



- 9 JUN 2016



Dear

On 22 April 2016 you emailed the Ministry requesting, under the Official Information Act 1982, the following information:

- *How many people had their benefits cancelled over the past three years? Please separate into the Timaru, Waimate, Waitaki and Mackenzie Districts.*
- *What were the reasons for the benefits being cancelled? Please separate into the Timaru, Waimate, Waitaki and Mackenzie Districts.*

Between 2008 and 2015 a number of significant changes were introduced including: multiple benefit types being replaced by three new benefit categories; new work obligations such as pre-employment drug testing for some jobs, a 52 week reapplication process for those in receipt of a work tested benefit and new requirements for parents with children; and the stopping of benefit payments for those with an outstanding warrant to arrest.

Future Focus was a package of reforms implemented in September 2010 that aimed to break the cycle of welfare dependency. It balanced increased obligations and incentives to increase participation in paid work. This included a reapplication process for those in receipt of a work-related benefit, which saw an increase in the numbers of cancellations for this reason.

The Welfare Reform programme came into effect on 15 July 2013. It takes a long-term investment approach to getting people off benefit and into work. The changes aim to reduce benefit dependency, encourage work and self-reliance and provide a safety net for those who need it. A reduction in the number of benefit types has also meant a reduction in the number of transfers to another benefit.

While you have requested this information for the Timaru, Waimate, Waitaki and Mackenzie districts, the Ministry is unable to breakdown this information at that level. The Timaru, Waimate and Mackenzie fall within the Timaru Work and Income office and Waitaki falls within the Oamaru Work and Income office. As such, you will find enclosed a table showing the number of working age main benefit cancellations by reason code in Oamaru and Timaru, for each financial year from 2012/13 to 2014/15.

Please note that the cancellation numbers for the financial year are the sum of all cancel events that occur in the financial year. This is a count of cancellations and not a count of clients and a client may have more than one cancellation in the period.

The Ministry has recently commenced reporting benefit cancellation and grant information. This is available at www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/benefit/.

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

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

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public after ten working days. The Ministry will do this by publishing this letter on the Ministry of Social Development's website. Your personal details will be deleted and the Ministry will not publish any information that would identify you as the person who requested the information.

I hope you find this information helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman
Office of the Ombudsman
PO Box 10-152
WELLINGTON 6143

Yours sincerely



Ruth Bound
Deputy Chief Executive, Service Delivery

Table One: The number of working age main benefit cancellations by reason code, in Oamaru and Timaru for each financial year from 2012/13 to 2014/15.

Reason Code Group	2012/13			2013/14			2014/15		
	OAMARU	TIMARU	TOTAL	OAMARU	TIMARU	TOTAL	OAMARU	TIMARU	TOTAL
52 week reapplication/annual review	19	45	64	28	58	86	38	47	85
Excess income	S	S	36	16	22	38	14	12	26
Failed obligations/to recompile	18	36	54	16	41	57	17	32	49
Full time student	S	S	70	7	50	57	11	59	70
Imprisonment	17	19	36	16	16	32	8	19	27
Left NZ	18	45	63	14	35	49	12	23	35
No further medical coverage provided	26	130	156	43	116	159	43	86	129
Obtained work	564	1,331	1,895	566	1,155	1,721	407	1,093	1,500
Other	177	371	548	182	401	583	148	331	479
Transferred to another benefit	193	765	958	77	320	397	85	239	324
TOTAL	1,050	2,830	3,880	965	2,214	3,179	783	1,941	2,724

Notes

Cancellations (Cancels) are the formal process that stops entitlement to a benefit.

Cancels are for working-age main beneficiaries.

'Other' cancellation reasons include left/ceased course, child left care/no longer dependent and death.

'S' represents a suppressed cell to protect client privacy