,500 people left JS. Of these, around 17,100 left JS to enter work*. This is an increase of 3,500 work exits compared to the same period last year.

*based on when clients advise MSD they have exited to employment.

System Indicator 3 - Sanctions

Number of Sanctions applied in each June quarter for Jobseeker Support



In Oct – Dec 2024 there were around 13,300 sanctions applied to JS recipients. This is around 7,600 more sanctions than in the same period in 2023.