

2020 /  
**21**

**Ministry of Social Development**  
Te Manatū Whakahiato Ora

# **Pūrongo ā-tau**

## **Annual Report**



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

Presented to the House of Representatives pursuant  
to section 44(1) of the Public Finance Act 1989





## **He kupu whakataki nā te Tumuaki** Chief Executive's foreword

The Chief Executive's foreword can be read in English or te reo Māori – click on the links below.

[Read in te reo Māori >](#)

[Read in English >](#)

## He kupu whakataki nā te Tumuaki

**“ Ka huri te kei o te waka ki te pae tawhiti  
Kia hoe ngātahi ki te pae tata  
Ki te whai ao, ki to ao mārama.**

He rōpū tautoko tāngata a te Manatū Whakahiato Ora, ā, ko te oranga tangata o Aotearoa te uho o tā mātou e mahi nei. Ahakoa, rangatahi mai, pakeke mai, whaikaha mai, tauira mai, he mātua takitahi rānei e hiahia ana kia whai kāinga noho, he pūtea pakupaku te whiwhi, e kimi mahi ana, e kimi kaimahi ana rānei – kei konei te whānau o MSD māu.

E haere tonu nei tā mātou urupare ki ngā wero e puta tonu nei i te KOWHEORI-19. Ko te urutā ā-ao nei i whakapīroiroi ake i ngā oranga pīroiroi kē. I a au ka tuhi i tēnei kupu whakataki, e noho ana anō a Aotearoa i raro i ngā here o te noho rāhui, ā, ko ngā kaimahi a Te Manatū Whakahiato Ora kei konei e mahi ana, tō Te Manatū Whakahiato Ora kaha, ko tōna āheinga ki te mahi tahi me ngā ratonga kia tautoko nui i te hunga e tino hiahia ana i te runga i te tere.



## Kia tika te tautoko mō te hunga e tika ana, i te wā e tika ana

He tari ō mātou ki te tino nuinga o ngā wāhi o Aotearoa, ā, kua mārō ngā here rangapu, e taea ana e Te Manatū Whakahiato Ora te toro ki ngā hāpori pānekeneneke kia whai tautoko ki ērā e tino hiahia ana. Kua toro whānui atu mātou nā te āhei o te hunga ki te mahi me mātou mā te ipurangi i tawhiti rānei. Ahakoa, ngā wero i te tau rā – KOWHEORI-19, te kāinga koretanga i Rotorua, ngā whānau rawakore i Te Taitokerau, ngā waipuke i Te Tai Poutini – i a mātou ngā tāngata, ngā tūhonohono me ngā rawa ki te tautoko atu.

**“ Me ngā tari o Te Manatū Whakahiato Ora ki te tino nuinga o ngā taone, e tūhono ana mātou ki ngā hāpori puta i Aotearoa.**



## Ka mahi tahi ki te whakapai ake i te oranga o te hunga o Aotearoa

Ka tipu, ka whanake ana a Aotearoa, ka pērā hoki mātou. E mahi ana a Te Manatū Whakahiato Ora i ngā wāhi maha ake – ki ngā tāngata nui ake i o mua rā – hai tauira.

- Ka mahi tahi mātou me ngā rōpū hapori, ā, he pūtea ka toha e taea ai e rātou ngā hiahia o te hapori te whakatutuki
- I roto i te tau ka hipa, ka tūtaki au ki tāku kapa ārahi ki ngā hoa hapori neke atu i te 500 puta i te whenua, ā, nā ā rātou whakahoki kōrero e tautoko ai mātou kia mārama he aha e nui hira ana ki ō rātou nā whakaaro, nā konei ka tautoko ā mātou mahi ki roto o Pōneke.
- E whakakaha ana mātou i te hononga i waenga i te Māori me te Karauna – ka hui ai mātou me ngā rangatira o ngā iwi, he kaimahi kei ētahi marae e whai ratonga ana, ā, ka mahi tahi me ngā iwi, hapū ki te whakapai ake i ngā oranga o te Māori.
- Ko Te Manatū Whakahiato Ora te tūnga mahi matua ki te whakapakari i te noho ngātahi ā-iwi me tāna whāinga kia whakapiripiri ai a Aotearoa whai i muri i ngā mahi kōhuru i te mosques i Ōtautahi 2019.
- Ki Oranga Tamariki taha, e ārahi ana a Te Manatū Whakahiato Ora i tētahi kaupapa ki te whakapai ake i te āhua o ngā mahi a ngā ratonga kāwanatanga ki te rāngai ā-iwi ki te tono ratonga
- Kotahi anake mātou o ngā umanga tekau e mahi tahi ana me tētahi Hinonga Tahi me ngā iwi, Māori me ngā hapori ki te whakakaha i ngā pūnaha whānau, pūnaha tūkinu hoki.
- E tūhono ana a Te Manatū Whakahiato Ora i ngā Ratonga Tūmatanui i ngā rohe, ā, e whitu ō mātou rangatira ārahi e whai tūranga ana hei Kōmihana Ratonga Tūmatanui Ā-Rohe.

“Ko te tautoko ā-pūtea, kimi mahi hei tino aronga mā mātou, kua kite mātou i te tipuranga nui i ā mātou tūranga mahi whānui ā-iwi

## Pai haere ana ngā mahi, ā, he nui anō ngā mahi

I te 2020/21 he nui ake te hunga nā mātou o Te Manatū Whakahiato Ora i kuhu ki te ao mahi ki ngā tau 25 o mua ake nei ka hipa. I tutuki i a mātou nā te kaha aro ki ēnei:

- kia noho tonu te hunga ki te mahi
- kia whakahoki tere ake ngā tāngata ki te ao mahi
- te urupare ki ngā panonitanga mahi ringaraupā puta i te ao ahumahi, hei tauira:ka mimiti ngā mahi tūruhi otiia, ka nui ake ngā mahi ahuone, ā,
- ka whakarahi ake te kuhu ki ngā wheako-mahi me ngā whakangungu.

Ahakoā, ka kite mātou i tā mātou i whakaaro ai – te pikinga ake o ngā nama penihana, kāore i eke rawa ki ngā nama i whakapaetia. Nā te putanga atu i ngā penihana ki te ao mahi i āwhina ai te pānga o te pikinga hiahia ki ngā pūtea tautoko.

## “ Me whai whakaaro tātou ki te mana o ngā mokopuna i roto i a tātou mahi katoa

He nui atu anō hei mahi – mō te Māori, Pasifika hoki, ā, mō te hunga ka roa e noho ana ki te pūnaha ora. E mōhio ana mātou, mēnā ka tautoko tētahi ki te ao o te rangatiratanga, he tautoko anō tērā i ngā whakatipuranga te haere ake nei.

He hua pai kē i whakatutuki i ō mātou tāngata, ahakoa ngā here pūnaha, tukunga hoki o te wā. Kei te hiahia mātou kia ngāwari ake ēnei, ā, kei te pae tata ka panonitia kia pai ake ai hei ngā tau te haere ake nei.

### Te manaaki i tō tātou iwi

Kua noho whakamiharo au ki te manawaroa me te ngākau aroha o te iwi e mahi nei ki Te Manatū Whakahiato Ora, nā rātou nei i takitū ake ki te tautoko i ētahi kē nō rātou tonu anō ka noho me ngā pānga o te KOWHEORI-19 ki ō rātou nā ao. I tēnei tau ka pōhiritia e mātou ngā kaimahi hōu maha otiia, ka wehe ētahi atu anō ētahi kaimahi e arohanuitia ana. Ko te āhua o tā mātou whakapiripiri i ngā hau kino o te wā hei whakaāhua ko wai mātou me te nui o te manaakitanga kei roto i mātou.

Ko tētahi o ā mātou aronga, kia nui ake te whiwhi utu i ngā kaimahi kei te aroā kapa, ā, kia whai wāhi ai te katoa ki ngā tautoko whānui i te mahi. Kua tipu, kua tōnui ō mātou tūhono kaimahi kia manaaki, kia whakanuia rawatia e mātou tō mātou kanorautanga o te whānau o Te Manatū Whakahiato Ora

Kua tata atu ki taku tau whā tekau ahau e mahi ana i Te Manatū Whakahiato Ora, ā, nōku te whiwhi kia ārahina. He rōpū a Te Manatū Whakahiato Ora e pōhiritia ai ngā wero hōu. Tino whakahīhi ana au i ngā mahi e mahitia e ngā kaimahi i ia rā mō ia hapori i Aotearoa.



**Debbie Power**

Tumuaki, Te Manatū Whakahiato Ora

## Chief Executive's foreword

**“ Ka huri te kei o te waka ki te pae Tawhiti  
Kia hoe ngātahi ki te pae tata  
Ki te whai ao, ki to ao mārama.**

**“ The waka turns towards the distant horizon  
Let us make headway and paddle as one  
Through the glimmer of dawn to the break  
of day.**

The Ministry of Social Development (MSD) is a people organisation with the welfare of the people of New Zealand at the core of what we do. Whether you are young or old, disabled, a student, a sole parent, in need of somewhere to live, on a low income, looking for work, or looking for workers – our MSD whānau is here for you.



We continue to respond to the ongoing challenges of COVID-19. The global pandemic has complicated already complex lives. As I write this foreword, New Zealanders are again living in a lockdown and MSD's workforce is once again on hand to respond. Throughout, our greatest strength has been our ability to work across agencies to get vital support out to those who need it most, and at pace.

### The right support to the right people at the right time

With locations in nearly every centre in New Zealand and well-developed networks, MSD can reach some of our most vulnerable communities. This reach has increased with people able to do more with us online or remotely. Whatever the challenge over the last year – COVID-19, homelessness in Rotorua, families in need in Northland, or flooding on the West Coast – we had the people, connections and resources to help.

**“ With offices in nearly every centre, we are connected and on the ground to help  
communities across New Zealand.**

## Working together to improve the wellbeing of New Zealanders

As New Zealand grows and evolves, so do we. MSD is operating in more areas – and with more people – than ever before.

- We work with community groups and provide funding so they can meet the local demand for services.
- Over the last year, my leadership team and I met with more than 500 community partners around the country. Their feedback helps us understand what matters from their perspective, which helps inform the work we do back in Wellington.
- We are strengthening Māori-Crown relationships. We meet regularly with iwi leaders, we have staff co-located at marae providing services and we work alongside iwi and hapū to improve the wellbeing of Māori.
- MSD has the lead role in strengthening social cohesion, with an aim of bringing the people of Aotearoa together following the terrorist attack on the Christchurch mosques in 2019.
- With Oranga Tamariki, MSD is leading a programme to improve how government agencies work with the social sector to commission services.
- We are one of 10 Joint Venture agencies collaborating with iwi, Māori, and communities to build a stronger family and sexual violence system.
- MSD is joining-up the Public Service in the regions; with seven of our senior leaders taking roles as Regional Public Service Commissioners.

**“ While income support and employment remain key priorities for us, we have seen significant growth in our wider social development role.**

## Doing well and doing more

In 2020/21 we helped more New Zealanders into work than at any time in the last 25 years. We achieved this by focusing on:

- keeping people in jobs
- moving people quickly back into the workforce
- responding to changing labour needs across industry, for example fewer tourism jobs but more opportunities in horticulture
- increasing access to apprenticeships and training.

Although we saw an expected increase in benefit numbers, we never reached the high numbers predicted. Our exits off benefits into work helped cushion the impact of the increase in demand for income support.



**“ Me whai whakaaro tātou ki te mana o ngā mokopuna i roto i a tātou mahi katoa  
– we need to think about the mana of mokopuna in all of our work.**

There is so much more to do – particularly for Māori and Pacific clients, and people who have spent a long time in the welfare system. We know that when we help someone to independence, we’re helping future generations.

Our people achieved impressive results despite the constraints of our existing systems and processes. We want to make these simpler and will be looking to make significant improvements over the coming years.

## **Looking after our people**

I’ve been so impressed by the resilience and compassion of the people who work at MSD who have stepped up to support others while dealing with the impact of COVID-19 on their own lives. This year we welcomed large numbers of new staff, and sadly lost much-loved colleagues. The way our people come together to support each other in times of adversity and sadness defines who we are and how much we care.

Ensuring our frontline staff are better paid and have access to a range of wellbeing supports at work has been one of our priorities. Our staff networks have grown and thrived, ensuring we embrace and celebrate the diversity of our MSD whānau.

After nearly 40 years working for this organisation, I now have the privilege of leading it. MSD is an organisation that is always willing to take on new challenges. I am enormously proud of the work our people do every day in every community in New Zealand.

A handwritten signature in black ink, appearing to read 'Debbie Power', with a stylized, flowing script.

### **Debbie Power**

Secretary for Social Development

Chief Executive, Ministry of Social Development

# Ngā hua o te kōhanga

## Table of contents

This version of the Annual Report has been created for presentation to Parliament. The narrative section (pages numbered 1 to 191) will be published online only, with a link to the pdf file of the Performance Assessments, Financial Statements and Appendices (pages numbered 1 to 184).



<b>He whakarāpopoto whakahaere .....</b>	<b>6</b>
Executive summary.....	12



<b>Tā mātou hītori 2020/21 .....</b>	<b>74</b>
Our story in 2020/21 .....	75



<b>Mō Te Tari Whakahiato Ora .....</b>	<b>18</b>
About the Ministry of Social Development.....	18



<b>E whakatūturu nei kia whiwhi tautoko te hunga o Aotearoa e hiahiatia ana</b>	
Ensuring New Zealanders get the support they require .....	88



**E whakatūturu nei kia noho manawaroa ngā iwi katoa o Aotearoa, ā, kia noho ki ngā hapori manaaki, tautoko anō hoki**  
Ensuring New Zealanders are resilient and live in inclusive and supportive communities..... 103



**E whakatūturu nei kia whai angitu ngā iwi katoa o Aotearoa kia whai wāhi pai atu ki te poritanga, ā, kia eke ō rātou nā pitomata**  
Ensuring New Zealanders have the chance to participate positively in society and reach their potential..... 123



**Te anga ki te pae**  
Looking to the horizon ..... 132



**He whakatutuki i ngā ratonga kouna mā te āheinga rangatira o te rōpū**  
Delivering high-quality services through excellent organisational capability..... 135





### Ngā wānanga kēhi

Case studies ..... 173



### Te rīpoata a te ringa here kore

Independent auditor's report .....181



### Te Tauāki Haepapa a te Tumuaka ..... 179

Chief Executive's Statement  
of Responsibility ..... 180



### Te whakapā mai ki a mātou

How to contact us ..... 186





## How to navigate this website

The Chief Executive's foreword provides an introduction to the 2020/21 Annual Report, and the Executive summary provides a brief overview of all the information covered in it. You can find out about what we do in the 'About us' section and about what we have achieved this year in the sections called 'Our story in 2020/21' and 'Achieving our outcomes'. To find out more about how our organisation works and what we are doing for our people, read the 'Delivering high-quality services through excellent organisational capability' section.

Our performance and financial results are attached to this websites as PDFs.

Click on the links to the various sections on the home page of this website, or navigate throughout the website using the 'Next' and 'Previous' buttons.

## Some sections have been translated into te reo Māori

Maihi Karauna (the Crown's Māori Language Strategy) aims to normalise the use and increase the status of te reo Māori (the Māori language). To show our commitment to the Maihi Karauna we have translated the following sections into te reo Māori in the 2020/21 Annual Report:

- Chief Executive's foreword
- Executive summary
- Our commitment to Māori and the Treaty of Waitangi
- introductory paragraphs to our three main sections
- major headings throughout the 2020/21 Annual Report.

All these sections can also be read in English.

Translating these sections of the 2020/21 Annual Report is just a start on our Mahi Karauna journey – we plan to make more of the Annual Report available in te reo Māori in successive years.



## **He whakarāpopoto whakahaere**

### Executive summary

The Executive Summary can be read in English or te reo Māori – click on the links below.

Read in te reo Māori on page 7 >

Read in English on page 12 >



## He whakarāpopoto whakahaere

**“ Manaaki tangata, Manaaki whānau – tā Te Manatū Whakahiato Ora, he tautoko i ngā iwi o Aotearoa kia haumarū, kia kaha, kia rangatira anō hoki. Te tino ia o ā mātou mahi, mō ngā iwi, whānau me ngā hapori; e mahi ana mātou kia whakakaha ake i te amarutanga me te toiora o ngā iwi i ēnei rā tonu nei, ā, mō te anamata ake nei.**

Ko mātou te umanga ārahi kia tomoa ngā hiahia oranga me te whakarawe mahi, pūtea tautoko, ngā ratonga tauira, pūtea penihana kāwanatanga hoki. Me ō mātou hoa, he tūranga motuhake tā mātou ki te tautoko i ngā iwi, ngā hapori ki te whai wāhi ki te ao mahi, mātauranga, whakangungu me te whai pānga pai ki te porihanga. Tāpiri atu, ka whakahaerehia e mātou te Rēhita Whare o te Tūmatanui kia whakatūturu ai kia whai whare whawhati tata ana ina hiahia ana e rātau.

Tāpiri ki ēnei ratonga, ka tohutohu mātou mō ngā kaupapa here ki te Kāwanatanga, aroturuki i ngā hinonga Karauna, ā, ka whai tūranga ārahi i ngā urupare mōrearea, ā, he wāhanga haepapa kua kite nei i te kaha aronuitia i te wa o te KOWHEORI-19.

Nā ō mātou tari maha puta i te motu e noho wātea tonu ai mātou ki te hunga e kimi tautoko ana. E rahi ake ana hoki ā mātou ratonga tawhiti – arā, ko ngā waea kōrero me ngā ara matihiko, i konei e whai wāhi pai ai ki ā mātou kiritaki.

E kore rawa e taea e mātou anake kia pai ake ai te anamata mō ngā iwi o Aotearoa, tēnā ka hono atu mātou ki ētahi atu rōpū, (ngā mea kāwanatanga, ngā mea o waho i te kāwanatanga hoki). Nā te pēnei, ka pahawa ai tā mātou toro, me te pānga nui ki ngā iwi o Aotearoa.

## He tautoko i ngā iwi o Aotearoa maha atu anō i roto i te KOWHEORI-19

I te tau 2020/21 ka aro mātou ki te tautoko i te takitahi, whānau me ngā hapori ki te urupare ki ngā wero i puta i te KOWHEORI-19. Hei ratonga hihira tonu kua mahi tonu mātou i roto i ngā pae mataara katoa.

Nā te KOWHEORI-19 i piki nuitia ngā hiahia mō ā mātou ratonga. He nui atu ngā tautoko ki te hunga i tērā o mua otiia, piki pōturi nei ngā hiahia penihana ki tā mātou i whakaaro ai. Ka tautoko ā-pūtea atu mātou ki te hunga takitahi, ngā kaiwhakawhiwhi mahi, me ngā tāngata mahi mō rātau ake (arā, ngā utu Pūtea Tautoko, ā, ko te Kaupapa Tautoko Wā Whakatā KOWHEORI-19), ā, ka nui ake ngā tohanga haupū moni mā te hapori me te rāngai ratonga o te tūmatanui e tautoko ai i ngā hiahia.

## Te whakatutukihanga i tā mātou takohanga ki te Māori

Te Pae Tata, tō mātou rautaki Māori me te hohoenga mahi e tohu mai ana ka pēhea mātou e mahi tahi ki te Māori kia pai ake ai ngā putanga. Ka tōia mai ngā mōhiotanga me ngā wheaketanga o ngā whānau, hapū me ngā iwi e whai wāhi mai ana ki a mātou i tōna whakawhanaketanga ake me ō mātou tāngata e mahi ai ki te Māori i ia rā.

Hei hoa o Te Tiriti o Waitangi, e ngākau titikaha ana mātou ki te tautoko me te whakamana i te Māori, whānau, hapū me ngā iwi ki te whakatutuki atu i ō rātou anō pitomata, wawata anō hoki.

Ko tētahi aronga nui, he whakapakari ake i ō mātou rangapū ki ngā iwi. He nui ēnei rangapū nō te urupare haere atu ki te KOWHEORI-19, nā mātou i tautoko kia taea e ngā iwi me ngā rōpū Māori te whai ratonga atu ki ō rātou ake hapori.

I anga whakamua tonu ai mātou i ngā whakaaetanga e rua o ngā rōpū torutoru – Te Hiku o Te Ika – Iwi/Karauna Whakawhanake Ā-Iwi me te Whakaaetanga Toiora, ā, Te Mahere Whakahaere Ratonga me Tūhoe. Ko ō mātou rohe i whai wāhi nui tonu ki te whakakaha ake i ngā hononga hoatanga hihira ki ngā iwi puta i Aotearoa.

Ka waihanga ake mātou he mahere ki te tautoko i te Maihi Karauna (tā te Karauna Rautaki Reo Māori) kia noa ai tāna whakamahinga, ngā wāhi, ngā kupu, te whakaaro arorau mai me te hoputanga mai o te reo Māori ki Te Manatū Whakahiato Ora.

## Tautoko ana i te whakapainga ake o te pūnaha toiora

Ka tautoko tonu ai mātou i tā te Kāwanatanga ngākau titikaha ki te whakapai ake i te kaupapa toiora.

Kua nui te anga whakamua i ētahi wāhanga pēnei me ngā panonitanga hekenga taumata, te pikitanga o ngā penihana, te whakaroa ake i ngā tukuna ratonga mahi, he whakatairanga penihana, ā, ka whakakore i ētahi o ngā here me ngā numinuitanga e hāngai ana. Nā ēnei panonitanga e whakamana ai te hunga haere mai ki a mātou ki te kimi tautoko, e manaakitia ai i runga i te tika me te pono, ka whiwhi tautoko e hiahiatia ana, ā, ka āhei rātou ki te whaitake tonu ki ō rātou ake hapori.

## E anga whakamua ana me tā mātou ahunga rautaki

I anga whakamua tonu mātou ki ā mātou puka rautaki e toru – Te Pae Tawhiti, Te Pae Tata, Te Mahere Mahi; te Tōnuitanga Pasifika, tā mātou Rautaki me te Mahere Mahi mō ngā Iwi Pasifika Ka haere tonu ngā koke whakamua – tā te KOWHEORI-19 i whakaterere ake i ētahi wāhanga matua, arā ko te taha ki ngā ara matihiko me ngā rangapū ki ngā iwi. E noho tonu ana ēnei puka ārahi kaha, hāngai tonu ki te whakatutuki atu i ngā hua pai ake mō Aotearoa.



## **E āta mahi ana kia whiwhi, kia noho tonu ai ngā iwi o Aotearoa ki te ao mahi**

Ka piki ake ngā kaiwhiwhi Tautoko Kimimahi i te 61,000 nō waenga i te tīmatanga o te noho here i te pito o Maehe, 2020 ki tōna tihi i te Hānuere, 2021 otiia, kua heke hūrokuroku nō taua wā rā.

Kua āta arohia atu kia puta ngā angitūtanga whakapūkenga me te hono atu i te hunga kore mahi ki ngā tūranga mahi e wātea ana, nā konei kua nui atu te hunga e whakarērea ana te pūnaha penihana ki te ao mahi, kua kore i kitea te nui o tēnei nukuhanga nō te wā i tīmata tuatahi ai ngā rīkoatahanga matihiko, e 25 tau o mua – neke atu i te 113,000 te katoa.

Ō mātou Kapa Urupare Hohoro e mahi hīkaka ana me ngā pakihi, ngā kaimahi e whai pānga ana ki te KOWHEORI-19, e mōhio ai rātou ki ngā ratonga, tautoko hoki e whakakawe ana mātou, ā, ko ō mātou wāhi whiwhi mahi e tautoko i te hunga i ngā rohe ki te whiwhi, kia noho ki te ao mahi.

Ka whakatakoto, ka whakaroa ake mātou i ngā kaupapa mahi kia nui atu ngā angitūtanga e uru ai ngā tāngata ki te mahi – pēnei me Utu ā-hāora-hangore, Mana i te Mahi me Te Hiki Whakangungu Pia. Ka aro ai ngā kaupapa mahi ki te Māori me te hunga whaikaha i tautokona ai kia hua pai ake ki ērā kua noho hua kore i te māketete mahi.

## **Kia māmā ake ai te riro pūtea tautoko**

Ko te waihanga ake i te pūnaha toiora tomonga māmā he mea nui ki a mātou – tētahi nei e māmā ake ai mō ngā tāngata, ngā whānau kia riro i ngā pūtea tautoko e hiahiatia, e whakaaetia ana rātou. Kua hohoro ake tā mātou urupare KOWHEORI-19 a mātou mahi ki tēnei whāinga. Ka urupare atu mātou ki te urutā ā-ao ehara kau nā te whakatinana i ngā utu tāpiri (pēnei me te Pūtea Tautoko), otiia anō, ka tātari i ā mātou pūnaha kia horo ake ai a mātou ratonga matua ki te tangata. I konei, ka wātea anō ai kia aro ki ngā angitūtanga mahi e uru nui ake ai ngā tāngata ki te mahi.

Ka kite i te piki haeretanga o ngā tono mō ngā Pūtea Taurewa Tauira, tahua tauira hoki i te tau nei, kāre e kore nō ngā pānga o te KOWHEORI-19 – inā hoki kua whakakore ngā mahi, kua heke iho rānei ngā hāora mahi e kimi ana kia whakapūkenga ake, ā, ka rahi ake te rangatahi e whiri ana i ngā whare wānanga i te wehe i te kura tuarua. Ka whakatau pai nei ngā tono i te wā.

## Te hono ki ngā hapori ki te whakapakari ake i te manawaroatanga

E āhukahuka ana mātou, mēnā rā e tika ana te momo tautoko, e pai kē ana ngā hapori mā rātou tonu e whakahaere ngā ratonga mō ō rātou tāngata.

I te tau 2020/21, e \$258 miriona ngā pūtea nā mātou i whakawātea ki ngā rōpū hapori me ngā rōpū atu i te kāwanatanga kia whakahaerehia ngā ratonga ki ō rātou tāngata, whānau, ngā hapori me ngā iwi. Hui katoa tēnei me ngā tāpiritanga pūtea tautoko i te Tahua 2020 me te Tahua Urupare KOWHEORI-19, i tino hira tēnei kia pai ai ō mātou hoa umanga me ngā hapori o ngā rohe e āhei ai ki te whakaea i ngā hiahia i nui haere nei nā te urutā me te urupare.

Nā te urupare ki te KOWHEORI-19 i horo ai tētahi kaupapa ka āhua roa mātou e aro ana – arā he whai i te tauira tino whakapono kia tere ake ai ngā mahi mō ngā hapori. Ka whakakore tonu ai mātou ki te whakatakoto whāinga mō ngā hapori me ngā kairatonga otiā, ka mahi ki ō rātou taha me te tautoko ā rātau kitenga ki te whakatutuki i ngā hua pai atu mō ō rātou tāngata.

Ko te haumarutanga tāngata, hapori hoki tētahi o ā mātou tino whakaarotau. Ka haere tonu tā mātou rourou atu ki te urupare kāwanatanga ki ngā whānau me ngā tūkino hei wāhanga o te Hinonga Tahi o ngā Whakarekerekere Whānau, Tūkino Whānau, ā, ko tō mātou Wāhanga Kokoraho o Nehe i haere tonu ai ā rātou mahi hira kia whai ara ki ērā i tūkinohia, i whakangongo rānei ki te kimi haepapa.

Ko Te Tari Mō Ngā Take Hauātanga, Te Tari Kaumātua, Te Manatū Whakahiato Taiohi e mahi tonu ana ki ō rātou hapori ake ki te whakatairanga ā rātau hiahia, ā, e whakaāheitia ai rātou ki te whai wāhitanga māia atu nei i te porihanga.

## He wero tonu kei te aroaro mō ngā kāinga me te āhua o ā mātou whakarawe ratonga

Ko te whai kāinga noho e noho tonu ana hei take nui mō ngā tāngata maha o Aotearoa. I te tau nei, ka piki haere i kō i te 33 ōrau o te hunga kei te Rēhita Whare Tūmatanui ki te 29,160. Ka piki haere ngā tono ki ngā whare whawhati tata nō muri mai i te noho rāhui tuatahi otiā, kua pōturi ake ngā tono. Heoiti, e roa ake ana ngā kiritaki e noho ana i ngā whare whawhati tata, ā, kua piki haere ngā tamariki kei roto i ngā whare whawhati tata.

Kua whakaroa ake, kua whakatinana anō hoki he kaupapa whare hōu ki te tautoko i ngā tāngata kia pai ai ngā whare mō rātau. Ā mātou kaimahi kāinga motuhake e tautoko ana i ngā tāngata kia roa ai te noho i ngā whare, kia āraihia ai te kāinga koretanga ina taea ana, ā, kia horo urupare ina ngaro ana ngā whānau ō rātau kāinga. I te tau nei ka whakatū mai, e 21 ngā kaiwhakarite kāinga puta i ngā rohe 11 kia hono ai ā mātou kiritaki ki ngā whare wātea i te mākete reti whare o te tūmataiti.

Ahakoā, ka noho here tā mātou pānga ki te pūnaha kāinga whānui, e whakaatu mai ana ā mātou tūtohu e whai pānga pai ana i ngā hua kāinga e noho haepapa ana ki a mātou. Kua whakaae mātou ki ngā Karāti Motuhake ki te tautoko i ngā tāngata ki ngā whare whawhati tata, kua whakawātea mai he Tāpiringa Pūtea Noho ki te tautoko i ērā e whiwhi penihana ana, ā, ērā kei te taumata whiwhinga pūtea pakupaku me ngā utu kāinga, kua whakawhanake rongoā whare i Rotorua, ā, ka whakaroa ake i te Tautoko Utu Tārewa Reti ki te tautoko i ngā tāngata kia mau ai ō rātau whare reti.

## He whakapāhekoheko ngā ratonga kia māmā ake ai te tomonga o ngā kiritaki

Ko tā mātou urupare me ā mātou mahi ki te KOWHEORI-19 i te tau nei, he mea whakamōhio mai ka taea e mātou kia horo, kia whai take ngā panonitanga ki te āhua o tā mātou e mahi nei. Heoiti, i kite nei hoki kia whakatutuki katoa atu ā mātou hua rautaki, me mahi anō ētahi panonitanga tūāpapa ki te āhua o a mātou whakahaere, tā mātou mahi ratonga ki ngā kiritaki, ā, ki ngā hangarau e whakamana ai ēnei. Hei ngā tau te haere mai nei ka aro ai mātou kia whakapai ake ngā wheako ki ngā kiritaki nā te pāhekoheko katoatia ā mātou ratonga pēnei me te mahi, whiwhi pūtea me ngā kāinga, ā, kia waihanga nuitia ake ngā kōwhiringa whiringa-ake

## Ka whakatutuki i a mātou i te 84 ōrau o ā mātou paearu mahi i te tau nei

I ia tau ka whakaae mātou me te Kāwanatanga e pēhea ai mātou e whakamahi nei i ngā tahua e whakaaetia ana e te Paremata, ā, ka pēhea tērā e whakaine ā mātou mahi. Ko ngā paearu mahi me ngā taumata i whakaaetia ka tāia ai ki te Pūtea Whakatau Tata, ā, ka panoni pea ai i ngā Whakatau Tata Tāpirnga i roto i te tau.



### Ā mātou whāinga mahi

Ka whakatutuki i a mātou i te  
**61 o ngā 73**  
 paearu mahi me ngā whāinga (84 ōrau) i te tau nei

otiia, he  
**55 o te 68**  
 (81 ōrau) nō te tau rā.

[1]

Ko te wāhanga o te Aromatawai o ā mātou mahi o tēnei pūrongo ā-tau nei e whakatakoto ana i ngā taipitopito mō ngā otinga o ngā paearu whakaine mahi takitahi. Kua tāpiri he kōrero ina:

- kāore i tutuki i ngā paearu mahi
- ka eke kē noa atu i ngā whāinga
- ka kite mai he whakapaitanga hihiranga, he hekenga rānei i ngā mahi ki ērā o te tau 2019/20.

Ko te pānga riterite o ngā paearu mahi i whakatutuki, i tau tata ai ki te tau 2019/20, nō mātou e mahi tonu ana me ngā pānga tairoa o ngā noho rāhui o te KOWHEORI-19. I tino whai hua mātou mō te taha ki ngā whakaine whiwhi mahi otiia, te tino nuinga i eke noa atu i ngā whāinga. Ko ngā whāinga kāore i whakatutuki, he tata tonu.

Ka āta tiro anō mātou ki ētahi tohu mahi hei whakaatu e pēhea nei tā mātou anga whakamua ki ā mātou putanga, whakaaweawenga anō hoki. Ki konei koe ka kite ā mātou otinga nō nā tata nei mō ēnei tohu.

## Ka pai tā mātou whakamahi i te tahua kia pai ake ai ngā oranga o te hunga o Aotearoa

I ia tau ka riro tahua mai mātou i te kāwanatanga ki te whakarwe i a mātou ratonga. Hui katoa a mātou whiwhinga pūtea mō te tau 2020/21 he \$36.118 piriona (tāpiri atu ko ngā kuhunga haupū rawa)

Tā mātou whakapaunga moni katoa mō te tau i oti ai i te 30 o Hune, 2021 ko te \$33.710 piriona ki tērā tahua Tāpiringa Whakapaunga e \$36.118 piriona. Tae ake tēnei:

- whakapaunga pūtea ki ngā whakahaere tari me ngā whakapaunga rawa (\$1.499 piriona)
- ngā utu o te Penihana Aotearoa (\$16.569 piriona)
- ngā utu ki te hunga pakeke mahi – moni utu mō te penihana pakeke-mahi – Tautoko i te Kaikimi-mahi, Tautoko Mātua Takitahi me te Tautoko Utu Noho (\$6.505 piriona)
- ngā utu ki te āwhina noho whare (\$2.302 piriona)
- ngā utu ki te tautoko i ērā e whiwhi penihana ana kia whakamahanatia ō rātou whare i te takurua (\$0.812 piriona)
- ngā utu kia āwhina i te tangata kia whai tohu, arā ko te moni pūkoro tauira (\$0.607 piriona)
- ngā utu āwhina kore hoki mai noho toimaha (0.479 piriona)
- ngā utu āwhina whaikaha (\$0.409 piriona)

Hei tāpiri atu, he utu anō ki ngā kairatonga whai pānga tuatoru i roto i ngā hāpori kia whai ratonga ā-hāpori (\$0.400 piriona), ko ngā utu whakahaere atu i te tari mō ngā Pūtea Taurewa Tauira (\$1.554 piriona) me ngā utu tōmua o ngā penihana me ngā utu hoki mai hei āwhina i te noho toimaha (\$0.349 piriona)

He kuhunga anō te \$1.205 piriona i utua ki te Pūtea Tautoko me ngā utu Tuku Tautoko ki ngā kamupene i whai pānga kinohia e te KOWHEORI-19, Utu-Ngāwari āwhina mahi me te kaupapa Tautoko Pia KOWHEORI-19 \$0.165 piriona.

Hui katoa whakapaunga pūtea i \$0.855 piriona.

Kāore i whakapau te tahua katoa o te Pooti Whanake Ā-lwi ngā pūtea i te \$2.409 piriona ki tērā tahua Tāpiringa Whakatau Tata, i pēnaitia ai nā te kore whakapau o te \$1.013 piriona i ngā Tāpiringa Pūtea, ā, he \$0.452 piriona i ngā whakapaunga pūtea ki ngā penihana, he whakapaunga e hāngai ana rānei. Tā te tari whakahaere tūāpapa he \$1.603 piriona, kāore i whakapau katoa, he \$0.196 piriona e toe ana, ā, neke atu i te \$0.031 piriona o tēnei ka whakawhiti atu ki 2021/22.

## Footnotes

1. Mō ētahi atu paearu mahi ka kore i taea e mātou te whāki ake mēnā āe rānei, kāore rānei i whakatutuki i te tau nei. Kāore tētahi o ēnei paearu i whai taumata whakaine inā hoki nāna i whai tuapapatanga otiā, ētahi ake e rua i whakatakoto he whāinga mō ngā tau ruarua kia whakatutukihia atu i mua i te tau tau 2023.





## Executive summary

**“ Manaaki tangata, Manaaki whānau — the Ministry of Social Development helps New Zealanders to be safe, strong and independent. We centre everything we do on helping people, whānau, families and communities; we work to strengthen the dignity and wellbeing of people today and into the future.**

We are New Zealand’s lead agency for assessing welfare needs and providing employment, income support, student and superannuation services. Along with our partners, we play a critical role in supporting people and communities to participate in employment, education, and training and to contribute positively to society. In addition, we manage the Public Housing Register and ensure that people and whānau have access to emergency housing when they need it.

Alongside these services, we provide policy advice to the Government, monitor three crown entities, and take a leading role in crisis responses, an area of responsibility that has seen increased focus through the COVID-19 pandemic.

Our network of locations throughout the country makes us directly available to people seeking our support. We are also increasingly providing remote services – including phone and digital channels – where these work for our clients.

We cannot achieve a better future for New Zealanders on our own, so we partner with other organisations (both government and non-government). By taking this approach we maximise our reach and impact for New Zealanders.

## Supporting more New Zealanders through COVID-19

In 2020/21 we continued to focus on helping individuals, whānau and communities respond to the challenges posed by COVID-19. As an essential service, we have continued to operate through all alert levels.

COVID-19 brought about a sharp rise in demand for our services. We again provided support to more people than usual, although benefit demand increased more slowly than we were expecting. We provided financial support to individuals, self-employed people and employers (including Wage Subsidy and Leave Support Scheme payments), and allocated increased levels of funding to community and social sector services to help with demand. Our data and analysis have proven critical for supporting the all-of-government response to COVID-19. We published more data, more frequently, to inform public discussion of the impact of COVID-19 on the New Zealand economy.

## Delivering on our commitment to Māori

Te Pae Tata, our Māori strategy and action plan, sets out how we will work with Māori to achieve better outcomes. It draws on the wisdom and experiences of whānau, hapū and iwi who engaged with us in its development and of our people who work alongside Māori every day.

As a Te Tiriti o Waitangi partner, we are committed to supporting and enabling Māori, whānau, hapū and iwi to realise their own potential and aspirations.

We made progress towards achieving the goals set out in Te Pae Tata. A key priority is strengthening our partnerships with iwi. These partnerships have been vital during the COVID-19 response, allowing us to support iwi and Māori organisations to provide services in their own communities.

We continued to progress the two multilateral agreements we lead – Te Hiku o Te Ika Iwi/Crown Social Development and Wellbeing Accord and the Service Management Plan with Tūhoe. Our regions have also been instrumental in strengthening key partnerships with iwi across the country.

We developed a plan to support Maihi Karauna (the Crown's Māori Language Strategy) to normalise the use, status, domains, corpus, critical awareness and acquisition of te reo Māori in MSD.

## Supporting the overhaul of the welfare system

We continued to support the Government's commitment to the welfare overhaul work programme.

There has been significant progress in changing abatement thresholds, lifting main benefits, extending employment service offerings, indexing main benefits, and removing some obligations and related sanctions. These changes ensure that people who come to us for support are treated with respect and dignity, get the support they need, and can participate meaningfully in their communities.

## **Making progress on our strategic direction**

We continued to make progress against our three strategic documents: Te Pae Tawhiti – Our Future; **Te Pae Tata, our Māori strategy and action plan**; and **Pacific Prosperity**, our strategy and action plan for Pacific peoples. COVID-19 even helped to accelerate progress in some key areas, particularly in the enhancement of our digital channels and partnerships with iwi. These documents remain a strong and relevant guide for achieving better outcomes for New Zealanders.

## **Working proactively to get and keep New Zealanders in the workforce**

Jobseeker Support recipient numbers climbed by more than 61,000 between the start of the nationwide lockdown at the end of March 2020 and their peak in January 2021, but have steadily fallen since then.

There has been a concerted effort to provide upskilling opportunities and to match unemployed people to available jobs. This has resulted in higher numbers of people moving out of the benefit system into work than at any time since electronic records started 25 years ago – over 113,000 in total.

Our Rapid Response Teams worked proactively with businesses and employees affected by COVID-19, to let them know what services and support we can provide, and our employment centres supported people in the regions to get and keep work.

We extended employment programmes to give people more opportunities to get into work – such as Flexi-wage, Mana in Mahi and Apprenticeship Boost. Employment programmes targeted towards Māori and disabled people helped improve outcomes for those traditionally disadvantaged by the labour market.

## **Making income support easier to access**

Creating an accessible welfare system is important to us – one that makes it easy for people, families and whānau to get the income support they need and are entitled to. Our COVID-19 response has accelerated our work towards this goal. We responded to the global pandemic not only by implementing additional payments such as the Wage Subsidy but also by reviewing our systems so we could deliver our existing core services more quickly. This also freed up time to provide more employment case management to get people into jobs.

We experienced an increase in applications for Student Loans and Allowances this year, likely due in part to the impacts of COVID-19 – as people who have lost jobs or had hours reduced seek to upskill, and more young people choose tertiary study on leaving high school. Applications were finalised in a timely manner.

## **Partnering with communities to build resilience**

We recognise that, with the right support, communities are often better placed to deliver services for their own people.

In 2020/21 we provided over \$258 million in funding to community groups and non-government organisations to provide services to people, whānau, families, communities and iwi. This included additional funding through Budget 2020 and the COVID-19 Response and Recovery Fund that was critical to ensure our partner agencies and local communities could meet increased demand brought about by the pandemic and response.

The COVID-19 response fast-tracked something we had been focused on for some time – adopting a high-trust model to deliver for communities more quickly. We continue to move away from setting objectives for communities and providers towards working alongside them and supporting their vision of achieving the best outcomes for their people.

The safety of people and communities is one of our top priorities. We continued our contribution to the government response to family and sexual violence as part of the Joint Venture on Family Violence and Sexual Violence, and our Historic Claims Unit kept up its important mahi to provide a way for those who were abused or neglected in care to seek justice.

The Office for Disability Issues, the Office for Seniors, and the Ministry of Youth Development continue to work with their respective communities to promote their interests and enable them to participate confidently in society.

## **Meeting the challenges of providing housing for New Zealanders**

Housing remains a particular issue for many New Zealanders. This year there was an increase of over 33 percent in the number of people on the Public Housing Register, to 29,160. Demand for emergency housing increased after the initial national lockdown but the increase has slowed. However, clients are staying longer in emergency housing and the number of children in emergency housing has increased.

We have extended and implemented new housing programmes, to help people to achieve suitable housing solutions. Our specialist housing staff provide support to help people sustain their housing situation, to prevent homelessness wherever possible, and to respond quickly when families do lose their home. This year we established 21 housing brokers across our 11 regions to match our clients with housing opportunities in the private rental market.

Although our influence on the performance of the wider housing system is limited, our indicators show that we are having a positive impact on those housing outcomes that are within our area of responsibility. We approved special needs grants to help people into emergency housing, provided accommodation supplement payments to help people on benefits and low incomes with their housing costs, developed local housing solutions in Rotorua, and extended Rent Arrears Assistance to help people retain existing tenancies.

## **Integrating client services to make accessing support easier**

Our COVID-19 response and service delivery during the year showed us that we can make quick and effective changes to the way we work. However, it also highlighted that to fully achieve our strategic outcomes we will need to make more fundamental changes to the way we operate, how we deliver services to clients, and to the technology that will enable these changes. Over the coming years we will focus on improving the experience for clients by fully integrating our services across employment, income and housing, and creating more self-service options.

## We achieved 84 percent of our performance targets this year

Each year we agree with the Government on how we will use the funding approved by Parliament and on how we will measure our performance. The performance measures and agreed standards are published in the annual Estimates of Appropriations, and may be amended in Supplementary Estimates during the year.



### Our performance targets

We achieved  
**61 out of 73**  
 performance standards with targets (84 percent)

compared with  
**55 out of 68**  
 (81 percent) last year.

#### [1]

The Assessing our performance section of this Annual Report gives details about results of individual performance measures. We have included commentary where we:

- did not achieve performance targets
- exceeded targets by a significant margin
- saw a significant improvement or deterioration in performance compared with 2019/20.

The proportion of performance targets met was comparable to 2019/20, while we were still working with the lingering effects of the COVID-19 lockdowns. We were particularly successful in employment-related measures, most of which exceeded their targets comfortably. The majority of the measures that did not reach their target did so only narrowly.

We also track a number of organisational performance indicators to demonstrate how we are progressing towards our outcomes and impacts.

[See here to find out recent results for these indicators.](#)

## We used our funding effectively to improve the lives of New Zealanders

Each year we receive funding from the Government to deliver our services. Our baseline funding for the 2020/21 financial year was \$36.118 billion (including capital injections).

Our total expenditure for the year was \$33.710 billion against a Supplementary Estimates budget of \$36.118 billion. This expenditure includes:

- departmental operating and capital expenditure (\$1.499 billion)
- payments of New Zealand Superannuation (\$16.569 billion)
- payments for the working-age benefits – Jobseeker Support, Sole Parent Support and Supported Living Payment (\$6.505 billion)
- payments for accommodation assistance (\$2.302 billion)
- payments to support those in receipt of a benefit to heat their homes in winter (\$0.812 billion)
- payments to assist people to obtain a qualification, including Student Allowances (\$0.607 billion)
- payments for non-recoverable hardship assistance (\$0.479 billion)
- payments for disability assistance (\$0.409 billion).

In addition, there were payments to third-party providers and other organisations and groups within communities to deliver community services (\$0.400 billion), and non-departmental capital expenditure on Student Loans (\$1.554 billion) and advances of benefit and recoverable payments to assist with hardship (\$0.349 billion).

The total expenditure includes \$1.205 billion paid in Wage Subsidy and Leave Support payments to businesses affected by COVID-19, and \$0.165 billion through the Flexi-wage employment assistance and COVID-19 Apprentice Support schemes.

Total other expenditure was \$0.855 billion.

The overall Vote Social Development underspend of \$2.409 billion against the Supplementary Estimates budget was mainly due to underspends of \$1.013 billion in Wage Subsidies and \$0.452 billion in benefits or related expenses. The departmental operating baseline of \$1.603 billion was underspent by \$0.196 billion, with over \$0.031 billion of this to be carried forward to 2021/22.

## Footnotes

1. For another three performance measures we have been unable to state that a target has been achieved or not achieved this year. One of these measures had no target as it was setting a baseline, while two others had a multi-year target set for achievement by 2023.



## **He aha te mahi o te Manatū Whakahiato Ora** About the Ministry of Social Development

Some sections of About the Ministry of Social Development can be read in te reo Māori – click on the links below. Use the ‘Next’ and ‘Previous’ buttons to navigate throughout the te reo Māori sections. To read the sections in English, return to this page.

### **Pānuihia ēnei whārangi i te reo Māori**

Ko Te Manatū Whakahiato Ora te tino umanga o te rāngai ā-iwi i Aotearoa >

Tā mātou manawanui ki te Māori me Te Tiriti o Waitangi >

Mā ā mātou ūara rōpū e ārahi ā mātou mahi >

Tā mātau pūtake, me te ahunga rautaki >



## **Read these pages in English**

The Ministry of Social Development is the lead social sector agency in New Zealand >

Purpose of this Annual Report >

Social development for all New Zealanders >

Our commitment to Māori and Te Tiriti o Waitangi >

MSD as part of the social sector >

Our organisational values >

Our purpose and strategic direction >

Our organisational performance indicators >

Our Ministers >

Our organisational structure >

Our Leadership Team >

We operate from many locations across New Zealand >

We receive all our funding from the Crown >



## Ko Te Manatū Whakahiato Ora te tino umanga o te rāngai ā-iwi i Aotearoa

Hei tino umanga mō te rāngai ā-iwi, ko Te Manatū Whakahiato Ora e kawea ana i te haepapa mā te Kāwanatanga kia ārahi haere i ngā whakawhanake ā-iwi e hua ai he anamata pai ake mō ngā iwi katoa o Aotearoa.

Ka tautoko mātou i te Kāwanatanga kia whakatakoto i ngā whakaarotau puta i te rāngai, ka whakarite i ngā hohenga i ētahi atu umanga rāngai ā-iwi, ka whakatakotohia, ā, ka whakahaerehia ngā kaupapa here me te āta whai i ngā panonitanga i te toiora ā-iwi mō ngā iwi o Aotearoa.

**“ Kāore e kore ka whakapā mai tēnā me tēnā katoa o Aotearoa ki Te Manatū Whakahiato Ora i o rātau nā ao.**

Ka whakarawe kupu tohutohu kaupapa here, ā, ka whakatakoto ratonga ā-iwi, tautoko hoki ki te hunga rangatahi, te hunga pekeke mahi, te hunga kaumātua, ngā whānau me ngā hapori. Ka mahi tahi tonu ki ngā iwi o Aotearoa, ahakoa te pakeke ki te whakapai ake o rātau nā toiora ā-iwi.

Ā mātou mahi me ērā atu hoa o mātou o te rāngai ā-iwi, he hira tonu kia whakatutuki, kia whakauka e puta ai he anamata tōnui e taea ai e ngā iwi katoa o Aotearoa te noho haepapa mō rātau tonu, kia angitu i o rātau nā ao me te whai wāhi ki o rātau hapori.

Ka whakahaere mātou i ētahi ture e whakatūturu ana kia matatika ai te pūnaha toiora mō te hunga katoa o Aotearoa<sup>[2]</sup>. Ko te tino o ēnei ture, arā ko te Ture Haumarua Ā-Iwi 2018. Me mahi anō mātou i raro i ngā here o ētahi ture o te rāngai tūmatanui pēnei me the Public Finance Act 1989, the Public Service Act 2020, the Official Information Act 1982, the Privacy Act 2020, the New Zealand Bill of Rights Act 1990 me the Crown Entities Act 2004.

Kia mōhio: He paku hītori mō Te Manatū Whakahiato Ora me ōna tōmua rōpū kei te Āpitihanga 5 o tēnei Pūrongo ā-Tau.

### Footnotes

2. Ka kite te whānuitanga o ngā ture e whakahaerehia ana e mātou ki: [www.msd.govt.nz/about-msd-and-our-work/about-msd/legislation](http://www.msd.govt.nz/about-msd-and-our-work/about-msd/legislation)



## The Ministry of Social Development is the lead social sector agency in New Zealand

As the lead agency for the social sector, the Ministry of Social Development (MSD) is responsible on behalf of the Government for leading social development to achieve better futures for all New Zealanders.

We help the Government set priorities across the sector, co-ordinate the actions of other social sector agencies, set and manage policy and track changes in the social wellbeing of New Zealanders.

**“ It is likely that every New Zealander will come into contact with MSD at some point in their life.**

We provide policy advice, and deliver social services and assistance to young people, working-age people, older people, families, whānau and communities. We work directly with New Zealanders of all ages to improve their social wellbeing.

Our work, together with that of our social sector partners, is essential to achieving a sustainable and prosperous future in which all New Zealanders are able to take responsibility for themselves, be successful in their lives and participate in their communities.

We administer a series of statutes that ensure a fair welfare system for all New Zealanders<sup>[2]</sup>. The most significant of these is the Social Security Act 2018. We are also required to operate under a range of public sector legislation such as the Public Finance Act 1989, the Public Service Act 2020, the Official Information Act 1982, the Privacy Act 2020, the New Zealand Bill of Rights Act 1990 and the Crown Entities Act 2004.

Note: A brief history of MSD and its predecessor organisations appears in Appendix 5 of this Annual Report.

### Footnotes

2. A full list of the legislation we administer can be found at: [www.msd.govt.nz/about-msd-and-our-work/about-msd/legislation](http://www.msd.govt.nz/about-msd-and-our-work/about-msd/legislation) .



## He whakawhanaketanga ā-iwi mō ngā iwi katoa o Aotearoa

### Social development for all New Zealanders

We want to achieve a better future for New Zealanders. This involves working with and through others to take a holistic approach to meeting people's needs, and intervening early to get the best solutions.

We help New Zealanders by fulfilling a broad range of responsibilities and functions, including:

- providing employment, income support and superannuation services, including Student Loans and Allowances
- designing and delivering community services in conjunction with others
- allocating funding to community service providers
- providing public housing assistance and services
- assessing and resolving claims of historical abuse and neglect
- providing advice on regional public service governance
- being the primary provider of social policy advice to the Government
- monitoring three Crown entities <sup>[3]</sup> and providing advice to the responsible Minister
- ensuring the legislation we administer is effective and fit for purpose
- working with other agencies and the wider social sector to support Government priorities and improve the wellbeing of all New Zealanders.

Our policy advice function includes:

- providing advice on a wide range of social policy issues, including those affecting seniors, disabled people, children and youth
- protecting the integrity of the welfare system
- supporting the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions
- responding to adverse and crisis events
- co-ordinating the whole-of-government approach to strengthening social cohesion.

## Providing services to a wide range of clients

We serve a wide range of clients. These include working-age people, seniors, students, and people who need housing support.

As well as people living in New Zealand, our clients include a small number of New Zealanders who live overseas and receive financial assistance.



### Our clients

Over  
**350,000**

working-age people  
received a main or  
supplementary  
benefit

More than  
**837,000**

Seniors were paid  
New Zealand  
Superannuation

We provided more  
than  
**200,000**

students with  
support to access  
allowances and  
loans

We helped over  
**19,000**

people into emergency  
housing and administered  
the Public Housing  
Register

## Delivering during COVID-19

As an essential service we continued to operate through the COVID-19 lockdowns. Staff worked remotely (often at home), and we scaled up to deliver the Government's response to COVID-19 through:

- designing and implementing financial support to individuals, employers and self-employed people, including:
  - Wage Subsidy payments
  - COVID-19 Income Relief Assistance
  - COVID-19 Apprentice Support
  - the COVID-19 Leave Support Scheme
  - the COVID-19 Short-term Absence Payment
- providing policy advice on pandemic response measures
- ensuring social services providers could continue to operate, supporting national food distribution networks and rolling out time-limited funds to ensure local communities could support those most in need
- taking a major role in the all-of-government cross-agency emergency management response.

## Footnotes

3. The Office of the Children's Commissioner ([www.occ.org.nz](http://www.occ.org.nz)), the New Zealand Artificial Limb Service ([www.nzals.co.nz](http://www.nzals.co.nz)) and the Social Workers Registration Board ([www.swrb.govt.nz](http://www.swrb.govt.nz)).



## Tā mātou manawanui ki te Māori me Te Tiriti o Waitangi

Hei hoa o Te Tiriti o Waitangi e manawanui ana mātou ki te tautoko, ki te whakamana i te Māori, ngā whānau, hapū, iwi me ngā hāpori kia pahawa ō rātou nā pitomata, wawata anō hoki.

Mōhio ana mātou me pai ake ngā putanga ki te Māori. Ka roa a mātou kiritaki Māori, whānau hoki e kī mai ana ki a mātou kāore te pūnaha toiora e tautoko ana i ā rātou wawata, ka mutu, e whakaū ana ētahi o ngā tūtohu ohaoaha kei te papa te Māori i roto pūnaha toiora.

### Te whakapiki i te toiora ā-iwi, ā-ohaoaha anō hoki o ngā whānau

Tā mātau kitenga mō te Māori kia noho kaha iho, haumarū, tōnui hoki ngā whānau. E mahi mai ana rātau me ō rātou hāpori, e ora pai ana mō te taha tuakiri me te ahurea ngākau pono, ā, ko rātau ake ngā rangatira mō ngā rā o ō rātau nā ao ki tua – Te mana kaha o te whānau!

Kua whanake mātou he rautaki, Te Pae Tata, ko tāna he whakatinana he rerenga panonitanga kia whakamana ai te Māori kia rangatira ai. Tā Te Pae Tata he whakatakoto ka pēhea ā mātou mahi kia pai ake ai ngā putanga ki te Māori. Hei pānui anō māu mō Te Pae Tata hei ngā whārangi ake o tēnei wāhanga, kei tā mātau pae tukutuku rānei ki:

<https://www.msd.govt.nz/about-msd-and-our-work/about-msd/strategies/te-pae-tata/index.html> .

Hiahaia ana mātou ko ngā tāngata o Te Manatū Whakahiato Ora te āheinga kia pūharu a rātau mahi mō ngā whānau, hapū me ngā iwi. Tā Te Pae Tata he whai pānga ki ō mātou whakaaro ka pēhea ai a mātou mahi me te whakatoka he tirohanga Māori puta i tō mātou rōpū.

### Te hapahapai, te ākina anō hoki te whakamahinga o te reo Māori

I raro i ngā parirau o Te Ture mō Te Reo Māori (Māori Language Act) 2016, e manawanui ana mātou ki te whakarauoratanga o te reo Māori hei reo kōrero o ia rā i Aotearoa. Ka whakaatuhia tā mātou manawanuitanga mā te tautoko i te Maihi Karauna (the Crown's Māori Language Strategy) hei kōrero noa, tōna mana, ngā wāhi kōrero, ngā kupu, te mōhiotanga ararau me te hoputanga o te reo Māori ki roto i Te Manatū Whakahiato Ora.

I roto i ngā tau kua nui haere te whakamahinga o te reo Māori ki Te Manatū Whakahiato Ora, ki roto i te tari tonu me te hāpori. E whai ana mātou i ngā mahi pai kua oti kē i a mātau kaimahi te mahi, ā, e whakakotahi ana ā mātou whakapaunga kaha ki te whakarauora i te reo Māori mā roto mai i ngā mahi mahere me ō mātau hoa a Te Taurawhiri i te reo Māori (the Māori Language Commission), ā, ko rātau kei te ārahi haere i ngā mahi o te Maihi Karauna i te rāngai o te tūmatanui, tūmataiti anō hoki puta i Aotearoa.

Ka roa te haere, me wānanga, me mahi tahi ki ngā wāhanga katoa o Te Manatū Whakahiato Ora. Heoiti, mā te whakamahere reo me ō mātau hononga e pakari haere tonu nei ki ngā whānau, hapū me ngā iwi, e manatia ai ngā pūkenga o te tangata whenua ki te whakahaere ēnei ki o tātou hāpori me te whakamana tonu i te Tiriti o Waitangi.



I te tau tuatahi nei i raro i te Maihi Karauna, e kite ana mātou nā te kaha whakamahinga ake o te reo Māori e nuitia ana te arotia ki te kōtuitui i te reo me ngā tikanga ki a mātou mahi. Ā-karu nei, e kitea ana i ngā whakamāoritanga ūpoko, ngā tūranga mahi, ngā kupu whakataki i ngā puka hira me ngā hinonga karioi whakamāori pae tukutuku. Kua tīmata kē i a mātau ētahi hinonga karioi pēnei me te whakamāori i ngā pae tukutuku (<https://www.connected.govt.nz/> ).

Mō ngā whakamāoritanga, ka tonoa e mātou ki Te Taurawhiri i te Reo Māori kei reira ngā Kaiwhakamāori Ōkawa e whai tohu ana. I roto i ngā mahi whakamāori e nui haere ana te kete kupu otiia, e rite tonu ai tāna mahinga, ā, e āki anō ai i tana hoputanga o te reo Māori puta i te rōpū (hei tauira, tirohia te Āpitianga 6, he rarangi tūranga o ō mātou rangatira whakahaere). Nā te nui haere o ngā whakamāoritanga he kite ana, he mea pōhiri e mātou te tūmatanui ki te hoe tahi me mātou ki te ako i te reo.



## Our commitment to Māori and the Treaty of Waitangi

As a Te Tiriti o Waitangi partner, we are committed to supporting and enabling Māori, whānau, hapū, iwi and communities to realise their own potential and aspirations.

We know that we need to deliver better for Māori. Our Māori clients and whānau have been telling us for a long time that the welfare system does not support their aspirations, and a range of social and economic indicators confirm that Māori are disproportionately represented in the welfare system.

### Lifting the social and economic wellbeing of whānau

Our vision for Māori is that whānau are strong, safe and prosperous. They are active within their community, living with a clear sense of identity and cultural integrity and with control over their destiny – Te mana kaha o te whānau!

We have developed a strategy, **Te Pae Tata**, that embodies a voyage of transformation and seeks to empower Māori to be self-determining. Te Pae Tata sets out how we will work to achieve better outcomes for Māori. You can read more about Te Pae Tata later in this section and on our website at <https://www.msd.govt.nz/about-msd-and-our-work/about-msd/strategies/te-pae-tata/index.html>

We want MSD people to have the capability to do their best for whānau, hapū and iwi. Te Pae Tata is helping us think differently about the way we work and will help us embed a Māori world view throughout our organisation.

### Championing and encouraging the use of te reo Māori

Under Te Ture mō Te Reo Māori (Māori Language Act) 2016, we are committed to the revitalisation of te reo Māori as an everyday language of Aotearoa New Zealand. To show this commitment we support the Maihi Karauna (the Crown's Māori Language Strategy) to normalise the use, status, domains, corpus, critical awareness and acquisition of te reo Māori in MSD.

Over the years, use of the Māori language has increased in MSD, both in-house and within the community. We are harnessing the good work that has been done by our staff and co-ordinating our efforts to revitalise te reo Māori through language planning with our colleagues at Te Taura Whiri i te Reo Māori (the Māori Language Commission), who are leading the co-ordination of the Maihi Karauna in the public and private sectors and across Aotearoa.

This journey will take time, education and co-ordination at every level of MSD. However, through language planning and our growing relationships with whānau, hapū and iwi, we will honour the expertise of tangata whenua to deliver to our communities and uphold Te Tiriti o Waitangi.

As our first year under the Maihi Karauna, we are seeing how the increased use of te reo Māori fosters a growing awareness of integrating the language and the tikanga into the work we do. Visually, this can be seen in translations of headings, position titles, introductions and forewords in key document, and longer-term projects translating websites, such as [connected.govt.nz](https://connected.govt.nz)

For our translations, we use Te Taura Whiri i te Reo Māori certified Māori language translators. Through the translators' work, we are building a corpus of words and phrases, supporting consistency, and encouraging the acquisition of te reo Māori across the organisation (for example, see Appendix 6, a list of our senior leadership management positions). With the increased visibility of translations, we are inviting the public to come along with us on our reo rangatira journey.



## Ko te Manatū Whakahiato Ora hei wāhanga o te rāngai ā-iwi

### MSD as part of the social sector

We are a social sector agency. The social sector is made up of government agencies (national, regional and local) and organisations that work with individuals and whānau in particular areas of welfare, housing, health, education, child wellbeing, justice and disability support services. This includes government agencies who fund organisations that deliver services within communities.

### Supporting a more joined-up Public Service in the regions

Our Regional Development team works closely with the eleven Regional Public Service Leads (the Leads), who were appointed in September 2019 to improve the co-ordination of public services across New Zealand, on the Joined-up Government in the Regions work programme by providing co-ordination, analytical and advisory support.

Seven of the Leads are MSD Regional Commissioners: Eru Lyndon (Northland), Te Rehia Papesch (Waikato), Karen Bartlett (Acting, East Coast), Gloria Campbell (Taranaki, King Country and Whanganui), Katie Brosnahan (Central) (Graham Allpress acting from 1 July 2021), Craig Churchill (Nelson, Marlborough and West Coast), and Jason Tibble (Southland).

During 2020/21 the Leads had the mandate to convene officials across the social and skills sectors. Among other things, they:

- supported regional leaders, including iwi/Māori, to manage COVID-19 resurgence as well as to recover and revitalise
- continued to develop regional public service priorities that reflect what is important to iwi/Māori, local government and communities, which align with national-level priorities
- supported regional alignment of key government priorities, such as child wellbeing
- convened officials in the region to share information, connect and act on key issues effecting their communities
- were members of the Regional Skills Leadership Groups, and other key regional-level forums.

A particular focus has been a cross-agency process for stakeholder engagement to develop awareness of the work programme across social, economic, skills and workforce, and environmental sectors.

We have continued to provide advice on regional public service governance, particularly in support of place-based initiatives that build on existing relationships and each community's aspirations and needs<sup>[4]</sup>.

## Strengthening social cohesion

We are the lead agency for co-ordinating the whole-of-government approach to strengthening social cohesion, which is part of the Government's response to the recommendations from the Report of the Royal Commission of Inquiry into the terrorist attack on Christchurch masjidain in March 2019.

The scope of the social cohesion work goes beyond ethnicity and faith to include a broad definition of diversity including ages, cultures, beliefs, disabilities, family composition, where people live, gender identities, and sexual orientation. It will build on initiatives already under way across agencies, develop new initiatives, and lead work to develop a strategic framework for social cohesion, including a monitoring and evaluation regime. In May 2021 we sought Cabinet agreement to:

- engage with communities to create a strategic framework based on a shared understanding of social cohesion that is focused on what unites us as people in Aotearoa New Zealand, while valuing diversity and taking tangible steps to become an inclusive society
- build on the Government's existing work programme through tangible actions in the short, medium and long term to improve social cohesion
- identify how to support and enable communities, the business sector, the cultural sector, and central and local government to undertake actions to improve social cohesion.

Work on social cohesion will be consistent with Te Tiriti o Waitangi, and incorporating te ao Māori approaches will be a priority.

## Delivering in collaboration with other agencies

We can't achieve a better future for New Zealanders on our own, so we partner with other organisations (both government and non-government) to maximise our reach and impact.

We lead and co-ordinate social policy development for the Government, including its commitment to overhauling the welfare system, but we work with others to achieve outcomes. This means partnering across the social, justice and economic sectors, and with iwi and non-government agencies (both private sector and not-for-profit), to:

- contribute to cross-sectoral strategies
- lead strategies for particular projects or communities
- develop and provide policy advice to Ministers on issues that affect the whole social sector
- provide research and evaluation to back up our social policy advice
- deliver services to the public.

## Footnotes

4. In July 2021 Cabinet agreed to further strengthen public service leadership in the regions by expanding the scope of the Leads to cover the environment and economic sectors, and to strengthen their mandate to help resolve issues within regions and where beneficial raise issues or opportunities directly to Chief Executives. In line with this Cabinet decision, on 25 August 2021, the Public Service Commissioner designated Debbie Power as System Leader for regional alignment and re-designated Leads as Regional Public Service Commissioners.

## Mā ā mātou ūara rōpū e ārahi ā mātou mahi

I te Hūrae, 2020, ka whāngaihia e mātou he ūara mō tō mātou rōpū e whakakanohi nei ko wai rā mātou me tā mātou e mahi nei.

Ka ārahina mātou e ngā ūara e whā kia haere tahi ā mātou hohenga kia whai i te pūtake kotahi, ā, kia mōhio ai mātou katoa he aha hei ārahitanga whanonga mā mātou. E ngākau pono ana ngā tāngata o Te Manatū Whakahiato Ora kia whakatinana iho ā mātou ūara.



### Manaaki

#### E aronui ana mātou kia noho toiora, ā, kia angitu te tangata

Ko te manaakitanga tā mātou tino ūara. Ka manaaki mātou i te wairua o te tangata nā te whakatinana iho, hei whakapiki, hei tiaki i te mana o ētahi kē mā te wairua pai atu ki te tangata i te whakaute me te aroha. He wāhanga te aroha o te manaakitanga, ā, aroha atu, aroha mai. Ka whakamana i ō mātou tāngata me tō mātou mōhio te hihira o ā rātou nā mahi. Ko te tautoko i ngā tāngata, whānau me ngā hapori te tino uho o ā mātou mahi.

E mea ana te tohu nei i te whanaungatanga i waenga i te rōpū me te hapori. Tā ngā koru he ata o tētahi i tētahi.



## Whānau

### He whakakotahi tō mātou āhua kia whai pakiaka

He nui ngā whakamāhuki mō te whānau. Mō te takitahi ake pea, ko te whānau tērā hei horopaki ki te whakaputa i tōna tuakiritanga i te taha o tōna ake whānau ā-hapori, tae ake ki ngā rōpū tautoko ā-whānau, he takatāpui, he rōpū hoa me ngā rōpū ngahau, ā, ko tāna whai kia piri tata, kia whai take. Tā te whānau he āki i te tuakiritanga o tēnā, o tēnā kia whakaputa ake, kia rongō i te whanaungatanga i te rōpū me tāna koha kia tautokona, kia whakapakarihia ake ngā wawata o te katoa. E ārahina ana ā mātou mahi e te mōhiotanga, e ngā wheakotanga o ngā whānau.

Tā te koru me te puhoro he tohu kaha o te whānau me te whakapapa. Tā te mangōpare kei waenga, ko te mea e kōtuituitia ai tātau ki a Papatuānuku.





## **Mahi tahi**

### **Mahi tahi, e puta ai he hua ki te katoa**

Ko te mahi tahi (hei tohu whakakotahi) te aroro whakakotahi e tohu ana i ngā mahi a ō mātou tāngata katoa, e ngākau whiwhita, e ngākau pono ana hoki ki te tautoko i ngā iwi katoa o Aotearoa kia noho haumarū, kaha, rangatira anō hoki. E mārama ana mātou, tā te mahi tahi he ārahi i tētahi kaupapa nui tonu; kāore tētahi tangata kotahi e hihira ake i te kaupapa, ā, ka whakapuaki i te mahi tahi i runga i te tika, kia whakamana mā te tūhono, mā te whakapakari i ngā whanaungatanga e āhei ai te whakaputa i te kaha o te katoa. Ko te mahi tahi hei whakatinana i ēnei āhuatanga.

Nō te rauru tēnei tohu, he tohu e whakaahua ana i te wehenga a Ranginui rāua ko Papatūānuku i hua nā te mahi tahi a ā rāua tamariki.



## **Tika me te pono**

### **E mahi ana mātou i runga i te tika me te pono**

Tā te tika me te pono, he ūara ārahi kia mahi i runga i te tika mō ngā iwi katoa o Aotearoa kia matatika, tōkeke, ā, kia pono. Ko te mahi i runga i te tika me te pono, he mahi whakaatu, hei ārahi mā te pono me te whakapono. E noho haepapa ana mātou mō ā mātou mahi, ā, mā ā mātou mahi e whakaatu i te wairua manaaki ki ngā whānau me ngā hāpori. Kāorekau he mahi i tua atu i te mahi mā tāngata kē atu.

He maunga tēnei tohu, arā hei tohu i tētahi mahi nui me te haepapa o te rōpū kia pono ngā mahi, kia whakapono mai hoki. Ko ngā paihere o te maunga, koia ērā ngā kōtuitui maha e whakatutukihia ai tēnei.

## Our organisational values guide our work

In July 2020, after extensive consultation with our people and stakeholders, we formally adopted a set of values for our organisation that represent and underpin who we are and what we stand for.

Our four values help us to align our daily actions with a common purpose and a shared understanding of what should guide our behaviour. All MSD people are committed to living our values.



### **Manaaki**

We care about the wellbeing and success of people

We look after the dignity of others through the expression of manaaki, to lift and nurture the mana of others through simple acts of respect and aroha. Aroha is the extension of manaaki and can be shared and reciprocated. We value our people and understand the importance of their contribution. Helping people, whānau, families and communities is at the heart of what we do.

This design is the interconnected relationship of the organisation and the community. The koru are reflections of one another.



## **Whānau**

We are inclusive and build belonging

Whānau can be defined in many ways. In a personal context, whānau can begin with a person who expresses their individuality within their own whānau community, and extend to a support network of family, close friends, associates and social groups with the intention of being inclusive and purposeful. Whānau encourages the uniqueness of each individual to emerge, to embody a sense of value and contribution that supports and strengthens collective aspirations. Our work is shaped by the wisdom and lived experiences of whānau.

The koru and puhoro are symbols of the strength of whānau and whakapapa. The mangōpare design in the middle is the common thread that binds us to Papatūānuku.



## **Mahi tahi**

We work together, making a difference for communities

Mahi tahi is the overarching concept that represents the collective efforts of our people, who are passionate and committed to helping New Zealanders to be safe, strong and independent. We understand that mahi tahi guides a higher purpose (kaupapa); that no individual is bigger than the kaupapa; and that we can express mahi tahi in meaningful, mana-enhancing ways through establishing and cultivating strong relationships and enabling the strengths of the collective. Mahi tahi exemplifies these attributes.

This design comes from rauru, a design that can reflect the separation of Ranginui and Papatūānuku as a result of their children working together.



### **Tika me te pono**

We do the right thing with integrity

Tika me te pono is about doing right by New Zealanders in a way that is fair, just, genuine and sincere. Doing what is right, with integrity, is about leading by example through honesty and trustworthiness. We are accountable for our actions and perform our roles in a manner that demonstrates a spirit of service to whānau, families and communities.

There is no higher purpose than service to others.

This design depicts a maunga, the sense of a higher purpose and responsibility of the organisation to be honest and trustworthy. The bindings of the maunga are the many threads needed to achieve this.



## Tā mātou pūtake, me te ahunga rautaki

I ngā tau tata ka taha, kua whakawhanake, ā, kua whakatinana iho mātou tā mātou Ahunga Rautaki, Te Pae Tawhiti, he mea tautoko mai e Te Pae Tata me te Tōnui Pasifika, ā mātou Rautaki Pasifika, Māori – Mahere Mahi anō hoki. Ko te uho ēnei o ā mātou mahi me mahi e mātou ki te whakatutuki a mātou putanga e toru, kia tautokona ngā iwi katoa o Aotearoa kia haumarū, kia kaha, kia rangatira anō hoki.

### Tā mātou pūtake – tā mātou i konei

**Manaaki tangata, Manaaki whānau – we help New Zealanders to be safe, strong and independent**

Ka whakatairanga mātou i te whanaketanga ā-iwi, ā-hapori mā te tautoko kia whai hua te takitahi, ngā whānau, hapori anō hoki. Ka mahi mātou kia whai hua pai ki te toiora o te hunga i te rā nei me te anamata anō hoki.

Tā te whakamāoritanga nei o tā mātou tauākī pūtake, he whakamāoritanga ake nei kāore tonu he whakamāori ā-kupu Pākehā, ā, e whakaatu ana i te whakakotahitanga o tā mātou pūtake iho i te manaaki tangata, whānau me ngā hapori, tae ake ki ngā iwi katoa o Aotearoa.



### Ā mātou putanga – ā mātou hiahia hei whakatutuki

Ko ā mātou putanga e toru ērā e whakatutuki ai mātou hei whakarawe i tō mātou pūtakekanga.

**Ka riro i ngā iwi katoa o Aotearoa te tautoko e hiahia ana.**

Me whakatakoto e mātou ngā ratonga otiia, tautoko ki ngā iwi katoa o Aotearoa e māraurau ana i raro i te ture, ā, kia noho mauri-tau ka whiwhi i a rātou he pūtea tautoko ina hiahia ana e rātou, tae ake ki ngā kāinga – kia mahana, kia maroke te āhua, ā, kia haumarū.

**E manawaroa ana ngā iwi katoa o Aotearoa, ā, ka noho ki ngā hapori manaaki whai tautoko anō hoki.**

E āhukahukangia ana e mātou te kanorau o tēnā, o tēnā, ngā whānau me ngā hapori e mahi nei mātou, ā, noho ngākau pono ana mātou ki te whakapai ake o rātau nā toiora. E whakapai ake ana mātou i te tomonga ki ngā taputapu, pūkenga me ngā rauemi pēnei me te mōhiotanga pūtea, kia urupare pai ake ki ngā wero o te wā. Ka tautoko mātou i ngā hapori kia kotahi te āhua, kia tautoko hoki i te taikaha kore. Ka hiahia ana mātou mō te hunga kua wheakohia tēnei āhua, e noho wehi ana rānei – kia mōhio ai he ringa tautoko e wātea ana, ā, ki hea kimi ai i taua ringa tautoko.

## Ka whai pānga pai ki ngā iwi katoa o Aotearoa ki te porihanga, ā, ka whakatutukihia ō rātou pitomata

Ka hiahia mātou kia whakapai ake ngā tāngata kia rite, kia tomo ki te ao mahi otiia, ka āhukahuka anō ka whai pānga te tangata mā te mahi tūao, mā te manaaki rānei i ngā whānau me ngā hapori kia mārama ai rātau ki a rātou wawata, ā, he aha ia e hira ana ki a rātou, tae ake ki tō rātou nā horopaki, ahurea me ngā ūara. Ka tautoko mātou kia tūhono te tangata ki ngā kaupapa angitu kia whakatutuki ā rātou whāinga, ka eke ō rātau nā pitomata me te puāwaitia, ā, ka whai pānga pai ki te poritanga.

## Te Pae Tawhiti – tā mātou ahunga rautaki

“ Tā Te Pae Tawhiti he whakakanohi i tā mātou ahunga rautaki, ā, ka whakatakoto iho ngā panonitanga, e toru e whakatutuki ai a mātou putanga.

Ka whakarewaina Te Pae Tawhiti <sup>[5]</sup> i te tau 2018, ā, tāna he tohu ai i tā mātou takune kia pai ake mātou mō ngā iwi katoa o Aotearoa. Ka whakatakohia te anga me pēhea e pai ake ai mō te taha toiora o te tangata, whānau me ngā hapori e mahi nei mātou. Te mutunga iho, e toru ōna panonitanga me panoni e mātou hei rōpū i ā mātou mahi katoa e whakatutuki ai a mātou putanga:

## Mana manaaki

### He wheakotanga pai i ia te wā

Ka manaakitia te mana o te tangata ki te mahana, taringa whakarongo, whakaute, aroha, te ngākau huaki me te tōkeke, te tautoko tāngata, whānau me ngā haopri.



## Kotahitanga

### He mahi ngātahi kia kaha ake te putanga

He kaha ake tatou mēnā ka mahi tahi tatou ki ngā whānau, hapū, iwi, ngā ratonga, ngā hapori me ētahi atu ūmanga kāwanatanga.



## Kia takatū tātou

### E tautoko ana i ngā whanaketanga ā-iwi me ngā whanaketanga ohaoha kia toitū

Ka whakarite mātou i a mātou anō mō te anamata, ā, ko te whai kia titiro whakamua ki ngā hapori mō te whakawhanaketanga ā-rohe, whakawhanaketanga ohaoha. Kia pai ake ngā putanga whai mahi, ka tautoko mātou i ngā tāngata kia whai pūkenga mō māketē mahi o nāianei me anamata anō hoki.



E tautoko ana Te Pae Tawhiti a Te Pae Tata me te Tōnuitanga Pasifika, e tauawhi ai ngā panonitanga e takato ana i Te Pae Tawhiti, ā, e whakamāhuki ana e pēhea ai e pahawa mō te Māori otiia, ngā tāngata Pasifika.

## Te Pae Tata – tā mātou rautaki Māori me te mahere mahi

Tā Te Pae Tata, tā mātou rautaki Māori me te mahere mahi, he whakatakoto e pēhea ai mātou e mahi me te Māori kia pai ake ai ngā putanga. He tō mai i ngā mātauranga, ngā wheako o te whānau, hapū, iwi nā rātou i hui tahi me mātou i tōna whakawhanaketanga ake, o ō mātou rōpū tuhotoro, ārahi, ā-roto, ā-waho me ō mātou tāngata e mahi tahi nei ki te Māori i ia rā. Ka whakakaha Te Pae Tata i te tirohanga Māori e kōtuitia ana ki Te Pae Tawhiti.

## Tōnuitanga Pasifika – tā mātou rautaki Pasifika me te mahere mahi

Tā te Tōnuitanga Pasifika, tā mātou rautaki, mahere mahi anō hoki, he whakarite kia noho tuakana ai ō mātou tāngata Pasifika, whānau me ngā hapori ki a mātou ratonga whakawhanake, ngā whakaaro me ngā whakatau. Ka whakahōungia tēnei te āhua o ā mātou ratonga mō ngā iwi Pasifika, whānau me ngā hapori, kia noho haumarū, kia tōnui rawatia i Aotearoa nei.

Ka noho tahi te Tōnuitanga Pasifika ki te Te Pae Tawhiti, ā, he kīnaki i Te Pae Tata. He tauawhi i ngā panonitanga i whakamāhuki ake ki te Te Pae Tawhiti, ā, he āta tohu e pēhea ai e pahawa mō ngā tāngata Pasifika.

## Ā mātou whakaawenga – ā mātou aronga nui

Ā mātou whakaawenga e hua ana ngā aronga e whā mō te wā waenga-tata i whakatakoto hei whakatutuki i a mātou putanga, ā, he whakakanohi tā mātou pānga ki ngā whakaarotau a te Kāwanatanga me te kaupapa o te whakapaitanga toiora.

- He whakapai i ngā putanga tōkeke, mō te Māori tonu
- Kia whakapono kahatia ake tā te hunga whakapono ki te pūnaha toiora
- Ka whakapai ake te āhua o te tautoko
- Kia mimiti te hunga e noho whakapāwera ana, kāore rānei e whai kāinga toka ana.
- Kia mōhio ake, kia whai wāhi atu ki ngā momo tautoko
- Kia mimiti te tūkino, ā, kia whakapai ake te kaha o ngā whānau me ngā hapori.
- Kia whakapai ake ā mātou pānga ki te ahumahi, ā, te whakawhanaketanga rohe
- Kia whakapai ake te tūhonohono i waenga i ngā ratonga kē me ngā rōpū.
- Kia whakapai ake ngā putanga mahi mā ngā tū mahi toitū
- Kia whakarite pai ake te tangata ki te ao mahi, mā roto mai i te whakangungu me te wānanga
- Kia whakapai ake te āheinga o te tangata kia whai wāhi, whai-take ki te porihanga

## Ngā whakaarotau a te Kapa Ārahi – he aha a mātou mahi e mahitia ana

Ka whakatakoto tā mātou Kapa Arahi i ngā whakaarotau e kite ai te ahunga mā ō mātou rōpū kamupene, ā, ka whakarārangi iho ā mātou mahi ki ā mātou pānga. Ka tō ai ngā whakaarotau e whakatakotohia ana e ō tātau Minita, tae ake ki ngā Tahua.

E rima ā mātou whakaarotau Kapa Ārahi i 2020/21.

- He pūtea tautoko e māmā ai te tomonga
- Kia whai kāinga ngā iwi
- He whakahoahoa ki ētahi kē
- Kia mahi tonu ai ngā iwi katoa o Aotearoa
- He tautoko a Te Manatū Whakahiato Ora kia tautoko anō i a Ngai Aotearoa

E whakatako ana tā matou anga whakamua ki ēnei kei roto i ētahi wāhanga kē o tēnei pūrongo.

## Footnotes

5. Tirohia <https://www.msd.govt.nz/about-msd-and-our-work/about-msd/strategies/te-pae-tawhiti/index.html>



## Our purpose and strategic direction

Over the last few years, we have developed and implemented our strategic direction, Te Pae Tawhiti – Our Future, which is supported by **Te Pae Tata** and **Pacific Prosperity**, our Māori and Pacific Strategies and Action plans respectively. These sit at the heart of the work we need to do to achieve our three outcomes and help New Zealanders to be safe, strong and independent.

### Our purpose – why we exist

**Manaaki tangata, Manaaki whānau – the Ministry of Social Development helps New Zealanders to be safe, strong and independent**

We promote social and community development by helping to build successful individuals, whānau and communities. We work to contribute positively to the wellbeing of people today and into the future.



“ The te reo Māori version of our purpose statement is a figurative translation of the English language version, and reflects our overarching purpose of caring for people, whānau and families, communities and all New Zealanders.

### Our outcomes – what we want to achieve

Our three outcomes are what we will achieve in order to deliver to our purpose:

#### New Zealanders get the support they require

We need to provide New Zealanders with all the services and support they are entitled to, and ensure they are confident they will get the financial and other support they need when they need it, including a warm, dry and secure home.

#### New Zealanders are resilient and live in inclusive and supportive communities

We recognise the diversity of the people, whānau, families and communities we serve, and we are committed to improving their wellbeing. We are improving New Zealanders' access to tools, skills and resources including financial literacy, to help them to respond better to the challenges in their lives. We support communities to be inclusive, supportive and free from violence. We want people who have experienced harm or do not feel safe to know that help is available and where they can get it.

## **New Zealanders participate positively in society and reach their potential**

We want to improve people's readiness for and access to employment, while recognising that people also participate through volunteering or caring for whānau and families. We engage with people, families, whānau and communities to understand their aspirations and what is important to them, including their situation, culture and values. We help to connect people with opportunities to realise their goals, reach their potential and grow, and participate positively in society.

## **Te Pae Tawhiti – our strategic direction**

**“ Te Pae Tawhiti presents our strategic direction, describing the three shifts we are making across our organisation in all our work to achieve our outcomes.**

Te Pae Tawhiti <sup>[5]</sup>, which we launched in 2018, signals our intention to do better for all New Zealanders. It sets out how we will bring about positive changes in the wellbeing of the people, whānau, families and communities we serve.

**At its heart are three shifts we need to make as an organisation in all our work to achieve our outcomes**

### Mana manaaki

#### **A positive experience every time**

We will look after the dignity of people with warmth, listening, respect, compassion, openness and fairness, helping people, whānau, families and communities.



### Kotahitanga

#### **Partnering for greater impact**

We are stronger when we work together with whānau, families, hapū, iwi, providers, communities and other government agencies.



### Kia takatū tātou

#### **Supporting long-term social and economic development**

We will prepare ourselves for the future and take a long-term approach to community, regional and economic development. To improve employment outcomes, we will support people to acquire skills for current and future job markets.





**Te Pae Tata – our Māori strategy and action plan**

Te Pae Tata, our Māori strategy and action plan, sets out how we will work with Māori to achieve better outcomes. It draws on the wisdom and experiences of whānau, hapū and iwi who engaged with us in its development, of our internal and external Māori reference and leadership groups, and of our people who work alongside Māori every day. Te Pae Tata enhances the kaupapa Māori woven into Te Pae Tawhiti.

**Pacific Prosperity – our Pacific strategy and action plan**

Pacific Prosperity, our Pacific strategy and action plan, places our Pacific peoples, families and communities at the heart of service development, thinking and decision making. It will rejuvenate the way we deliver services for Pacific peoples, families and communities, so they are safe, thrive and flourish in Aotearoa.

Pacific Prosperity aligns with Te Pae Tawhiti and complements Te Pae Tata. It embraces the shifts described in Te Pae Tawhiti and articulates how they will be realised for Pacific peoples.

## Our impacts – what we are focusing on

Our impacts outline the medium-term focus areas we have set to achieve our outcomes, and reflect our contribution to Government priorities and the welfare overhaul work programme.

- Improve equity of outcomes, particularly for Māori
- Improve people's trust and confidence in the welfare system
- Improve effectiveness of support
- Reduce the number of people in hardship or insecure housing
- Improve awareness of and access to support
- Reduce harm and improve the strength of whānau, families and communities
- Improve our contribution to industry and regional development
- Improve the effectiveness of connections across different providers and organisations
- Improve employment outcomes through sustainable work
- Improve people's readiness for work, including through training and education
- Improve people's ability to participate meaningfully in society

## Leadership Team priorities – what we are working on

Our Leadership Team (LT) sets priorities that provide direction for our business groups and guide the prioritisation of work towards our impacts. They capture priorities set by our Ministers, including through Budgets.

We had five LT priorities in 2020/21.

- Income support that is easier to access
- Getting people a home
- Partnering with others
- Keeping New Zealanders working
- Supporting MSD people to help New Zealanders

The progress we have made against these is outlined in other sections of this report.

## Footnotes

5. See <https://www.msd.govt.nz/about-msd-and-our-work/about-msd/strategies/te-pae-tawhiti/index.html>



## **E whakaatu mai ana ngā paearu mahi a te rōpū tā mātou anga whakamua**

Our organisational performance indicators show how we are progressing

These indicators were introduced in 2018/19, and their current and historical performance results and trends are shown below.

These indicators do not have fixed targets, but show the direction in which we would like to see results head over time. We expect them to evolve as we develop new and improved ways to measure what we think is important, including what we currently cannot measure but would like to.

Results, in general, indicate that performance is not yet following the desired direction of travel for all indicators. However, in the last year our employment-related indicators and effectiveness of spending metric have improved, and we have reported another positive net score for client trust.

## Historical results for our performance indicators

### Indicator 1: Percentage of clients who remain off main benefit having secured sustainable work<sup>[6]</sup>

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders participate positively in society and reach their potential

Desired trend: Upwards

Trend observed in 2020/21: Upwards

#### Results for Indicator 1 in the last five years

Year	Result
2016/17	70.6%
2017/18	69.3%
2018/19	67.7%
2019/20	65.2%
<b>2020/21</b>	<b>68.7%</b>

#### Notes on Indicator 1

The strength of the labour market contributes to the ease and speed with which people find and stay in work. Overall, as New Zealand exited from lockdown, economic conditions improved throughout the year. This resulted in an increase in the number of work exits, and has also helped New Zealanders to retain employment (as seen with the improved sustainability of work exits result and the decrease in clients returning to benefit within 13 weeks of exit).

The percentage of clients returning to main benefit within one year of exit has, however, increased, as the 2020/21 figure represents clients who exited between July 2019 and June 2020 and so were likely to be negatively affected by COVID-19 and lockdown.

**Indicator 2.1: Percentage of clients exiting main benefit who return to main benefit (within 13 weeks)**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders participate positively in society and reach their potential

Desired trend: Downwards

Trend observed in 2020/21: Downwards

**Results for Indicator 2.1 in the last five years**

Year	Result
2016/17	22.4%
2017/18	25.0%
2018/19	24.2%
2019/20	26.0%
<b>2020/21</b>	<b>22.1%</b>

**Notes on Indicator 2.1**

The strength of the labour market contributes to the ease and speed with which people find and stay in work. Overall, as New Zealand exited from lockdown, economic conditions improved throughout the year. This resulted in an increase in the number of work exits, and has also helped New Zealanders to retain employment (as seen with the improved sustainability of work exits result and the decrease in clients returning to benefit within 13 weeks of exit).

The percentage of clients returning to main benefit within one year of exit has, however, increased, as the 2020/21 figure represents clients who exited between July 2019 and June 2020 and so were likely to be negatively affected by COVID-19 and lockdown.

**Indicator 2.2: Percentage of clients exiting main benefit who return to main benefit (within one year)**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders participate positively in society and reach their potential

Desired trend: Downwards

Trend observed in 2020/21: Upwards

**Results for Indicator 2.2 in the last five years**

Year	Result
2016/17	50.5%
2017/18	69.3%
2018/19	67.7%
2019/20	65.2%
<b>2020/21</b>	<b>68.7%</b>

**Notes on Indicator 2.2**

The strength of the labour market contributes to the ease and speed with which people find and stay in work. Overall, as New Zealand exited from lockdown, economic conditions improved throughout the year. This resulted in an increase in the number of work exits, and has also helped New Zealanders to retain employment (as seen with the improved sustainability of work exits result and the decrease in clients returning to benefit within 13 weeks of exit).

The percentage of clients returning to main benefit within one year of exit has, however, increased, as the 2020/21 figure represents clients who exited between July 2019 and June 2020 and so were likely to be negatively affected by COVID-19 and lockdown.

**Indicator 3: Average future years on benefit<sup>[7]</sup>**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders are resilient and live in inclusive and supportive communities
- New Zealanders participate positively in society and reach their potential.

Desired trend: Downwards

Trend observed in 2020/21: Upwards

**Results for Indicator 3 in the last five years**

Year	Result
2016/17	10.6 years
2017/18	10.6 years
2018/19	11.6 years
2019/20	11.6 years
<b>2020/21</b>	<b>12.4 years</b>

**Note on Indicator 3**

The estimation takes into account the historical, current and estimated future dynamics of the benefit system. The result is an average figure across all main benefit types – changes to the dynamics of the benefit system will impact the estimated future years on benefit in different ways for different benefit types. For example, year-on-year increases in the rate at which people exit the benefit system into sustainable employment would likely reduce the average estimated future years on main benefit for Jobseeker Support – Work Ready clients.

**Indicator 4.1: Median time to house clients on the Housing Register (overall)**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders are resilient and live in inclusive and supportive communities

Desired trend: Downwards

Trend observed in 2020/21: Upwards

**Results for Indicator 4.1 in the last five years**

Year	Result
2016/17	54 days
2017/18	63 days
2018/19	101 days
2019/20	126 days
<b>2020/21</b>	<b>168 days</b>

**Note on Indicator 4.1**

Many factors contribute to the Housing Register. The needs of New Zealanders are changing, and many families are finding it harder to access the private rental market. This is particularly true for those who have been renting for a while and now need to find a place to live in a more expensive and competitive housing market.

The broader housing market situation contributes to a growing Public Housing Register. The social housing assessment measures an applicant's need to move and their ability to access, afford and sustain a private rental. If an applicant meets the eligibility criteria, needs a home, and has very limited options in the private rental market, they will likely qualify for public housing. We are seeing more people with fewer options in the private market, and this is also reflected in higher numbers in emergency and transitional housing.



**Indicator 4.2: Median time to house clients on the Housing Register (Priority A clients)**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders are resilient and live in inclusive and supportive communities

Desired trend: Downwards

Trend observed in 2020/21: Upwards

**Results for Indicator 4.2 in the last five years**

Year	Result
2016/17	54 days
2017/18	62 days
2018/19	104 days
2019/20	128 days
<b>2020/21</b>	<b>175 days</b>

**Note on Indicator 4.2**

Many factors contribute to the Housing Register. The needs of New Zealanders are changing, and many families are finding it harder to access the private rental market. This is particularly true for those who have been renting for a while and now need to find a place to live in a more expensive and competitive housing market.

The broader housing market situation contributes to a growing Public Housing Register. The social housing assessment measures an applicant's need to move and their ability to access, afford and sustain a private rental. If an applicant meets the eligibility criteria, needs a home, and has very limited options in the private rental market, they will likely qualify for public housing. We are seeing more people with fewer options in the private market, and this is also reflected in higher numbers in emergency and transitional housing.

**Indicator 5: Percentage of our spend evaluated as effective<sup>[8]</sup> (of the portion of our spend that we are able to evaluate)<sup>[9]</sup>**

Outcomes linked to:

- New Zealanders get the support they require
- New Zealanders participate positively in society and reach their potential

Desired trend: Upwards

Trend observed in 2020/21: Upwards

**Results for Indicator 5 in the last five years**

Year	Result
2016/17	81.7%
2017/18	81.0%
2018/19	79.0%
2019/20	78.1%
<b>2020/21</b>	<b>80.9%</b>

**Note on Indicator 5**

The percentage of spend evaluated as effective is measured across two categories of the Improved Employment and Social Outcomes Support multi-category appropriation: Improving Employment Outcomes and Improving Work-readiness Outcomes. This year has seen a small improvement on 2019/20's result.

Prior years' results are different from those previously reported. The analysis to assess the effectiveness of employment assistance expenditure is subject to updates and revisions. For example, in the case of Mana in Mahi, although the programme has been running since 2018, it was not until 2021 that we were able to observe the difference it has made to participants' outcomes and therefore to rate its effectiveness. Other reasons for changes in results include corrections and improvements to the methods used to estimate the effectiveness of employment programmes and services as well as to the method used to estimate their total cost.

**Indicator 6: Client net trust score<sup>[10]</sup>**

Outcome linked to:

- New Zealanders get the support they require

Desired trend: Upwards

Trend observed in 2020/21: Downwards

Results for Indicator 6 in the last five years

**Client satisfaction<sup>[11]</sup>**

Year	Result
2016/16	82.6%
2017/18	81.6%
2018/19	81.8%

**Client net trust score**

Year	Result
2019/20	+43.2
<b>2020/21</b>	<b>+39.8</b>

**Note on Indicator 6**

Although the result is lower than the previous year, it is still considered a good result. The 2020/21 surveys only covered interactions with customer service representatives in contact centres, as we no longer use the IT systems that previously triggered service centre surveys.

Historically, results for conversations with contact centres have scored lower than for conversations with service centre staff, so this result is not unexpected. In 2019/20 the Net Trust Score result for contact centres was +37.9, compared with +51.6 for service centres<sup>[12]</sup>.

## Footnotes

6. A sustained outcome is where a client has not returned to a main benefit 26 weeks after exiting for work.
7. The number of years, on average, for which people receiving a benefit at 30 June in the respective year are expected to be supported by a benefit over the remainder of their working lives. The key driver in predicting the average future years on benefit (the future years projection) is how people move into, through and out of the benefit system: for example, if it is harder for people to exit the benefit system then, all else being equal, the future years projection will increase. Several factors can influence how people move through the benefit system, including:

**Changes in the labour market** – such as forecast unemployment rates – all else being equal, increases in current and forecast unemployment rates will lead to increases in predicted future years on main benefit. This is because those supported by a benefit will typically find it harder to find employment and, once they do, are more likely to cease employment if unemployment is high.

**Policy and operational settings** – for example successful programmes that help clients move to sustainable employment can reduce predicted future years on main benefit.

**Demographic changes** – if, for example, the proportion of clients who have a relatively low future years projection increases then the overall future years projection will decrease. If the proportion of clients supported by a benefit who are young increases then, all else being equal, the future years projection will also increase as young clients have a longer working lifetime remaining.

**Methodology changes** – every year, the models that predict future time on benefit are improved with new data and modelling techniques that help us understand more about how people transition through the benefit system. These can impact the future years projection. The exact impact will depend on the particular change.

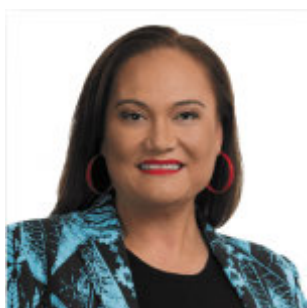
8. The effectiveness of our spend is based on whether employment interventions such as training or wage subsidies increase the time participants have higher income, spend more time in employment and/or less time in corrections services and welfare assistance, and gain higher qualifications.
9. The result reported against each year refers to the evaluation of spending two years previously; that is, the 2020/21 result refers to spending in 2019/20, and so on.
10. Until 2018/19 we reported customer satisfaction results from the former Service Quality Monitor survey, as outlined in our 2018–2022 Statement of Intent, while we developed and tested a true Client Net Trust indicator. From 2019/20 we started to report a true Client Net Trust Score on a continuum from -100 to +100, where any score above 0 is considered a positive result.
11. Until 2018/19, the score for client satisfaction was built on representative measures from the SQM client satisfaction surveys.
12. Service centre surveys restarted in July 2021. We therefore expect to see the overall score improve in the future.

## **Ō tātou Minita (i te 30 o Hune 2021)**

### **Our Ministers (at 30 June 2021)**

This year ten Ministers held portfolios relating to social development, employment and public housing <sup>[13]</sup>.

#### **Hon Carmel Sepuloni**



- Minister for Social Development (and Employment from 6 November 2020)
- Minister for Disability Issues

#### **Hon Priyanca Radhakrishnan**



- Associate Minister for Social Development and Employment (from 6 November 2020)
- Minister for Youth (from 6 November 2020)

#### **Hon Dr Megan Woods**



- Minister of Housing

## **Hon Poto Williams**



- Associate Minister for Social Development (until 6 November 2020)
- Associate Minister of Housing (Public Housing) (from 6 November 2020)

## **Hon Dr Ayesha Verrall**



- Minister for Seniors (from 6 November 2020)

## **Hon Peeni Henare**



- Minister for Youth (until 6 November 2020)
- Associate Minister of Housing (Māori Housing) (from 6 November 2020)

## 2020 General Election

After the 2020 General Election, we provided a suite of briefings to incoming Ministers of the new Government, with concise information about their portfolios to meet their initial requirements. We published these briefings in December 2020<sup>[14]</sup>.

The following Ministers held portfolios in the social development sector before the 2020 General Election:

- Hon Kris Faafoi (Associate Minister of Housing)
- Hon Willie Jackson (Minister of Employment)
- Hon Nanaia Mahuta (Associate Minister of Housing)
- Hon Tracey Martin (Minister for Seniors).

## Footnotes

**13.** We also provide services to the Minister of Revenue (management of Student Loans and Allowances) and the Minister for Veterans (payment of Veterans' Pensions), who have responsibility for appropriations in Vote Social Development.

**14.** See <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/corporate/briefing-incoming-minister/index.html>



## **Te anga o tō mātou rōpū**

### **Our organisational structure**

We work collaboratively across our business groups, sharing information and combining our skills and knowledge to improve outcomes for our clients. Our business groups are listed below.

#### **Service Delivery**

The Service Delivery group, our operational arm, delivers employment, housing, financial and support services in sites throughout New Zealand and online. A team of 6,500 makes payments to more than 837,000 seniors and 200,000 students, as well as working-age people and those adversely affected by the impacts of COVID-19.

#### **Māori, Communities and Partnerships**

The Māori, Communities and Partnerships group is responsible for building capability across the whole of MSD to support the aspirations of Māori, and for connecting and collaborating to build effective partnerships and community approaches that achieve better outcomes for those who most need our support.

#### **Policy**

The Policy group provides policy advice on welfare system change and wider social development, income, employment and housing support, regional development, issues faced by seniors and people with a disability, and child- and youth-related matters. The group also supports our contribution to Inquiries, and cross-sector issues including climate change and social cohesion.

#### **Strategy and Insights**

The Strategy and Insights group is responsible for developing and implementing MSD's strategy by creating insights for effective decision-making, focusing resources on the right investments, and understanding and evaluating performance.



## **Business Integration**

Business Integration is an integrated MSD work programme that supports the implementation of our strategic change programme and the new service approach to meet the needs of clients and whānau.

## **People and Capability**

The People and Capability group provides IT, financial, commercial and people services to MSD and shared corporate services to other agencies, and is responsible for historic claims, the independent children's monitor and social services accreditation functions.

## **Organisational Assurance and Communication**

The Organisational Assurance and Communication group ensures the overall integrity of MSD's operations by making sure there is ongoing compliance with legislation and policy, communication with the public and stakeholders is effective, and Ministers are supported.

## **Office of the Chief Executive**

The Office of the Chief Executive (OCE) provides high-level strategic, organisational and operational advice, and manages key external relationships across the social sector as well as across the entire state sector. It works with all areas of MSD to co-ordinate and provide advice to the Chief Executive and Ministers.



## Tō mātou Kapa Ārahi

### Our Leadership Team

Each of our business groups is headed by a Deputy Chief Executive who is a member of our organisational Leadership Team along with our Chief Executive Debbie Power. The Leadership Team ensures support for our Ministers to carry out their duties and implement their policies.

#### Debbie Power

##### Tumuaki | Chief Executive

Debbie took up her role as Chief Executive of MSD in February 2019. Before that she was the Statutory Deputy State Services Commissioner, accountable for supporting the Commissioner with chief executive appointments and performance management, and led work to restructure and simplify chief executive remuneration.

Debbie started her public service career in 1980 as a frontline case manager at the Department of Social Welfare. She has held a range of senior roles in MSD including Deputy Chief Executive (DCE) Service Delivery, DCE for the Office of the Chief Executive, and Regional Commissioner for Northland. Debbie oversaw a range of significant projects in these roles, including the implementation of Welfare Reform and the movement of social housing needs assessments from Housing New Zealand to MSD.



Between 2007 and 2010, Debbie worked as a Private Secretary at Parliament where she oversaw the interface between MSD and Ministers. She has also worked in the United Kingdom for the Department for Work and Pensions in the Efficiency Division at Job Centre Plus, delivering working-age support services.

Debbie holds an Executive Masters in Public Administration from Victoria University of Wellington, and has attended the Harvard Business School Leading Change and Organizational Renewal programme. She was a government-appointed member of the Diversity Works Board until 30 June 2021, when her term ended.

## Nic Blakeley

### Manahautū Rautaki me Matawhānui | DCE Strategy and Insights

Nic started at MSD in 2013, initially as DCE, Social Policy. In April 2017 he became the DCE of the Insights and Investment group, which was refocused and renamed Strategy and Insights in October 2019.

Before coming to MSD, Nic worked at the Treasury Te Tai Ōhanga for almost ten years in a range of policy areas, including a period as an economic advisor to the Minister of Finance. Nic has degrees in electrical engineering and commerce from the University of Canterbury.



## Stephen Crombie

### Manahautū Paihere Tangata me Raukaha | DCE People and Capability

Stephen has leadership experience in the public and private sectors in the areas of strategy, business transformation and digital delivery. He has had a focus on improving public services through customer centricity and building leadership capability.

Stephen's most recent role before coming to MSD in 2018 was as Chief Executive of Education Payroll. Prior to this he held senior roles at Police, the Department of Internal Affairs Te Tari Taiwhenua and the then State Services Commission. He was also seconded to the Government's Service Transformation Programme as Executive Director.



## Marama Edwards

### Manahautū Whakairinga Tūmanako Māori, o Hapori, o Rangapū | DCE Māori, Communities and Partnerships

Marama was appointed as Group General Manager of the Community Partnerships and Programmes group, which in October 2019 became the Māori, Communities and Partnerships group.

Her previous roles at MSD include Associate DCE Service Delivery and General Manager, Housing Assessment.



**Melissa Gill****Manahautū Tōpūtanga Māia me Whakapā | DCE Organisational Assurance and Communication**

Melissa is a lawyer by profession, and has held a number of senior leadership roles at MSD including in the Independent Children's Monitor, Legal Services, Health, Safety and Security, and the Office of the Chief Executive. She was previously General Manager Health, Safety and Security at the Ministry of Justice Tāhū o te Ture. Melissa was appointed to her current role in February 2020 and took up the role after returning from parental leave in March 2021.

**Nadine Kilmister****Kaihautū, Tari o te Tumuaki | Director, Office of the Chief Executive**

Nadine has just celebrated 30 years with MSD. Her long service is underpinned by a strong desire to help the most vulnerable people in our communities, and support our people to be at their best so they can make a difference.

Nadine's previous roles include DCE Corporate and Governance and DCE Organisational Assurance and Communication. She returned to her current role in April 2021.

As well as leading the Office of the Chief Executive, Nadine oversees the Pā Harakeke (wellbeing) and flexible working programmes and is sponsor of our 900-strong Women's Network.

**Liz Jones****Manahautū Mahi Kōtuinga | DCE Business Integration**

Liz has had a long career at MSD, starting as an interviewing officer at the Department of Social Welfare, and moving into senior regional positions followed by a move to Wellington in 1999 for the first of a range of national-level management positions.

Before taking up her current role as DCE, Business Integration in March 2020, Liz was Associate DCE, Service Delivery.



## **Simon MacPherson**

### **Manahautū Kaupapa Here | DCE Policy**

Simon joined MSD in December 2015 as Chief Policy Advisor. In this role he provided the Chief Executive with advice and acted as a sounding board on issues across MSD. Simon became DCE Policy in April 2017.

Simon came to MSD from the Policy Advisory Group in the Department of the Prime Minister and Cabinet Te Tari o te Pirimia me te Komiti Matua. Before that he was at the Treasury Te Tai Ōhanga, working on, amongst other things, welfare reform. He has also worked at the State Services Commission and in the justice sector. Simon has an MA (Hons) in History from the University of Auckland.



## **Viv Rickard**

### **Manahautū Ratonga Whakahaere | DCE Service Delivery**

Viv came to MSD on secondment in 2014 after an extensive career in the New Zealand Police Ngā Pirihimana o Aotearoa, where he held a wide range of roles including Deputy Commissioner District Operations, Deputy Commissioner Resource Management, Assistant Commissioner Special Operations, and Assistant Commissioner Operations, Crime and Investigations.

Viv's secondment saw him work at MSD for two years, in two DCE roles – Social Sector, and Child, Youth and Family – before being appointed as DCE Service Delivery.





## Ka mahi nei mātou i ngā rohe maha puta i Aotearoa

### We operate from many locations across New Zealand

We maintain a network of office locations, including service centres, in towns and cities throughout the country where people can seek the financial and other assistance they need.

Increasingly, we are providing services remotely, including via phone and digital channels.

In smaller communities we make use of local Heartland Services arrangements, where people can access the services of several different government agencies in one place. Five of the Heartland Services centres operate from MSD sites.

In 2020/21 we opened new offices at Papatoetoe, Waipukurau and Wainuiomata.

Data about our service centre locations in each region can be found in Appendix 2.

### Our locations

- Northland
- Auckland
- Bay of Plenty
- Waikato
- Taranaki
- East Coast
- Central
- Wellington
- Nelson/Marlborough/West Coast
- Canterbury
- Southern





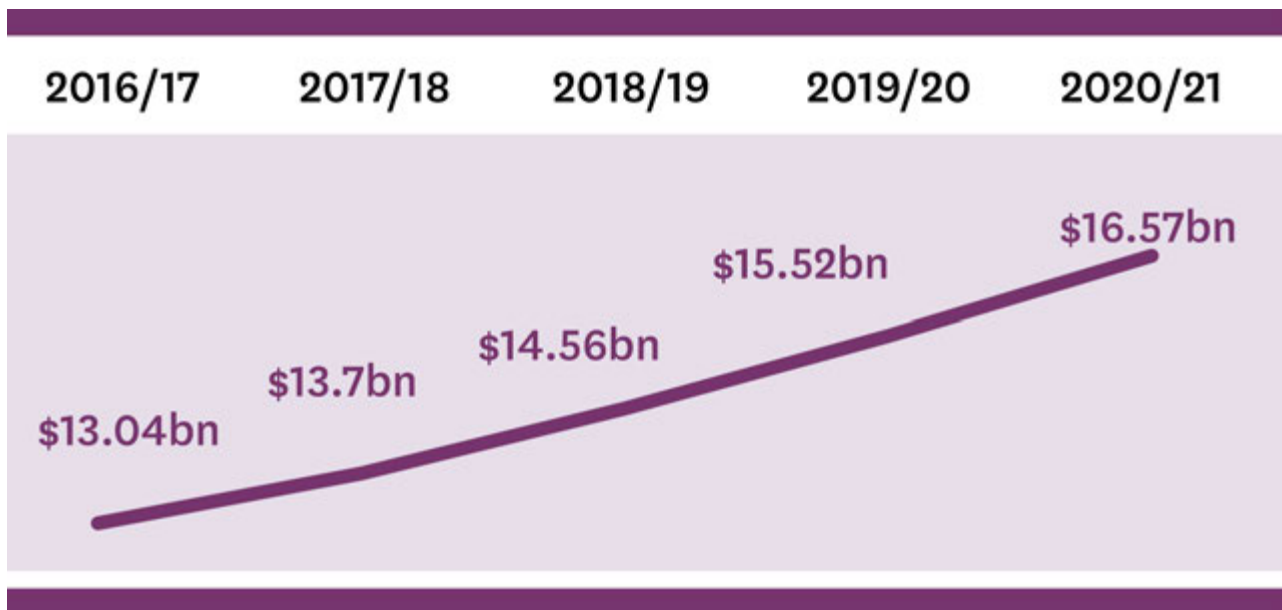
## Ka riro mai nei mātau ā mātou pūtea i te Karauna

### We receive all our funding from the Crown

Our budgeted spending is approved by Parliament following the Budget announcement each year. The annual Estimates of Appropriations detail funding allocated, policy initiatives approved, Ministers' spending intentions, and how performance will be assessed. The chart below shows how spending in Vote Social Development has evolved over the last five years.

**Full details of spending in 2020/21 can be found in the Financial Statements.**

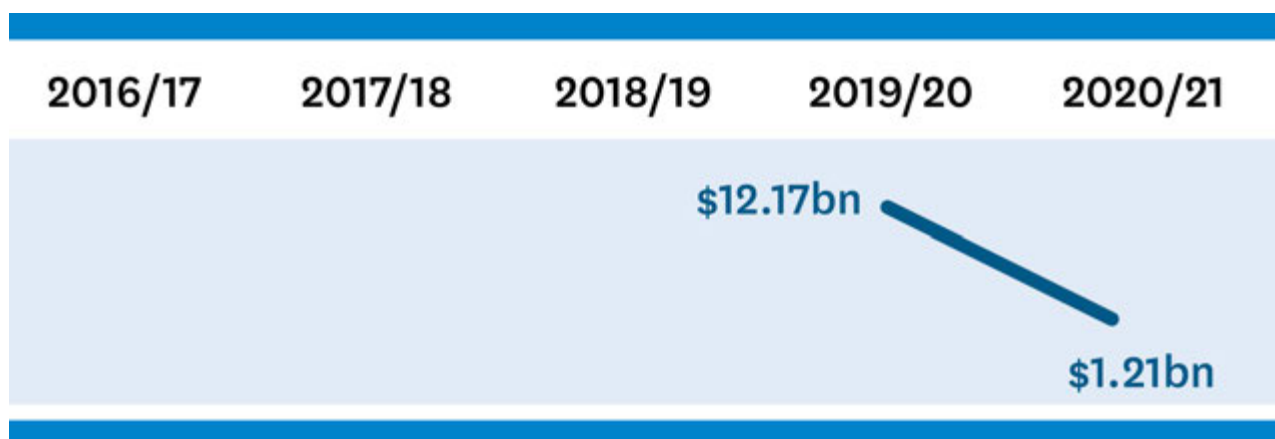
### NZ Superannuation



This graph shows how much MSD spent on superannuation each year from the 2016/17 financial year to the 2020/21 financial year. The upwards trend shows that the amount spent each year has been increasing. The spend on superannuation in each financial year was: in 2016/2017 \$13.04 billion, in 2017/18 \$13.7 billion, in 2018/19 \$14.56 billion, in 2019/20 \$15.52 billion, and in 2020/21 \$16.57 billion.

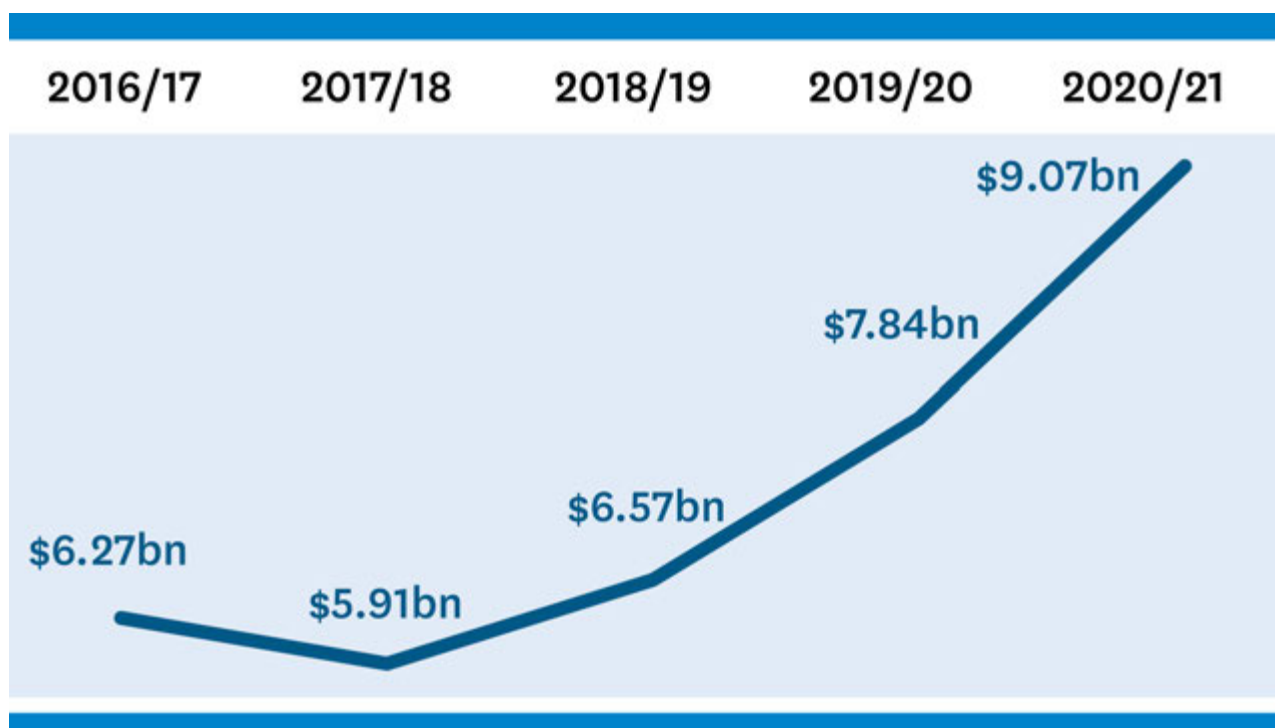


## COVID-19 wage subsidies



This graph shows how much MSD spent on COVID-19 wage subsidies each year from the 2016/17 financial year to the 2020/21 financial year. The amount spent is shown for the 2019/20 and 2020/21 financial years only, because the wage subsidy scheme was only active in those two years. The trend is downwards. The spend on COVID-19 wage subsidies in each financial year was: in 2019/20 \$12.17 billion, and in 2020/21 \$1.21 billion.

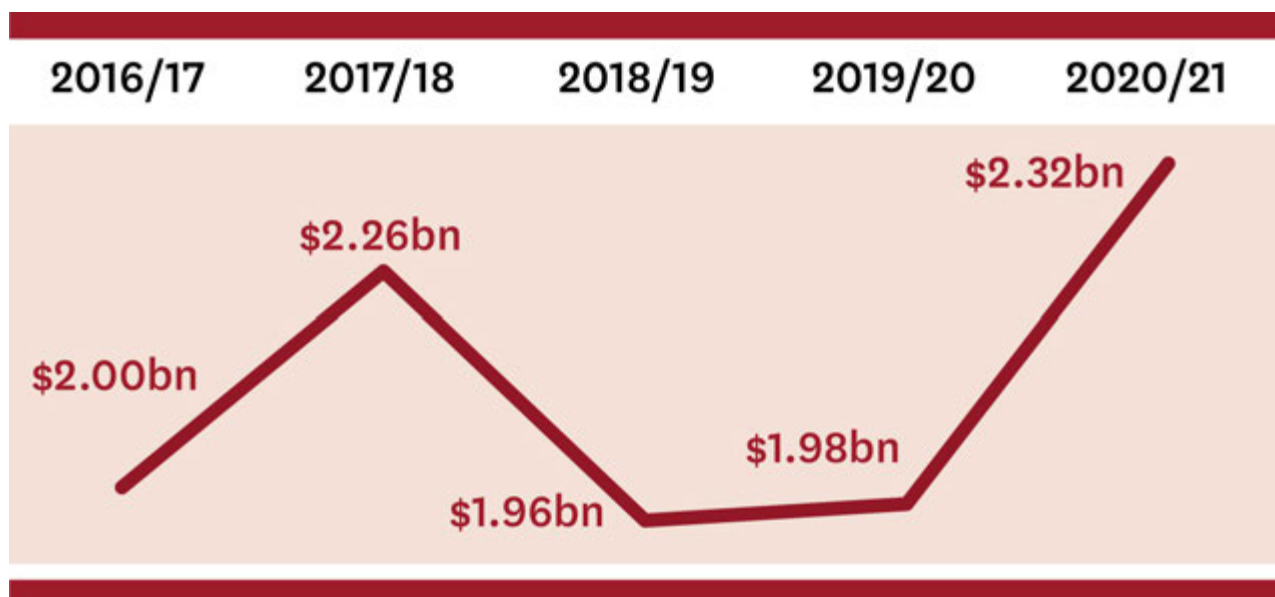
## Other assistances and benefits



This graph shows how much MSD spent on other assistance and benefits each year from the 2016/17 financial year to the 2020/21 financial year. The trend is upwards from the 2017/18 year, which shows that the amount spent each year has been increasing since then. The spend on other assistance and benefits in each financial year was: in 2016/17 \$6.27 billion, in 2017/18 \$5.91 billion, in 2018/19 \$6.57 billion, in 2019/20 \$7.84 billion, and in 2020/21 \$9.07 billion.

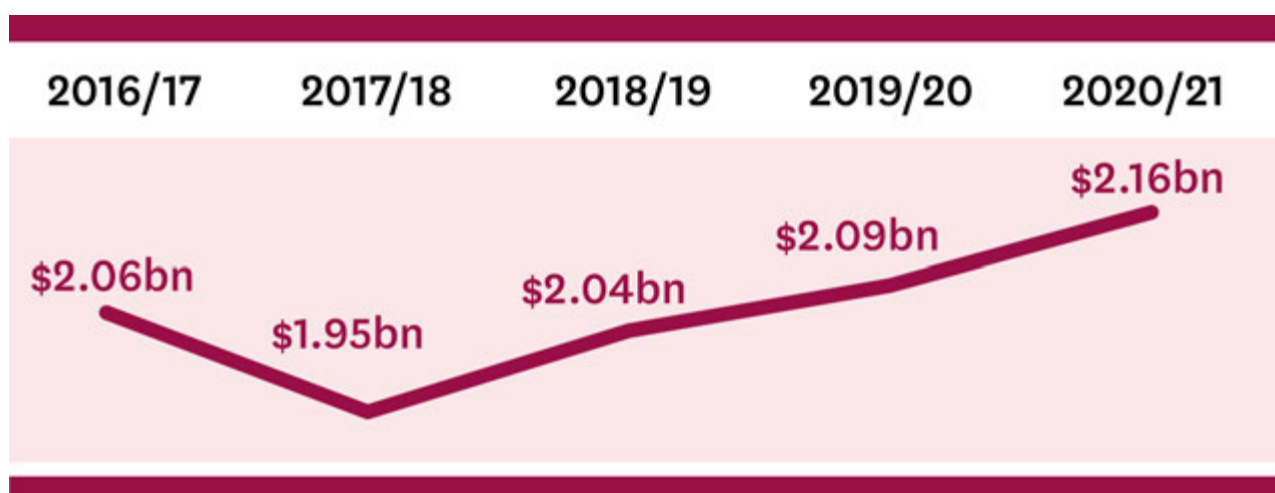


## Housing assistance and rent subsidies



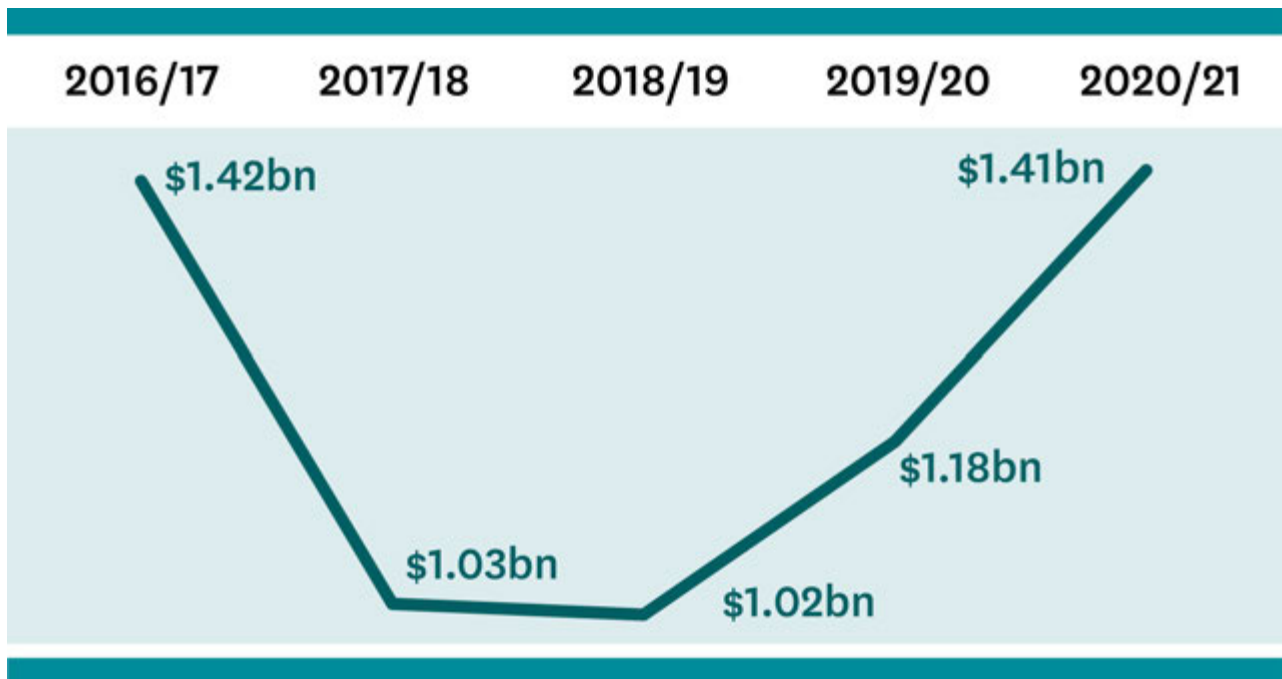
This graph shows how much MSD spent on housing assistance and rent subsidies each year from the 2016/17 financial year to the 2020/21 financial year. The upwards and downwards movement shows there was no trend in spending across the five years reported. The spend on housing assistance and rent subsidies in each financial year was: in 2016/17 \$2.00 billion, in 2017/18 \$2.26 billion, in 2018/19 \$1.96 billion, in 2019/20 \$1.98 billion, and in 2020/21 \$2.32 billion.

## Student support

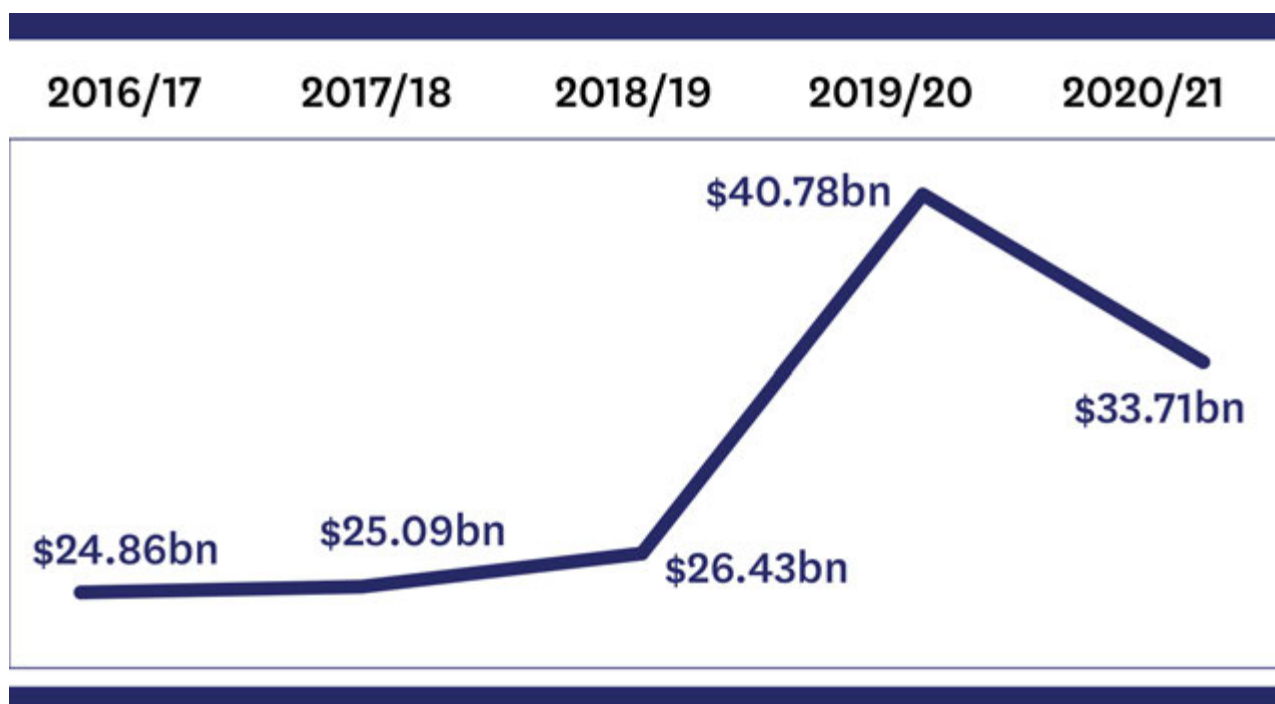


This graph shows how much MSD spent on student support each year from the 2016/17 financial year to the 2020/21 financial year. The trend is upwards from the 2017/18 year, which shows that the amount spent each year has been increasing since then. The spend on student support in each financial year was: in 2016/17 \$2.06 billion, in 2017/18 \$1.95 billion, in 2018/19 \$2.04 billion, in 2019/20 \$2.09 billion, and in 2020/21 \$2.16 billion.

## Departmental operating costs



This graph shows how much MSD spent on departmental operating costs each year from the 2016/17 financial year to the 2020/21 financial year. The trend is downwards from 2016/17 to 2018/19, and then upwards for 2019/20 and 2020/21. The spend on departmental operating costs in each financial year was: in 2016/17 \$1.42 billion<sup>[15]</sup>, in 2017/18 \$1.03 billion, in 2018/19 \$1.02 billion<sup>[16]</sup>, in 2019/20 \$1.18 billion, and in 2020/21 \$1.41 billion.

**Total <sup>[17]</sup>**

This graph shows how much MSD spent in total each year from the 2016/17 financial year to the 2020/21 financial year. The upwards trend shows that the amount spent each year has been increasing, with a sharp increase in 2019/20 (due to COVID-19). The total spend in each financial year was: in 2016/17 \$24.86 billion, in 2017/18 \$25.09 billion, in 2018/19 \$26.43 billion, in 2019/20 \$40.78 billion, and in 2020/21 \$33.71 billion.

**Footnotes**

- 15.** Departmental operating costs prior to 1 April 2017, when Oranga Tamariki was established, include Child, Youth and Family.
- 16.** Departmental operating costs prior to 1 October 2018, when the Ministry of Housing and Urban Development was established, include policy advice provided by MSD on emergency, transitional and public housing.
- 17.** The key categories of spending do not necessarily add up to the total spend in each year as some small spending categories are not shown in this chart.



## Tā mātou hītori 2020/21

E whakamāhuki ana tēnei wāhanga i te taiao e mahitia ana e mātou i te tau 2020/21, ā, ko ngā mea matua i mahi nei mātou ki te tautoko a Aotearoa kia haumarū, kia rangatira. I te rerenga o te tau i tautoko, i tohutohu mātou i ngā whakaarotau a te Kāwanatanga, ka whakawātea he ratonga ki ngā iwi katoa o Aotearoa, ka tūhono ki ētahi atu rōpū me ngā umanga kia whakapai ake ngā putanga mō ngā tāngata, ā, ka urupare atu ki te wero e haere tonu nei mō te KOWHEORI-19.

Tā mātou urupare, whakatakoto ratonga hoki ki te KOWHEORI-19 i te tau ka whakaatu mai e taea ana e mātou kia tere, kia whai-take ā mātou panonitanga ki te āhua o ā mātou mahi. Heoiti, i kite hoki mātou kia whakatutuki rawatia ā mātou putanga rautaki, me panoni nui anō te āhua o ā mātou mahi, te āhua o te mahi ki ngā kiritaki, ā, ki te hangarau hoki e hua ai tēnei.

### Ā mātou whakatutukihanga i te tau nei

I te tau nei:

- ka **nui atu te hunga i puta i te penihana ki te ao mahi** ki ērā tau e 25 o mua.
- ka **nui atu ngā pūtea tautoko ki ngā hoa hapori** ki te tautoko i a rātou kia urupare atu i nga tononga nui atu o te wā, ā, kia whakakaha anō i a rātou
- ka pai ake ai **te aro tuku pūtea tautoko** ki a mātou kiritaki
- he whakatinana i ngā kaupapa hōu **ki te tautoko i ngā hiahia o ngā iwi ki te kimi kāinga** whawhati tata



## Tā mātou hītori 2020/21

### Our story in 2020/21

This section describes the environment we operated in during 2020/21 and the key things we did to help New Zealanders be safe, strong and independent. During the year we supported and advised on the Government's priorities, provided services to New Zealanders, partnered with other groups and agencies to improve people's outcomes, and responded to the continuing challenge of COVID-19.

Our COVID-19 response and service delivery during the year showed us that we can make quick and effective changes to the way we work. However, it also highlighted that to fully achieve our strategic outcomes, we will need to make more fundamental changes to the way we operate, to how we deliver services to clients, and to the technology that will make this possible.

### Our achievements

This year we:

- got **more people off benefit into work** than at any time in the last 25 years
- provided **better targeted financial assistance** to our clients
- provided **more funding to community partners** to help them meet increased demand and build capacity
- implemented new programmes **to help meet people's emergency housing needs**



## **In this section**

We supported New Zealanders through COVID-19 >

We made progress on our strategic direction >

Our role in the overhaul of the welfare system >



## **Ka tautoko mātou i a ngā iwi katoa o Aotearoa i te KOWHEORI-19**

### **We supported New Zealanders through COVID-19**

During this year New Zealanders experienced several periods of elevated COVID-19 alert levels. Throughout the COVID-19 emergency we have been classed as an essential service and so we have continued to operate. While we have had to temporarily close service centres from time to time, clients have still been able to contact us by phone or digital channels to make enquiries, apply for assistance or supply information.

### **There was a sharp rise in demand for our services**

**We again provided support to more people than usual this year, although benefit demand increased more slowly than we were expecting.**

In a typical year we provide services directly to between 1 and 1.5 million New Zealanders and their families. Since the first COVID-19 outbreak in March 2020 this figure has been much higher, largely as a result of COVID-19-specific programmes of assistance. However, we also experienced a sharp rise in the number of people seeking benefits (particularly Jobseeker Support) and housing assistance, and the number of students approaching StudyLink for help with course fees and living allowances also increased significantly. A significant proportion of the additional demand came from people who had never before found it necessary to seek assistance from the welfare system.

### People Receiving NZ Superannuation

Year	Number
30 June 2019	More than 781,000
30 June 2020	More than 809,000
<b>30 June 2021</b>	<b>Nearly 838,000</b>

### People receiving benefits

Year	Number
30 June 2019	Nearly 292,000
30 June 2020	More than 809,000
<b>30 June 2021</b>	<b>Nearly 355,000</b>

### Student Loan and Allowance applications processed

Year	Number
2018/19	311,000
2019/20	Nearly 309,000
<b>2020/21</b>	<b>324,600</b>



## Value and number of hardship grants

Year	Value and number
2018/19	More than \$480 million (nearly 17.7 million grants)
2019/20	More than \$723 million (more than 2.5 million grants)
<b>2020/21</b>	<b>Nearly \$858 million (nearly 2.5 million grants)</b>

## Households on the Public Housing Register

Year	Number
30 June 2019	Nearly 14,900
30 June 2020	Almost 21,900
<b>30 June 2021</b>	<b>More than 29,000</b>

## Working-age benefits cancelled because people got work

Year	Number
2018/19	Around 70,200
2019/20	Around 74,700
<b>2020/21</b>	<b>Around 113,400</b>

## People accessing community support services

Year	Number
2019/20	95,859
<b>2020/21</b>	<b>83,736</b>

While the amount we paid to New Zealanders in financial assistance in 2020/21, at just over \$30 billion, was lower than in 2019/20 (\$37 billion), it was still well above the historical level of around \$20 billion. The 2020/21 figure includes \$1.7 billion paid under COVID-19-related assistance programmes <sup>[18]</sup>.

We expected COVID-19 to precipitate a significant and long-lasting increase in benefit numbers. Although this expected increase did eventuate, it was less significant than was being forecast as the 2020/21 year began. The number of Jobseeker Support recipients rose from 152,000 in June 2020 to a peak of just over 213,000 in January 2021 before falling back to around 152,000 in June 2021 – almost exactly the same as the June 2020 figure.

Successive forecasts made during the year <sup>[19]</sup> lowered the expected peak for benefit numbers (from 10.4 percent of the working-age population in January 2021 <sup>[20]</sup> to 7.1 percent in January 2022 <sup>[21]</sup>). While current forecasts suggest that overall working-age benefit numbers will continue to increase over 2021, they should slowly fall back thereafter as the economy recovers and border restrictions are lifted.

We expect an ongoing increase in the diversity and needs of our clients in the future. While benefit numbers are likely to fall as the economy recovers, those who will still require our support are likely to have more complex needs than ever before. We will need to ensure we have systems and processes that are fit for this expected environment.

## Working with partners to support communities through COVID-19

The Government invested significantly in community and social sector services over the last year, acknowledging the impact of COVID-19 on communities, social service providers and NGOs. Through the Budget 2020 COVID-19 Response and Recovery Fund, we were allocated funding to support NGOs, community groups, hapū and iwi to respond to and recover from the social and economic impacts of COVID-19. This funding has made it possible for us to:

- approve 138 grants to organisations that support disabled people during lockdowns and related periods of self-isolation
- approve over 2,500 grants <sup>[22]</sup> to community groups supporting Māori, Pacific and ethnic communities
- provide 330 grants to support providers delivering family and sexual violence crisis response services who experienced increased demand due to COVID-19
- temporarily increase funding to 131 providers of Building Financial Capability services experiencing increased demand
- provide 266 grants to foodbanks and community food services to help them meet increased demand due to COVID-19
- provide 49 grants to community groups to develop and implement plans to support their community to become food secure
- support the joint work programmes with Te Hiku and Ngāi Tūhoe iwi
- pilot the Employment Service in Schools <sup>[23]</sup> programme to support secondary school students with a disability or health condition in five regions in partnership with the Ministry of Education
- allocate funding to providers of specialist debt solution services while further work is progressed through the Safer Credit and Financial Inclusion Strategy <sup>[24]</sup>.

## Footnotes

- 18.** In 2019/20 COVID-19-related payments exceeded \$12 billion in total. Excluding COVID payments such as Wage Subsidies, total welfare assistance increased from \$25.3 billion to \$28.5 billion this year.
- 19.** These included the Budget Economic and Fiscal Update (BEFU) in May 2020, the Pre-election Economic and Fiscal Update in September 2020, the Half Year Economic and Fiscal Update in December 2020, and BEFU 2021 in May 2021.
- 20.** Jobseeker Support, forecast in BEFU 2020.
- 21.** Jobseeker Support, forecast in BEFU 2021.
- 22.** These high-trust grants have been supported with funding from the COVID-19 Response and Recovery Fund through E Tū Whānau and Pasefika Proud relationships, the Community Awareness and Preparedness Grant Fund and the Community Capability and Resilience Fund.
- 23.** See <https://www.workandincome.govt.nz/work/health-and-disability-job-support/employment-service-in-schools.html>
- 24.** See <https://www.msd.govt.nz/what-we-can-do/providers/building-financial-capability/safer-credit-and-financial-inclusion/index.html>



## Ka anga whakamua mātou i tā mātou ahunga rautaki

### We made progress on our strategic direction

In the face of recent global disruption, Te Pae Tawhiti, **Te Pae Tata** and **Pacific Prosperity** still provide a strong and relevant guide for change to achieve better outcomes for New Zealanders. This year we continued to make progress against them, and COVID-19 helped to accelerate progress in some key areas, particularly in the enhancement of our digital channels and partnership with iwi.

#### Te Pae Tawhiti

Our frontline people have embraced Te Pae Tawhiti as a clear direction to realise our outcomes for clients, with some tangible successes achieved in the past year. We:

- enhanced some of our digital channels to help clients access information and services and provide us with information more easily
- formed new community partnerships, including with iwi and church groups
- strengthened our role in employment services
- improved relationships with providers through more high-trust engagement.

## Te Pae Tata

Te Pae Tata outlined a number of high-level actions we need to take in MSD to improve outcomes for people and whānau in the community. We made significant progress against these this year, as we:

- finalised relationship agreements with Maniapoto, Whākatōhea and Te Korowai o Wainuiārua
- participated in the development of a social and economic revitalisation strategy framework with Tātau Tātau o Te Wairoa Trust and other Crown agencies
- continued to engage with and support Parihaka Papakāinga Trust through the Te Huanga ō Rongo multilateral agreement
- engaged with the National Iwi Chairs Forum (as the Crown lead, MSD is responsible for progressing work under the Pou Tangata workstream)
- supported the establishment of a Regional Intersectoral Forum comprising iwi, Crown agencies and territorial authorities to deliver initiatives that fit with iwi aspirations
- launched a five-year E Tū Whānau Framework for Change
- redesigned service delivery models to enable staff to co-locate with community service providers such as marae
- established Māori Connect (a Māori case management model) where iwi support whānau into employment or training
- established Ngā Mātanga Māori to provide advice on kaupapa Māori values that could underpin the welfare system
- started a review of the Social Services Accreditation Standards so we can weave cultural competency elements throughout them
- supported Te Piki Oranga to help Māori clients to pass their restricted/full licence
- contributed funding to support Project Moturoa, which delivers a mātauranga Māori conservation programme
- supported Mana Wāhine, which helps women with living skills and personal development
- continued to support Te Ara Matatū, a programme that helps Māori to prepare for employment.

### Strengthening our partnerships with iwi

A key priority of Te Pae Tata is strengthening our partnerships with iwi as a Te Tiriti o Waitangi partner. We invested more in building Māori capability internally, and in connecting and collaborating to build effective partnerships, community approaches, and services to achieve better outcomes.

Before and throughout the emergence of COVID-19, we contracted many iwi and Māori organisations to provide services in communities. During the pandemic public appreciation of the Crown working in partnership with iwi and Māori communities grew, and such partnerships are increasingly being seen as important tools for achieving a wide range of government objectives.

MSD also leads two multilateral agreements:

- Te Hiku o Te Ika Iwi/Crown Social Development and Wellbeing Accord
  - Since we signed a Letter of Intent on behalf of Crown agencies with Te Hiku Iwi Development Trust in February 2020, activities have spanned:
    - building the internal capability of Te Hiku iwi
    - establishing education and employment initiatives
    - exploring ideas for creating and retaining business and employment
    - developing a social foundations action plan
    - exploring ways to address housing issues in Te Hiku.
  - Service Management Plan with Tūhoe
    - We continued to work with Tūhoe and with participating agencies on the Service Management Plan to update our next set of five-year commitments. This work strengthens the long-term relationship between the Crown and Tūhoe to bring better social and economic outcomes for Tūhoe.
    - MSD and other participating Crown agencies worked closely with Te Uru Taumatua to confirm a recommitment to the Service Management Plan for the next five years. This will also address the recommendations from the recent review of the Service Management Plan.

#### Case study:

#### **Marae environment reaches people**

The Iwi/Crown relationship between Taumata Kōrero Tāmaki Makaurau Rōpū and MSD has achieved better results for Māori and the needs of our client whānau, while upholding kaupapa kōrero engagement that respects the kaupapa, the whānau and hononga.

[Read Marae environment reaches people](#)

## Pacific Prosperity

Over the last year, we made significant progress against the actions outlined out in Pacific Prosperity by, for example:

- forming a Pacific Steering Group and Pacific Reference Group as part of the MSD governance infrastructure; these groups are made up of external and internal membership and are both key to the development of Pacific Prosperity
- launching Pacific Prosperity in eight Pacific languages as well as English
- establishing Pacific Reference Group external community leaders and Pacific Leaders Forum internal Pacific champions nationwide
- setting up a MSD Pacific Disability working group
- translating MSD products and services into eight Pacific languages
- embedding Pacific Prosperity across MSD
- developing a Pacific lens in the Heartbeat survey
- delivering Nga Vaka o Kainga Tapu family violence awareness training programmes in regions
- establishing two Pacific Navigator roles focused on working with churches in Auckland
- bringing the first Tupu Tai policy interns into MSD
- launching Koko Talanoa, a Pacific mentoring initiative
- setting up regional Pacific staff networks in Auckland, Dunedin and Christchurch
- establishing a Pacific team in our Māori, Communities and Partnerships group
- delivering eight ethnic-specific family violence prevention programmes
- supporting Pacific providers to implement locally-led solutions such as outreach support, crisis services, access to essential needs and family violence prevention and response
- enabling 300 job placements and training on the Auckland City rail project
- developing a Social Services Accreditation Pacific framework.



## Tā mātou tūranga i te whakapainga ake o te pūnaha toiora

### Our role in the overhaul of the welfare system

We continued to take a lead role in providing advice and implementing initiatives in relation to the welfare overhaul work programme, which was agreed in November 2019, to achieve the Government's vision for the future welfare system.

In 2020/21 there was significant progress in areas including:

- lifting main benefits through two separate increases to help tackle inequality and child poverty
- making changes to abatement thresholds to allow people to earn more before their benefit starts to abate
- removing the hours test from the In-Work Tax Credit to support parents and those who faced variable hours
- extending employment service offerings
- removing some obligations and related sanctions
- reinstating the Training Incentive Allowance for higher-level qualifications.

The Government has reaffirmed its commitment to continuing the welfare overhaul this term, and we are continuing to provide advice on key areas, including some of the most complex parts of the welfare system, under a renewed work programme. The renewed work programme considers the Government's response to COVID-19 and the reprioritisation of some initiatives that were planned to be delivered in the long term. Some key initiatives of the renewed work programme include:

- reviewing the purpose and principles of the Social Security Act 2018
- developing a Kaupapa Māori values framework for the welfare system
- reviewing Working for Families tax credits
- providing advice to support the consideration of social unemployment insurance.

To fully achieve welfare overhaul, we need to make fundamental changes to the way we operate (including our technology and processes) as we need to be fit for purpose for the future, and to be able to adapt quickly to meet all the challenges we may face.





## **Te whakatutuki atu i a mātou putanga**

### Achieving our outcomes

Ensuring New Zealanders get the support they require >

Ensuring New Zealanders are resilient and live in inclusive and supportive communities >

Ensuring New Zealanders have the chance to participate positively in society and reach their potential >



## **E whakatūturu nei kia whiwhi tautoko te hunga o Aotearoa e hiahiatia ana**

Ensuring New Zealanders get the support they  
require

We need to provide New Zealanders with all the services and support they are entitled to, and to ensure that people are confident they will get his support when they need it, including a warm, dry and secure home.

### **Ngā tau matua**

#### The key numbers

At 30 June 2021 354,744 New Zealanders were receiving a main benefit – Jobseeker Support, Sole Parent Support or Supported Living Payment. This was 0.4 percent higher than at 30 June 2020, but 8.9 percent below the peak of 389,601 reached in January 2021.

In addition, we were paying New Zealand Superannuation to 837,549 people, an increase of 28,548 or 3.5 percent on the previous year, and we received 324,564 applications for Student Loans or Allowances (15,891 or 5.1 percent higher).

In the year ended 30 June 2021, we paid \$6.5 billion in main benefit payments, \$16.6 billion in New Zealand Superannuation and Veteran's Pension, and \$2.1 billion to students in loans and allowances. The total amount of financial assistance paid through the welfare system, at \$31.89 billion, was 18.8 percent lower than in 2019/20, but 32.0 percent higher than in 2018/19, the last year before the COVID-19 pandemic.

There were 29,160 households on the Public Housing Register, compared with 21,879 at June 2020 – an increase of 33.3 percent. We found emergency accommodation for more than 4,000 households for an average of 11.6 weeks each. We made more than 152,500 grants of hardship assistance to get people into, or keep them in, emergency housing, with total investment of \$324.5 million – this was an increase of \$101.4 million (45.5 percent) on the previous year, and \$231.6 million (almost 250 percent) on two years ago.

## **In this section**

We are making income support easier to access >

We get people into housing >



## E whakamāmā ake nei mātou te tomonga ki te pūtea tautoko

### We are making income support easier to access

An accessible welfare system is one that makes it easy for people, families and whānau to get the income support they need and are entitled to, so that they can live with dignity and are able to participate meaningfully in their communities.

For MSD this means:

- ensuring people get their full and correct entitlement on time
- maintaining a network of service centres across the country where people can go to get face-to-face help from a case manager
- providing digital channels, including online access and enhancements to the MyMSD app, and phone-based services, so that people who prefer to use such channels or who are distant from a service centre, can find out what they are entitled to, apply for it, and get and supply information
- ensuring that our systems allow as many transactions as possible to be done automatically, to give our people more time to provide individual case management
- giving people a positive experience so that they are confident about interacting with us when they need our help
- working with clients who have incurred a debt to manage that debt and to repay it in a way that does not cause further hardship
- responding quickly to needs that arise from adverse events such as weather events or natural disasters.

The multiple information systems and points of contact currently limit how effective and easy we can make this for our clients. We are exploring options for improving our current systems and processes to meet the requirements the Government has set in its welfare overhaul work programme, and to meet the expectations of all New Zealanders.

### Delivering income support to more people during and after the COVID-19 lockdowns

We responded to the global pandemic by introducing new income support programmes so we could deliver our existing core services more quickly. This also freed up time to provide more employment case management to get people into jobs.

During and immediately after the COVID-19 national lockdowns, and into the first part of 2020/21, the number of people receiving main benefits rose sharply. However, short-term movements in benefit numbers during 2020/21 showed a slower rise than was being forecast before the year started, and mirrored pre-COVID-19 seasonal changes. This indicates that the economy is recovering more robustly than anticipated.

## Additional COVID-19 payments helped during elevated alert levels

There were several short changes to alert levels during the year, affecting Auckland and Wellington. In the most extensive of these changes, in August 2020<sup>[25]</sup> the Government introduced a Resurgence Wage Subsidy for employers and self-employed people who would otherwise have had to lay off staff or reduce their hours due to COVID-19. The Resurgence Subsidy was available between 21 August and 3 September 2020 and provided a lump-sum payment to eligible employers at a flat rate of \$585.80 for people working full-time (20 hours or more per week) and \$350.00 for people working less than 20 hours per week (part-time rate). Total payments under the Resurgence Subsidy were nearly \$315 million, with almost 294,000 jobs supported.

### Short-term Absence Payment

In February 2021<sup>[26]</sup> the Government introduced a Short-term Absence Payment to help businesses to pay staff who were off work and unable to work from home while waiting on a COVID-19 test result, through a one-off payment of \$350. The payment was also available for employers in respect of an employee who had to stay at home because they:

- had a dependant or other household member who was staying at home awaiting a test result, or
- were a secondary contact.

### Wage Subsidy payments

When a further elevation in alert levels was announced in March 2021<sup>[27]</sup>, the Government activated the COVID-19 Wage Subsidy March 2021. Applications opened on 4 March 2021, and by 25 June we had processed almost 61,000 applications, approving payments of over \$183 million. The March Subsidy supported 170,000 jobs.

The Wage Subsidy was not activated in response to the June 2021 alert level change for Wellington.

Other ways we made access to income support easier in 2019/20 and 2020/21, during and following the COVID lockdowns, included:

- removing stand-down periods at benefit grant, for eight months from 30 March 2020
- suspending requirements to produce medical certificates (from 25 March 2020)
- deferring annual benefit and Disability Allowance reviews (from 25 March 2020)
- funding in-home childcare for essential workers (from 25 March 2020)
- streamlining benefit application processes
- making outreach calls to vulnerable people
- providing additional emergency housing assistance
- increasing limits for hardship grants for food
- pausing 52-week benefit reapplications, annual and housing reviews, and subsequent medical certificates (March 2020 to March 2021)
- accepting phone applications for Funeral Grants (April to October 2020)
- deferring medical reviews for Child Disability Allowance (March to October 2020)
- deferring reapplications for Temporary Additional Support (April to October 2020)
- extending expiries of Emergency Benefit and Special Benefit (March to October 2020).

**“ The income support system is better placed to cope with a resurgence of COVID-19, or with a similar emergency.**

### **Providing support as soon as needed**

During the 2020 nationwide lockdown, we proved that it was possible to establish a mechanism at very short notice for getting financial assistance to those who need it quickly, and we now have response systems in place to cope with any future resurgences. New programmes in response to COVID-19 proved very effective in keeping people in jobs when they might otherwise have been forced to go on a benefit.

We have begun to move beyond the immediate response stage towards a new “normal”.

In 2020 we moved to a high-trust environment for providing assistance – so we could quickly get support to the people who needed it. This year we have gradually reintroduced some of the checks and balances in the system that help us to ensure that people receive what they are entitled to in a timely way.

### **From early 2021 Jobseeker Support numbers began to fall**

**“ In 2021 we have seen more people leaving the benefit system because they found work than at any time in the last 25 years.**

The chart below shows that Jobseeker Support recipient numbers climbed by over 61,000 between the start of the nationwide lockdown at the end of March 2020 and the peak in January 2021. Numbers have steadily fallen since then, and were nearly 23,000, or 10.7 percent, lower than the peak by 30 June.

The June quarter usually sees a rise in benefit numbers, so the fall recorded this year is a pleasing reversal of that seasonal trend. More than 10,000 people who had been on benefit for over a year found work in the June 2021 quarter.

There has been a concerted effort this year to provide upskilling opportunities and to match unemployed people to available jobs. This has resulted in higher numbers of people moving out of the benefit system into work than at any time since electronic records started 25 years ago – over 113,000 in total, including almost 100,000 from Jobseeker Support.



**Jobseeker Support (JSS) volumes and cancellations for work, since the start of the nationwide COVID-19 lockdown (March 2020)**

Date	JSS recipients	Cancellations in month (obtained work)
31 March 2020	151,746	5,016
30 April 2020	184,404	2,487
31 May 2020	189,519	5,331
30 June 2020	190,456	6,764
31 July 2020	192,488	6,687
31 August 2020	197,227	6,135
30 September 2020	204,117	7,025
31 October 2020	203,371	8,587
30 November 2020	204,111	9,065
31 December 2020	212,469	6,435
31 January 2021	213,006	7,650
28 February 2021	208,335	9,363
31 March 2021	201,300	11,043
30 April 2021	196,236	8,502
31 May 2021	193,380	9,504
30 June 2021	190,257	9,390

## Giving clients a positive experience

Our Client Net Trust Score has remained high at +39.8, compared with +43.2 in 2019/20. This year the Client Net Trust Score was based on contact centre interactions only: a system change in 2019/20 meant we were unable to survey service centre clients in 2020/21<sup>[28]</sup>. Historically, results for conversations with contact centre staff have been scored lower than for conversations with service centre staff. Lower scores for phone-based interactions compared to face-to-face interactions is common in many other private and public sector organisations. This year's score is higher than that for contact centre interactions in 2019/20 of +37.9.

Heartbeat surveys this year were conducted only among clients who had contacted call centres<sup>[29]</sup>. We sent out over 785,000 surveys this year at an average of 65,000 a month, with a good response rate of 7.7 percent. While about 76 percent of clients responded that their interaction with our staff was a very positive experience, comments in survey responses indicate that clients still struggle to understand the benefit system and our self-service tools do not meet all of their needs.

More people are using the My MSD app to manage their benefits – 88.1 percent of clients on benefit at 30 June 2021 were using MyMSD, compared with 85.5 percent a year before. The proportion of benefit and supplementary assistance applications lodged online went down slightly, from 53.8 percent to just under 52 percent (almost 410,000 out of 790,000).

Use of our online eligibility guide Check what you might get<sup>[30]</sup> was also much higher, with over a million visits to the guide were recorded in the year.

Some comments from clients highlight that we still have opportunities to improve, with some clients experiencing multiple different contact points from application for benefit to receiving payment, and inconsistent information capture across MyMSD. These improvements will require fundamental changes to the welfare system in line with the welfare overhaul work programme.

## Helping more students with loans and allowances

We experienced a big increase in demand for Student Loans and Allowances during our peak student application season, which commenced with the launch of the annual Call to Action campaign on 13 September 2020. The campaign encourages students to apply by 16 December to give them the best chance of having everything in order before starting study the following year. Of the applications received between 13 September 2020 and 13 March 2021 (the start of the academic year), 60 percent were received by 16 December.

**“ Between 13 September and 13 March, StudyLink processed more than 240,000 applications – 5.3 percent more than during the same period last year. By 13 March 2021 we had finalised 90 percent of applications received by 16 December, and 61 percent of those received after 16 December.**

The increase in applications this year is probably at least partly due to the impacts of COVID-19. The number of people seeking student support generally increases in times of economic uncertainty: mature students who have lost their



jobs or had their hours reduced seek to upskill, and more young people choose tertiary study on leaving high school.

## Working with clients who owe us money

The overall amount of debt owed to MSD has been increasing, but at a relatively stable rate over the last few years. By 30 June 2021 the total of debt balances owed was \$1.995 billion (2020: \$1.833 billion). There are more than 570,000 people with debts, which average \$3,498.

Around 7 percent of the total debt balance is fraud related. In recent years we have shifted our focus from debt establishment and prosecution to prevention and early intervention. This is in line with our increased focus on fraud prevention, which was endorsed by the Welfare Expert Advisory Group.

This approach has seen overpayment, investigation and prosecution numbers fall as we focus our investigation and enforcement response on the most serious fraud and address lower-level integrity issues through engagement, education and compliance.

COVID-19 has made it harder for some people to repay debt. We are working with other government agencies to improve the management of debt: this includes looking at how broader policy settings could support reducing debt. Agencies are also exploring how they can work more collaboratively. For example, we are piloting a joint approach with Inland Revenue to supporting common debtors by making it easier for them to keep their repayments going, increasing the accuracy of entitlements, and granting relief that reduces financial hardship.

## Our integrity programme helped us to recover almost \$725 million in COVID-19 Wage Subsidy payments

Between March 2020 and March 2021, we paid out more than \$14 billion to employers and self-employed people to help keep people in work during periods of elevated alert levels. These payments were made in a high-trust environment, after Cabinet had agreed that information could be verified after the payments had been made.

With the support of the Ministry of Business Innovation and Employment Hikia Whakatutuki (MBIE), Inland Revenue Te Tari Taake (IRD) and the Treasury Te Tai Ōhanga, we developed an integrity check programme for the Wage Subsidy to provide assurance around application integrity within the context of a high-trust model. In developing the integrity check programme, we took account of lessons learned from previous subsidies enacted following the Christchurch and Kaikōura earthquakes.

The approach included pre- and post- payment checks of employer details, a co-ordinated complaints process, a thorough investigations process, and a repayment process.

The publication of employers' names ensured transparency about who had been granted assistance and meant employees or other interested parties could raise concerns<sup>[31]</sup>.

Many businesses have voluntarily refunded subsidies when their eligibility changed, or because revenue was better than expected. As at 25 June 2021, repayments worth \$778.5 million had been identified of which \$724.8 million (more than 93 percent) had been repaid.

In its May 2021 report Management of the Wage Subsidy scheme<sup>[32]</sup>, the Office of the Controller and Auditor-General Te Mana Arotake has acknowledged the extraordinary circumstances facing the Government when it created and implemented the Wage Subsidies and other COVID-19 payments. The report noted that many of the steps taken by public organisations to protect the integrity of the Wage Subsidy were consistent with good practice guidance for emergency situations. We have taken the recommendations of the report into account in our approach to managing later iterations of the Wage Subsidy.

## Helping New Zealanders through adverse events

### Canterbury floods

On 29 May 2021 a complex low-pressure system brought severe heavy rainfall for the Canterbury region. The region suffered from extensive surface flooding, resulting in large-scale evacuations and states of emergency being declared. Rural communities were the most affected, with extended flooding across farmland, significant stock losses, and roading disruptions. Civil Defence payments were activated for people who were affected by the flooding, and on 4 June the Government activated Enhanced Taskforce Green (ETFG), making \$500,000 available to help with the clean-up. The rapid deployment of support payments and ETFG have been well received.

### Auckland tornado

On 19 June 2021 a tornado went through South Auckland, leaving one person dead and another with moderate injuries. We worked with Auckland Emergency Management (AEM) to provide welfare support to the adversely affected community. Civil Defence payments were made available, and our offices and contact centres extended their operating hours to provide services and support.

### Napier rainfall event

The Tairāwhiti region experienced a severe rain event on 20 June 2021 that caused widespread serious flooding and damage to homes in Tokomaru Bay and forced some families to self-evacuate. Civil Defence payments were activated. In addition the region also made a \$10,000 flexible fund available for Ngāti Porou to administer for urgent support required.

We collaborated with local response agencies to ensure people were well informed about and had easy access to the full range of services and support available to them.

## Footnotes

- 25.** From 12 August 2020, Auckland was raised to alert level 3 with the rest of New Zealand moving to level 2. Auckland moved back to level 2 and the rest of the country to level 1 from 30 August, with Auckland returning to level 1 on 21 September.
- 26.** Auckland moved to level 3 from 14 February 2021, with the rest of New Zealand elevated to level 2 at the same time. All regions dropped one level on 17 February, with Auckland returning to level 1 on 22 February.
- 27.** Auckland moved to level 3 from 28 February 2021, with the rest of New Zealand elevated to level 2 at the same time. All regions dropped one level on 7 March, with Auckland returning to level 1 on 12 March.
- 28.** We restarted surveys for service centre clients in July 2021.
- 29.** We recommenced surveys amongst clients with case management from July 2021.
- 30.** <https://check.msd.govt.nz/>
- 31.** For privacy reasons, we did not publish the names of sole traders or employers with fewer than three staff.
- 32.** See <https://oag.parliament.nz/2021/wage-subsidy/docs/wage-subsidy.pdf>



## Kia whai whare te tangata

### We get people into housing

Having a place to call home is the foundation for almost everything in a person's life, but too often our clients cannot access or sustain suitable housing.

**“ We want to help people maintain existing tenancies wherever possible, and we want to respond quickly with the right support when (or preferably before) people become homeless.**

This year there was an increase of over 33 percent in the number of people on the Public Housing Register, to 29,160. This increase continues to be driven by the high cost of housing relative to household incomes, especially among beneficiary and low-income households, and the continuing shortage of public housing and affordable rentals for low-income New Zealanders.

### Helping people achieve suitable housing solutions

Many households, particularly those on low incomes, struggle to access warm, dry and affordable housing of the right size for their needs. Through our contact centres and processing centres, our specialist housing staff provide support to help people sustain their housing situation, to prevent homelessness wherever possible, and to respond quickly when families do lose their home.

Although our influence on the performance of the wider housing system is limited<sup>[33]</sup>, our indicators show that we are meeting our agreed targets relating to the housing outcomes that are within our area of responsibility<sup>[34]</sup>. We approved more than 152,500 special needs grants to help people access emergency housing this year, and 4,029 households were in emergency housing at 30 June 2021.

However, the scarcity of housing has led to the median time taken to house clients rising significantly this year.

### Supporting clients through COVID-19-related housing stress

The impacts of COVID-19 exacerbated housing stress. We saw a dramatic increase in the uptake of housing-related supports in the later months of 2020, including Accommodation Supplement and Emergency Housing Special Needs Grants - although these levelled out and fell slightly as we moved into 2021.

There was a fall in the number of households getting Accommodation Supplement after 1 April 2020, when main benefits were increased by around 3.1 percent, but the continuing increase in the cost of housing is still driving an

underlying increase in Accommodation Supplement.

A Government rent freeze, introduced as a COVID-19 response, ended on 26 September 2020, following which there was a general increase in rents. This had a flow-on effect on housing-related financial assistance such as Accommodation Supplement, Temporary Additional Support, and the Rent Arrears Assistance housing support product (RAA). The RAA is a payment designed to help people who have incurred rent arrears to stay in suitable accommodation and prevent them having to go into emergency housing. It was temporarily expanded between July and December 2020 (subsequently extended to 30 June 2021) to support clients who had been financially impacted by COVID-19. The maximum payment was increased from \$2,000 to \$4,000 until December 2020.

## **Contributing to the Aotearoa/New Zealand Homelessness Action Plan**

Through a cross-agency working group led by the Ministry of Housing and Urban Development Te Tūāpapa Kura Kāinga (HUD), we have developed and implemented several initiatives as part of the Aotearoa/New Zealand Homelessness Action Plan 2020-2023<sup>[35]</sup>, including:

- introducing housing broker roles, to support our clients to secure private rental housing
- extending supports for emergency housing through Intensive Case Managers and Navigators, to improve the overall wellbeing and stability of people in emergency housing
- launching Ready to Rent programmes, to help prepare people for the private rental market
- putting in place a flexible funding package, to support the wellbeing and educational needs of children in emergency housing.

## **Helping those in need with new housing assistance programmes**

The number of households on the Public Housing Register continues to increase. We have introduced several initiatives to help people get into or stay in housing.

### **Housing brokers**

We established 21 Housing Brokers across our eleven regions in 2020 as part of the Aotearoa/New Zealand Homelessness Action Plan. This new service builds connections with local landlords and property managers, promotes our clients as potential tenants, and matches them with housing opportunities in the private rental market. This gives people a better chance of securing tenancies in the private market, reducing the risk of homelessness and the need for emergency housing.

**“ By 30 June 2021 our housing brokers had supported 1,278 clients into suitable long-term accommodation.**

## Ready to Rent

Ready to Rent (R2R) is a programme run by MSD-contracted community providers to help people who are in emergency housing or on the Public Housing Register to secure a private tenancy.

The programme extended in 2020/21 to be operational in all eleven MSD regions.

### Case study: Help to find a home

Overwhelmed by her situation in emergency housing, a mother with two children gained support, advice and finally a home – thanks to the constant teamwork of an MSD housing broker and case manager, plus a programme called Ready to Rent.

[Read Help to find a home](#)



## Local solutions in Rotorua

This year we entered a partnership with the Rotorua Lakes District Council, Te Arawa iwi, HUD, Kāinga Ora and Te Puni Kōkiri to understand and develop solutions to the homelessness and critical emergency housing situation in Rotorua. By 30 June 2021 agencies had agreed a plan for action. As part of this we have identified suitable motels to be used for emergency housing in the city, and will establish a hub as a co-location of government agencies, iwi and NGOs to streamline placement processes across the housing sector.

The plan aims to improve the quality of housing and housing services, and the suitability of accommodation placements for diverse clients and family situations, centred around iwi and whānau needs. The model also sets up a pathway to more permanent housing.

Although we intend to use some aspects of the Rotorua model in other places, we acknowledge that each community has a different set of circumstances, needs, resources and provider capacity. A place-based approach is required when rolling out this model elsewhere.

## Flexible Funding Assistance

Since 2 November 2020 the Flexible Funding Assistance programme (Flexifund) has provided transport and other services for families with children in emergency housing so the children can stay at the same school and pursue their normal activities. This helps improve their social outcomes. Any family with children that receives an Emergency Housing Special Needs Grant is eligible for Flexifund assistance.

## People are staying longer in emergency housing

Demand for emergency housing increased after the initial national lockdown but the increase has slowed. However, clients are staying longer in emergency housing, and both the overall number of children and the number and proportion of families that have children have increased significantly<sup>[36]</sup>.

The average stay in emergency housing<sup>[37]</sup> in 2020/21 was 11.6 weeks; this compares with 7.6 weeks in 2019/20.

The longest current stay in emergency housing of any person or household at 30 June 2021 was 131 weeks.

## Implementing the client contribution for emergency housing

We provided advice to Ministers on the client contribution for people in emergency housing. This was implemented in October 2020. From October 2020, clients who receive emergency housing for more than seven nights are asked to contribute 25 percent of their weekly income towards their accommodation costs. This contribution:

- puts emergency housing on a more equal footing with other types of housing support such as public or transitional housing
- helps emergency housing clients to better prepare for finding and sustaining a long-term housing solution.

We are continuing to work closely with other agencies, in particular HUD, to get more people into sustainable accommodation.

Work continues on reducing reliance on motel use for transitional and emergency housing, including obtaining a better understanding of the potential demand on the system.

## Extending rent arrears assistance

With our HUD colleagues we provided advice to Ministers as part of the COVID-19 response, that led to Cabinet approving temporary policy changes to Rent Arrears Assistance, one of our Housing Support Products, to better assist those in the private rental market impacted by COVID-19 to sustain their tenancies.

These temporary changes were implemented on 6 July 2020 for six months and were later extended to 30 June 2021. This policy change was intended to mitigate any possible impacts on the rental market due to the COVID-19 pandemic and to ensure that people could remain safely housed during this period, particularly following lockdown. The better-than-forecast economic recovery meant demand for rent arrears assistance was much lower than anticipated.

## Footnotes

- 33.** For example, the supply side of the public housing market is managed by the Ministry of Housing and Urban Development Te Tūāpapa Kura Kāinga and by Kāinga Ora – Homes and Communities (formerly Housing New Zealand).
- 34.** These targets relate to calculating income-related rent assessments, placing applicants on the Public Housing Register, and supporting people into non-public-housing solutions.
- 35.** See <https://www.hud.govt.nz/community-and-public-housing/addressing-homelessness/aotearoa-homelessness-action-plan-2020-2023/>
- 36.** In some cases the child(ren) may have alternative living arrangements and may not therefore physically be living in emergency housing. However, the household make-up recorded when an Emergency Housing Special Needs Grant is approved includes the number of children, if any.
- 37.** This figure is calculated for households whose last Emergency Housing Special Needs Grant was received between 1 July 2020 and 30 June 2021.





## **E whakatūturu nei kia noho manawaroa ngā iwi katoa o Aotearoa, ā, kia noho ki ngā hapori manaaki, tautoko anō hoki**

Ensuring New Zealanders are resilient and live  
in inclusive and supportive communities

We recognise the diversity of the people, whānau, families and communities we serve, and we are committed to improving their wellbeing. We support communities to be inclusive, supportive and free from violence. We want people who have experienced harm or do not feel safe to know that help is available and to understand where they can get it.

## Ngā tau matua

### The key numbers

In 2020/21 we provided \$258.5 million in funding to community groups and non-government organisations to provide services to people, whānau, families, community and iwi. This investment recognises that some community services are more appropriately delivered in the community than directly by central government. Total funding we provided was \$131.7 million (96 percent) higher than in 2019/20.

We held approximately 2,000 contracts with organisations, and we estimate that about 102,000 New Zealanders received help as a result of these contracts.

Three units within MSD support Ministers to advocate for population groups in Aotearoa.



**The Office for Disability Issues Te Tari Mō Ngā Take Hauā** works on behalf of the 24 percent of people in New Zealand who have a disability, and is the focal point in government on disability issues



**The Office for Seniors Te Tari Kaumātua** promotes the interests of New Zealanders aged 65 and over, and provides information to seniors and to the Government about the issues and concerns of older people



**The Ministry of Youth Development Te Manatū Whakahiato Taiohi** encourages and supports young people between 12 and 24 years of age to develop and use knowledge, skills and experiences to participate confidently in their communities.

## **In this section**

Partnering with others to help with growing demand >

The safety of people and communities is one of our top priorities >

We promote equal opportunities for the disabled community >

We support seniors to keep contributing to society >

We help young people to thrive >



## Te whakahoahoa ki ētahi atu kia tautoko i te nui haeretanga o te hiahia

### Partnering with others to help with growing demand

Our role as the lead social development agency is not just about delivering support for individuals – an important part of this role is building safe, strong and resilient communities. We listen to regions, communities, iwi and whānau on what their needs are and how we can support them to realise their long-term wellbeing goals. We provide funding to support this, sometimes directly and sometimes to other organisations that themselves work directly with and in communities to provide needed services.

### Helping our communities respond to COVID-19

In 2020, through the Budget and the COVID-19 Response and Recovery Fund, we received extra funding to ensure our partner agencies and local communities could help their communities respond to the lockdowns and begin recovery.

Specific areas of focus were community support and advice, elder abuse, and family violence and sexual violence. The funding has allowed us to establish and improve a range of services including:

- supporting foodbanks, food rescue and other community organisations who are distributing food, as well as grants for communities to develop and implement plans for longer-term community food security – a total of 235 providers and communities have received funding, which has resulted in improved infrastructure and capability for providers and an increased quality and quantity of food being distributed to people experiencing food insecurity
- strengthening the capability of social sector providers to respond to the increasing cost and demands caused by COVID-19
- checking in regularly with iwi, Pacific communities, and sector organisations providing crisis response services, to assess demand and make sure they had the funding they needed
- supporting Building Financial Capability services to:
  - help providers meet increased demand
  - give existing debt solution services greater access to debt specialists and support so they can engage with the sector and propose an ongoing national approach to address problem debt.

## Adopting a high-trust model to deliver for communities more quickly

Working differently with our social sector partners, to help them deliver meaningful outcomes for their communities, is not just a consequence of the COVID-19 response – it has been a focus for some time.

**“ We want to move away from directing action and setting objectives for communities towards working alongside and supporting our community and provider partners to achieve the best for their own communities.**

We are moving towards a high-trust approach in supporting community partners. The COVID-19 national lockdown allowed us to fast-track this approach, and it is becoming part of the way we work with our partners.

An example of this is the quick implementation of Food Secure Communities grants through a simple and fast application process to support community food providers who had experienced increased demand as a result of COVID-19. Funding was available for immediate needs like restocking a foodbank, or longer-term food security projects such as planting a maara kai.

## Improving the way we commission work from social sector providers

Social services in New Zealand play a vital role in supporting and furthering the wellbeing of our people and communities. There is an opportunity to improve how government agencies commission services from NGOs across the social sector to align with the Government’s wellbeing goals. We are co-leading a cross-agency work programme with Oranga Tamariki on improving how the social sector commissions services. Social sector agencies and sector representatives are engaged in this work.

In August 2020 we published an update on our work<sup>[39]</sup> that included the following draft principles for improved commissioning:

- individuals, families, whānau and communities exercise choice
- Māori-Crown partnerships are at the heart of effective commissioning
- the sector works together locally, regionally and nationally
- the sector is sustainable
- decisions and actions are taken transparently
- the sector is always learning and improving.

The update also included ten key actions as the next steps in the work.

During the first half of 2021 we held targeted engagements with representatives from across the social sector. This gave us a deeper understanding of what was needed to make lasting improvements to commissioning.

Later in 2021 we will seek decisions from Ministers on a foundational shift in the way that government agencies, providers and communities work together to commission social services.

## Building resilient rural communities

It is important that rural and provincial communities can access the same level of support as those in urban areas, and that this support is tailored to their unique needs. This year we boosted funding to service providers in rural and provincial communities.

In 2020 we published current and future state reports summarising the findings of the 2019/20 review of Heartland and Information and Advisory Services. The reports highlighted that Heartland Services are valued face-to-face services that use a 'one-stop shop' model that offers community members the opportunity to be connected with government and social services, and to meet face-to-face with representatives from those agencies. Over the next two years we will review Heartland Services with the aim of improving and extending their effectiveness.

## Footnotes

39. See <https://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/planning-strategy/social-sector-commissioning/msd-social-sector-commissioning.pdf>



## Ko te noho haumaru o te tangata me ngā hapori te tino o a mātou whakaarotau

The safety of people and communities is one of our top priorities

### Contributing to the government response to family violence and sexual violence

We are one of ten agencies<sup>[39]</sup> who are collaborating with communities throughout New Zealand to build a stronger response to family violence and sexual violence, as part of the Joint Venture on Family Violence and Sexual Violence<sup>[40]</sup>. The Joint Venture provides strategic policy and funding advice to the Government on behalf of all agencies involved in the response to family violence and sexual violence. Part of our role in the Joint Venture is funding three national family violence prevention initiatives – E Tū Whānau, Pasefika Proud, and the Campaign for Action on Family Violence.

#### E Tū Whānau

Our E Tū Whānau mahi has included working closely alongside whānau and communities in community-led responses to the ongoing challenges presented by COVID-19. We have also invested in research and evaluation activity to better understand what supports and sustains whānau and community wellbeing and change.

#### Pasefika Proud

This year Pasefika Proud funded partner organisations to undertake a wide range of work to increase access to services to prevent family violence. This included building a website, creating social media content (including a TikTok video competition), videos on cultural values, newsletters, preventing gang recruitment of young Tongan men, developing and launching the National Niuean Wellbeing Plan, and promoting and launching the National Fijian Wellbeing Plan.

Pasefika Proud also funded nine Pacific workshops and gathered key Tokelau community leaders to sign a Memorandum of Understanding between the Islands of Tokelau and MSD to design and develop family violence prevention initiatives in Tokelau<sup>[41]</sup>.

#### Campaign for Action on Family Violence

The Campaign for Action on Family Violence encompasses two campaigns: It's Not OK and the new youth-focused campaign #LoveBetter<sup>[42]</sup>.

It's Not OK continues to work with community partners to reach men and promote non-violent relationships. These partners provide safe spaces for men to gather, understand their own victimisation and engage in their own healing, both formal and informal, to end intergenerational violence. Two large community discovery projects are under way in Tauranga and Tairāwhiti to learn more about what men using violence require from their communities in order to be successful in their change journeys. Insights gathered from these projects will inform future community initiatives.

#### Court Support Service

Using a model developed in consultation with sexual violence agencies and stakeholders, the Court Support Service focuses on victims'/survivors' mental, spiritual and physical support needs while they are going through the criminal justice process, to reduce the severity and longevity of trauma. The service is currently delivered by Sexual Harm Crisis



Support Service providers in Whangārei, Auckland, Wellington and Christchurch, and will continue to be rolled out across the country over the next two years.

## Developing kaupapa Māori sexual violence services

We completed the first phase of a work programme to develop kaupapa Māori sexual violence services.

Phase 1 of this mahi is the establishment of a kaupapa Māori Mahi Tūkino/Sexual Violence Capability Building Group, Rōpu Te Pou o Te Rarama. The Group is made up of nine te ao Māori leaders in the sexual violence sector, who produced a report outlining recommendations to improve outcomes for Māori individuals and their whānau who have been impacted by sexual violence. These recommendations will inform the next phase of work.

As a further part of this work programme we provided grant funding to identified kaupapa Māori providers in rural and remote communities, and supported them to build their capability to deliver services.

### Case study:

#### **Kaupapa to be free of violence**

Manaia Cuthbert was looking at a prison sentence when he first encountered the kaupapa of E Tu Whānau through Taupo-based Te Hapori Ora – The Village of Wellbeing.

[Read Kaupapa to be free of violence](#)



## Whānau Resilience services

We worked with service providers to support the regional design and implementation of Whānau Resilience services, which will provide long-term healing and recovery support to people affected by family violence. The design process involved 13 regional designs, 114 kaimahi and 20 pouwhakataki. We have commenced a formative evaluation of Whānau Resilience services, which will evaluate impacts on the sector, and we will release the findings later in 2021.

## Addressing historical abuse in State care

Our Historic Claims Unit provides an alternative disputes resolution process for people who were abused or neglected in the care, custody or guardianship of, or who had come to the notice of, Child, Youth and Family or its predecessors before April 2017<sup>[43]</sup>. We work with claimants to understand their experience in care, and we acknowledge and recognise harm done.

In 2020 we provided evidence at the State Redress Hearing of the Royal Commission of Inquiry into Historical Abuse in State Care and in the Care of Faith-based Institutions, and continued to support the work of the Inquiry by providing information to support its investigations into abuse in care<sup>[44]</sup>.

In 2020 we began to review progress in relation to improvements made to our claims process in 2018. We are testing some new ways of working to address claimants' needs more effectively and to make the process more internally



efficient, so that more assessments can be completed and wait times for claimants reduced. What we learn through this work will help us improve our process for claimants.

Though the numbers of claims completed have increased since the introduction of the new streamlined assessment in 2018, the number of assessments completed during 2020/21 has been lower than anticipated. Several external factors have impacted our ability to complete the numbers of assessments we expected to: the resource required to respond to the Royal Commission, disruptions caused by changes in COVID-19 alert levels, and recent work that considers aspects of the resolution process. So we have refocussed our measure to reach the same goal of assessing 1,864 claims, but extending the time for achieving this target by 12 months to 30 June 2023 (rather than committing to a fixed number of assessments per year).

To ensure that claimants have access to any additional support they may need, we contracted Emerge Aotearoa to pilot a service to support claimants in the greater Wellington region on their journey to achieving their self-identified goals. This often includes overcoming barriers such as financial stress, family and relationship issues, housing needs, alcohol and/or other drugs and lack of mental health support. The lessons learnt from this pilot will inform our next steps in terms of how we extend services to other parts of the country.



People have been able to lodge claims of historical abuse since 2004, with:

**2,055**  
of 4,742 historic claims resolved

more than  
**\$32 million**  
paid as part of redress.

## Setting up independent monitoring of the Oranga Tamariki system

The Independent Children's Monitor was set up in 2019 to monitor the Oranga Tamariki system following the passage of new legislation. Until that happens, its current role is to focus on agency compliance with the Oranga Tamariki (National Care Standards and Related Matters) Regulations 2018 (the NCS Regulations), which provide standards for agencies caring for children and young people in State care.

In 2020/21 the Monitor completed two reports outlining how the four agencies who have custody of children are performing against regulations 69 and 85 of the NCS Regulations. These reports were presented to the Minister for Children, and published on the ICM's website<sup>[45]</sup>.

The Monitor is currently part of MSD until it is fully established. Cabinet decided in May 2021 that once the new legislation has been passed, the Monitor will become a departmental agency in its own right, hosted by the Education Review Office.

## Footnotes

- 39. Full member agencies of the Joint Venture:** Accident Compensation Corporation Te Kaporeihana Āwhina Hunga Whare, Department of Corrections Ara Poutama Aotearoa, Ministry of Education Te Tāhuhu o Te Mātauranga, Ministry of Health Manatū Hauora, Ministry of Justice Tāhū o te Ture, Ministry of Social Development Te Manatū Whakahiato Ora, New Zealand Police Nga Pirihimana o Aotearoa, Oranga Tamariki, Te Puni Kōkiri.
- Associate member agencies of the Joint Venture:** Department of the Prime Minister and Cabinet Te Tari O Te Pirimia Me Te Komiti Matua, Ministry for Women Manatū Wāhine, Ministry of Pacific Peoples Te Manatū mō ngā Iwi ō Te Moana-nui-ā-Kiwa.
- 40.** See <https://www.msd.govt.nz/about-msd-and-our-work/work-programmes/initiatives/family-and-sexual-violence/ministerial.html>
- 41.** <http://www.pasefikaproud.co.nz/stories/maopoopo-family-violence-training-launches-in-tokelau/>
- 42.** #LoveBetter promotes safe, positive and equal relationships among young people. Based on evidence and using best practice methodology, the campaign will be launched later in 2021.
- 43.** Claims arising after this date are the responsibility of Oranga Tamariki.
- 44.** The Royal Commission released an interim report in December 2020. This provides a progress report on the Inquiry's work to date and some interim findings about abuse in care and the state's redress processes. We continue to work with other Crown agencies and Ministers to address issues raised through the work of the Royal Commission.
- 45.** To read all the reports prepared by ICM, see <https://www.icm.org.nz/reports/>



## Ka whakatairanga mātou i ngā angitūtanga tōkeke mō te hāpori whaikaha

We promote equal opportunities for the disabled community

One in four New Zealanders has a disability<sup>[46]</sup>. The Office for Disability Issues (ODI), which is administered by MSD, provides advice across government on disability issues to support the Minister for Disability Issues' advocacy role for disabled people. Through our Policy team, we provide strategic policy advice on system-level and cross-government issues impacting disabled people.

We work closely with government agencies, the disability sector and organisations to make the best decisions about issues that affect disabled people. We are working towards a vision of New Zealand being a non-disabling society – a place where disabled people have an equal opportunity to achieve their goals and aspirations.

In the past year, ODI's focus has been on achieving the goals of the **New Zealand Disability Strategy** by updating the **Disability Action Plan**. Working with young disabled people has also been a priority. Our policy focus has been on progressing key work programmes to improve outcomes for disabled people.

### Leading the **Disability Action Plan 2019–2023**

ODI led consultation and cross-government engagement with disabled people in developing the **Disability Action Plan 2019–2023**, which was agreed by Cabinet and launched in November 2019 by the Minister for Disability Issues.

The **Disability Action Plan** is one of the key mechanisms for implementing the United Nations Convention on the Rights of Persons with Disabilities (UNCPRD) and the **New Zealand Disability Strategy**.

Government agencies have committed to implementing 28 work programmes aligned with the eight outcomes in the Disability Strategy.

### Developing disability data to inform service development

The New Zealand Disability Strategy and UNCPRD have created a strong mandate to improve the availability of data and evidence on the progress of rights and opportunities for disabled people. Disabled people have told the Government “if we are not counted, we don't count”.

There has traditionally been a lack of data to provide evidence of progress on social and wellbeing outcomes for disabled people and to inform policy and service development. When the New Zealand Disability Strategy was developed in 2016, a commitment was made to measure progress against the outcomes in the Strategy. As Statistics NZ Tatauranga Aotearoa and other agencies have developed mechanisms to disaggregate data by disability status, we have a growing set of measures that we can use to report on progress against the outcomes of the Strategy.

We are currently working with disabled people to ensure the measures available are valid measures of progress. We continue to advocate for government agencies to identify how effectively their services and policies work for disabled

people through the use of administrative data that can be disaggregated by disability.

## Promoting New Zealand Sign Language

ODI provides secretariat and programme support to the New Zealand Sign Language (NZSL) Board<sup>[47]</sup>. In 2020/21 the Board:

- allocated community grants for projects to progress the NZSL Strategy
- invested in developing or strengthening key components for the acquisition, access and use, documentation, and status of NZSL, as well as changing attitudes towards NZSL as a national language of New Zealand
- scoped a review of the NZSL Act 2006
- established a mechanism for registration of NZSL interpreters, and development of NZSL interpreting standards
- worked with the MBIE to establish a new online NZSL interpreter service
- initiated a five-year Māori Deaf for Māori Deaf work programme.

## Supporting Sir Robert Martin's re-election to the United Nations Disability Committee

In 2020 Sir Robert Martin's four-year term on the United Nations Disability Committee came to an end.

An international campaign, implemented by the Ministry of Foreign Affairs and Trade (MFAT), ODI, and People First New Zealand, resulted in Sir Robert being re-elected, as top candidate, to the Committee for another four years. We continue to provide financial support to enable Sir Robert's full participation on the Committee.

Sir Robert's re-election continues his international influence on progressing disability rights and in particular deinstitutionalisation.

## Machinery of government for disability system transformation

We continued to support the work led by Manatū Hauora Ministry of Health to transform the disability support system in line with the Enabling Good Lives approach. We are responsible for providing advice on structural arrangements to support the transformed system and options to embed the voices of disabled people to be heard within the system.

Our policy work in 2020/21 focused on possible machinery-of-government options to support a report to Cabinet in September 2021.

## Accelerating accessibility for New Zealanders

We continued to progress the design of a legislative framework to accelerate accessibility, working in partnership with the Access Alliance. In 2020, the Minister for Disability Issues asked for a new legislative framework that can act as a vehicle for progressive implementation of accessibility over time. Work has focused on the development and design of the accessibility framework.

The Minister for Disability Issues intends to seek Cabinet agreement in September 2021 to a policy proposal to accelerate accessibility.

## Replacing minimum wage exemption permits with a wage supplement

We continued to progress work on replacing minimum wage exemption permits with a government-funded wage supplement. We developed a wage assessment tool for business enterprises to assess wage rates for employees holding minimum wage exemption permits. Following testing, the tool will be used to support introduction of the proposed wage supplement.

## Giving disabled people opportunities to participate in employment

**Working Matters**, the Disability Employment Action Plan, aims to ensure disabled people have the opportunity to participate in employment as they want to, on an equal basis to others.

We released Working Matters in August 2020<sup>[48]</sup>, with 22 initial actions identified and under way for completion by 2022. These include extending disability employment services, further developing and expanding integrated health and employment services, and piloting employment services for disabled school students.

We have developed a six-monthly update report to ensure we regularly review the activities and objectives of Working Matters. The first report was released in February 2021.

## Footnotes

**46.** Statistics New Zealand's 2013 Disability Survey. See [http://archive.stats.govt.nz/browse\\_for\\_stats/health/disabilities/DisabilitySurvey\\_HOTP2013.aspx#gsc.tab=0](http://archive.stats.govt.nz/browse_for_stats/health/disabilities/DisabilitySurvey_HOTP2013.aspx#gsc.tab=0)

**47.** For more information about the Board, see <https://www.odi.govt.nz/nzsl/about-board/>

**48.** See <https://www.msd.govt.nz/what-we-can-do/disability-services/disability-employment-action-plan/index.html>



## Ka tautoko mātou i te hunga kaumātua kia takoha tonu ki te poritanga

### We support seniors to keep contributing to society

This year we made payments totalling nearly \$16.6 billion<sup>[49]</sup> to over 837,000 recipients of New Zealand Superannuation and Veterans' Pensions.

However, our role in helping older people to maintain their independence and participate in society is wider than merely providing financial support. The Office for Seniors raises awareness of issues affecting older New Zealanders and provides advice to support the Minister for Seniors in her advocacy role for older New Zealanders. In 2020/21 the Office focused on supporting older people through COVID-19, implementing the new strategy for older people, providing digital literacy training for seniors, challenging misconceptions about elder abuse, promoting and enhancing the SuperGold Card, and leading the promotion of age-friendly cities, towns and communities across New Zealand.

### Monitoring the impact of COVID-19 on older people

The Office monitored the impacts of COVID-19 on older people, and published quarterly reports<sup>[50]</sup>. A small suite of indicators focused on material hardship, unemployment rates, Jobseeker Support, loneliness, elder abuse, discrimination, and housing.

The latest report, covering the quarter to March 2021, indicated that most data points captured appeared to be either returning to pre-COVID-19 levels or following trajectories that cannot be distinguished from longer-term pre-pandemic trends. Stakeholders have also reported a return to a degree of pre-pandemic normalcy.

### Implementing Better Later Life – He Oranga Kaumātua 2019-2034

During the year work started on the development of the first action plan to implement our national strategy for our ageing population, Better Later Life – He Oranga Kaumātua 2019-2034<sup>[51]</sup>.

The action plan<sup>[52]</sup> focuses on the impacts of COVID-19 on older people. It presents a range of actions to respond to three priority areas within the wider objectives of the strategy by 2024:

- employment
- digital inclusion
- housing.

Initial actions were developed in 2019, in the lead up to the action plan. Most of these have progressed well, and this has maintained momentum and focus on giving effect to the strategy.

## Employment for seniors

The action plan will focus on those who are aged 50 or over, a small but significant number of whom have lost their jobs as a result of COVID-19. Actions will focus on supporting older workers to use their skills and experience and enabling employers to build a resilient, multigenerational workforce.

## Digital inclusion

The impacts of digital exclusion were highlighted during the lockdown, with many older people struggling to access essential services and stay connected. The action plan will focus on enabling older people to embrace technology as the world moves increasingly online – and ensuring those not online can still access the services they need day-to-day.

The Digital Literacy Training for Seniors programme was recognised as the best Asia Pacific Smart City project under the Education category of the IDC 2021 Smart City Asia Pacific Awards in May 2021. This award acknowledges the collaborative effort between the Office for Seniors, which is funding the training programme, and its contractors Digital Inclusion Alliance Aotearoa and the 20/20 Trust.

By 30 June 2021 over 1,000 older people had benefited from this initiative. Self-assessments indicated that basic skills had improved significantly.

We are working to create a page on the Office for Seniors website as a single point of information for digital literacy training providers that use the Essential Digital Skills (EDS) evaluation framework. This will enable:

- older people to find providers who are partnering with the Office to provide quality EDS digital literacy training programmes
- providers to collaborate with other training providers
- potential partnership opportunities, including private funding of providers that can deliver consistent and good quality training outcomes and measures.

The Office is working on signing up training providers and engaging stakeholders who could partner with or fund providers who are using the EDS framework.

## Housing for seniors

The rate of homeownership is declining and a small but growing number of older people have difficulty in finding secure, affordable and safe long-term housing. The action plan will focus on housing that meets the specific needs of older people and allows them to age in place.

## Challenging misconceptions about elder abuse

The Office launched a new awareness campaign to coincide with World Elder Abuse Awareness Day on 15 June 2021.

The three-week campaign included video, radio, print and online advertising targeting audiences aged 18 to 64. It sought to break down misconceptions about elder abuse and to promote the Elder Abuse Response Service.

The campaign successfully achieved more than a million impressions online, with the videos played in full more than 460,000 times, and radio advertising (in English, te reo Māori, Samoan and Tongan) reaching 56 percent of the target audience.

Calls and contacts for the Elder Abuse Response Service helpline increased more than 120 percent in June.

The Office worked closely with the Joint Venture on Family Violence and Sexual Violence on the inclusion of elder abuse issues in its strategy and work programme. This included organising three stakeholder hui (in Auckland, Rotorua and Christchurch) to contribute to the development of the national strategy.

## Promoting Age friendly Aotearoa New Zealand

Since 2015 the Office has been running a small grants programme, Community Connects, to support local councils, NGOs and community groups to develop Age friendly strategies or implement Age friendly projects. In February 2021 the Office reviewed the programme to see whether it was meeting its objectives and to identify ways to improve it. As a result of the review, we have renamed it the Age friendly Fund and we are looking at how to make the Fund more accessible and attractive to kaupapa Māori organisations.

We published an Age friendly business toolkit, framework and self-assessment in partnership with Gore District Council and Partners in Change. The resources can be adapted for use in any community and are freely available on our website [\[53\]](#).

## Enhancing Te Kāri Kōura SuperGold Card programme



By the end of the year there were

**5,157**

participating businesses and

**10,569**

business outlets in the programme.

During the year we ran campaigns to highlight the value of the SuperGold Card and to increase the offerings of everyday essentials. The most successful of these was our essential items promotion in April 2021, which resulted in more than 224,000 cardholders viewing the savings available.

We continued to develop functionality for the SuperGold mobile app and website to make it easier for cardholders to find what they are looking for and for new SuperGold partner businesses to sign up online. Throughout the year there were almost 2.2 million visits to the SuperSeniors website, and we signed up 682 new business partners.

The number of SuperGold Cardholders increased during the year by 3.3 percent, from 785,000 to more than 810,000.



## Footnotes

- 49.** This figure does not include Winter Energy Payments and other supplementary assistance.
- 50.** The reports are available at <https://www.superseniors.msd.govt.nz/about-superseniors/ageing-population/covid-19.html>
- 51.** The strategy was launched by Hon Tracey Martin, then Minister for Seniors, in November 2019. Read more at <https://www.superseniors.msd.govt.nz/about-superseniors/ageing-population/index.html>
- 52.** The Action Plan was launched in September 2021.
- 53.** See <https://www.superseniors.msd.govt.nz/age-friendly-communities/age-friendly-business-programme.html>



## **Ka tautoko mātou i te hunga rangatahi kia tōnui ai**

### **We help young people to thrive**

There is strong evidence that positive youth development supports young people to participate confidently in their communities by building their capability and resilience. Through the Ministry of Youth Development – Te Manatū Whakahiato Taiohi (MYD), we support young people aged 12 to 24 years to increase their overall wellbeing so that they succeed in, contribute to and enjoy life. MYD also provides advice to the Minister for Youth to support her advocacy role for young people.

**“ In 2020/21 we contributed nearly \$11 million to 127 provider organisations to deliver youth development and youth enterprise programmes or services to almost 69,000 young people.**

Just under 10,000 young people submitted participant feedback surveys to tell us what they thought about the programmes or services they took part in. The feedback was overwhelmingly positive, with 86 percent of participants reporting that they had seen a significant improvement in their outcomes through participation in a funded youth development and/or youth enterprise programme or service.

### **Turning youth voices into action: the Youth Plan 2020–2022**

MYD is leading the delivery and implementation of **Youth Plan 2020–2022**: Turning Voice into Action – Rebuilding and Recovering (the Youth Plan) as an action under the Child and Youth Wellbeing Strategy’s current programme of action. The Youth Plan shares the Strategy’s vision, principles and outcomes, and contributes to its achievement for young people.

The Youth Plan sets out actions that the Government will take, in partnership with others, to mitigate the impacts of COVID-19 for young people. It aims to ensure that young people have a say in decisions about recovery, to support the wellbeing of young people and their families and whānau, to enable youth leadership, and to drive transformative change across government.

The Youth Plan is about working collaboratively across numerous government agencies: there are 16 Youth Plan cross-agency actions. The first six-monthly report for the Youth Plan, which the Minister for Youth provided to Cabinet in April 2021, showed there had been good progress on the majority of Youth Plan actions, including:

- the Health Promotion Agency Te Hīringa Hauora and MYD partnered together to co-fund DMs – Deep and Meaningful, an initiative focused on how young people have coped with the disruption of COVID-19 and sharing effective and healthy coping mechanisms with other young people
- MYD has created research partnerships with various NGOs to increase government and the sector’s knowledge and understanding of cohorts of young people impacted by COVID-19.

Further activity is well under way across government to continue to implement the actions of the Youth Plan.

## **Youth Voice: The Hive**

The Hive supports and encourages young people to contribute their thoughts and opinions to government in a way that works for them. It focuses on strengthening communication between young people and government agencies through the Hivers, to help build trust and enable and empower young people to engage with issues of interest to them.

In 2021 the Climate Change Commission engaged The Hive to host a conversation with young people on how they believed Aotearoa New Zealand should respond to the looming threat of climate change. The Hive ran a three-week campaign, using a range of tools including easy-to-understand infographics and interactive social media tools, on key topics such as energy, waste, nature, transport and education. The Commission presented the findings from the campaign to a Parliamentary select committee in February 2021.

In May 2021 MYD and The Hive co-presented to senior policy staff across government at the Department of the Prime Minister and Cabinet’s Policy Project Forum. The presentation highlighted some key strategies to ensure the youth voice is involved in policy discussions and development early, and provided helpful tips on how to work positively with young people.

## **Responding to the impact of COVID-19 on young people**

### **Ākonga Youth Development Community Fund**

In partnership with the Ministry of Education, MYD established the Ākonga Youth Development Community Fund in November 2020.

The Ākonga Fund supports ākonga/learners aged 12 to 21 years who have been adversely affected by the impact of COVID-19 to stay engaged in their education journey. It helps them develop stronger connections with self, their whānau and wider communities, and have greater engagement in their learning and aspirations for their future.

In line with the Youth Plan, the Ākonga Fund has a particular focus on programmes that support rangatahi Māori, Pacific young people, Rainbow young people, and disabled young people.

**“ The Ākonga Fund has invested in 28 iwi- and community-based organisations delivering youth development programmes for ākonga across two years (2020–2022). These programmes will support 5,500 ākonga across Aotearoa New Zealand.**

The programmes we have invested in through the Ākonga Fund to support young people to thrive include:

- **Career Navigator Community Porirua** (Graeme Dingle Foundation Wellington), which supports young people to understand the realities of the world of work, develop skills and knowledge and make informed career decisions, and inspire them to succeed.
- **Bubblegum** (South Seas Healthcare Trust), a mentoring and tutoring programme delivered using culturally relevant practices to support eligible Pacific young people to stay engaged in education and be their own agents of change
- **Te Hiringa** (Te Waiariki Pūrea Trust), an intensive programme with progressive adventure activities for rangatahi Māori that includes whānau participation, one-on-one support, home visits, support to get back into learning, and follow-up mentoring.

### Support for youth providers

As alert levels moved throughout 2020/21, MYD was aware that around the motu, rangatahi and their whānau were facing different and sometimes difficult challenges.

We worked closely with youth sector providers to identify and help with immediate pressures. Youthline reported a surge in helpline contacts and an increase in care and protection matters. Young people reported feeling isolated, stressed, anxious and depressed. MYD supported Youthline with additional funding to meet the increased demand and support young people through difficult times.

To address the immediate and ongoing uncertainty experienced by providers and to reduce the burden of contestable processes on them, particularly when funding is already stretched, MYD offered eligible providers a one-off 12-month contract extension in 2021/22. This was to ensure stability and security, allowing them to focus on meeting increased demand from young people for services.

### Youth Health and Wellbeing Survey

MSD is leading the first national Youth Health and Wellbeing Survey WhatAboutMe?, which is seeking the views of 14,000 young people aged between 12 and 18 years in schools, kura Kaupapa, alternative education units, and Youth One Stop Shops. Since March 2021 researchers have been travelling around New Zealand with youth workers from local communities to hear from young people.

The survey will increase the representation of child and youth voices, and data will help to measure the implementation of the Child and Youth Wellbeing Strategy and the Youth Plan. Results will be available to the public in early 2022.



## **E whakatūturu nei kia whai angitu ngā iwi katoa o Aotearoa kia whai wāhi pai atu ki te poritanga, ā, kia eke ō rātou nā pitomata**

Ensuring New Zealanders have the chance to participate positively in society and reach their potential

We want to improve people's readiness for and access to employment, while recognising that people also participate through volunteering or caring for whānau and families. We engage with people, families, whānau and communities to understand their aspirations and what is important to them, including their situation, culture and values. We connect people with opportunities to realise their goals, reach their potential and grow, and participate positively in society.

## **Ngā tau matua**

### **The key numbers**

In 2020/21 we helped more than 113,000 New Zealanders to get work, enabling them to move out of the benefit system – the highest figure achieved since the turn of the millennium, and an increase of almost 38,700 (51.8 percent) from the previous year.

We provide tools and programmes to improve people's readiness for work and to get them to a place where they can compete in the job market. This year over 26,300 people took part in employment programmes.

## **In this section**

We helped keep New Zealanders in the workforce >

Improving the flexibility of money management in the Youth Service >



## **Ka āta mahi mātou kia kuhu, kia noho tonu te hunga o Aotearoa ki te ao mahi**

**We worked proactively to get and keep New Zealanders in the workforce**

MSD is the lead agency providing employment services to New Zealanders. We work alongside people who are unemployed, disadvantaged in the labour market, or at risk of becoming unemployed, so they are ready for work and are supported to find or remain in sustainable and meaningful employment.

Many clients come to us with complex needs that can present barriers to finding and staying in work. We take a holistic approach to working with people to support their employment and other needs (such as income and housing).

### **Helping people move from benefits to jobs**

This financial year has seen the highest level of annual work exits on recent record (more than 113,000), with many months returning their highest totals in around 20 years.

MSD has service centres in most towns across New Zealand, and staff in these offices utilise their local knowledge to deliver employment support that is best suited to the needs of their regions and clients. We also contract services regionally to meet the needs of clients in their local areas and to complement the nationally driven employment initiatives.

**“ We work to meet the employment needs not only of clients who are already accessing income support, but also of those who are at risk of entering the welfare system.**

We have a range of programmes tailored towards people with different employment needs.

This year in response to COVID-19 we increased staffing for our Rapid Response Teams, who work proactively with businesses and employees affected by COVID-19, to let them know what services and support we can provide.

In the regions we continued to support people to obtain, retain and sustain employment and consequently reduce the impact of COVID-19. Our employment centres continued to operate at all COVID-19 alert levels, enabling employment-focused staff with local knowledge to respond to employers' and jobseekers' needs.

Because we now take a more proactive approach to helping people find and keep work, we can respond better to a volatile labour market and increased demand for employment assistance than we could in previous economic downturns such as the Global Financial Crisis in 2008.

## **Delivering employment support through a range of channels**

Our employment services are delivered through various channels, ranging from in-person and over-the-phone services such as employment case management, work brokerage, job matching and contracted community providers and partners, to a range of products and services that enable people to return to the labour market, such as Transition to Work Grants and wage subsidies (Flexi-wage).

Employment case managers engage face to face with clients who need support to take steps towards work. Our employment case management approach prioritises support to key groups (such as Māori, Pacific, rangatahi, people with disabilities and health conditions, and people with children). Work brokers partner with employers to link our clients to their vacancies.

Contracted community providers deliver specific work-related services to our clients. These include short-term training for work courses, and other work-readiness and employment programmes. These services range in intensity depending on the needs of the client and are generally delivered face to face.

Our Industry Partnerships team partners with employers to deliver Skills for Industry programmes, in which clients receive on-the-job training that is intended to lead to an employment outcome. As an example, the Construction Accord builds on partnerships with Auckland Council, the Mayors' Taskforce for Jobs and Waka Kotahi NZ Transport Agency to deliver employment opportunities in the construction sector. In the year to 30 June 2021, 4,245 people participated in Construction Accord partnerships.

### **Case study:**

#### **A 13-year employment relationship**

MSD signed a relationship agreement with the Downer Group in 2008 to develop work opportunities for jobseekers. The partnership is one of our largest and most successful Skills for Industry relationships.

[Read A 13-year employment relationship](#)

## **Extending employment programmes**

Our new and strengthened employment programmes gave people more opportunities to get into work <sup>[54]</sup>.



**Flexi-wage** was increased in February 2021 to support up to an additional 40,000 people into work over two years, compared to around 6,000 previously. Flexi-wage helps jobseekers get the skills they need to meet the requirements of a job. Support can include training and in-work support, as well as a contribution to wages (paid to the employer).

“ As at 30 June 2021, there were 9,816 placements in the Flexi-wage programme, of which 4,782 occurred since the February expansion.

**Mana in Mahi** was increased in August 2020 to include more support for participants and their employer during a participant's training. Mana in Mahi supports those most disadvantaged in the labour market into sustainable work, through industry training.

“ Mana in Mahi placed 2,526 people into jobs in 2020/21, against a target of 450.

**Apprenticeship Boost** was launched in August 2020 in collaboration with the Tertiary Education Commission, and was extended in March 2021. It supports employers to retain apprentices and take on new apprentices as the economy recovers from the impacts of COVID-19.

“ Apprenticeship Boost supported 13,160 employers with 30,031 apprentices in work.

**Connected** was launched in August 2020 as an all-of-government online, phone and face-to-face initiative connecting people who are looking for a job directly with employers. It also offers a wide range of employment, education and training support.

“ By 30 June 2021, 229,000 people had used the [connected.govt.nz](https://connected.govt.nz) service online.

**Rapid Return to Work (RRtW)** is a new phone- and email-based initiative, through MyMSD, to support newly unemployed people for up to six weeks to reconnect with employment as quickly as possible

“ By 30 June 2021 the Rapid Return to Work initiative had supported around 8,500 clients and around 3,000 exits into jobs.

**\$5k to Work** was introduced to replace \$3k to Work in October 2020 to allow clients to relocate for employment opportunities. The increase reflected the current cost of living as the grant had not been reviewed since it was developed in November 2015.

“ By 30 June 2021, nearly 3,200 clients had used the \$5k to Work product to relocate for sustainable employment.

Other financial support products such as **Transition to Work** and **Course Participation Assistance** also received increased funding in 2020/21 to meet the demand of additional clients.

#### Case study:

##### Road to success for trainee truckies

Young MSD job seekers are getting opportunities to learn on the job while trucking operators gain much-needed new drivers through a new road transport industry traineeship – Te ara ki tua Road to Success.

[Read Road to success for trainee truckies](#)



### Targeting groups traditionally disadvantaged by the labour market

Long-term issues for Māori, Pacific peoples, women, and disabled people remain, as we still have a significant gap in overall outcomes for those groups compared to other population groups.

#### Māori-focused employment programmes

Paiheretia te Muka Tāngata was developed in 2020/21 in partnership with Te Puni Kōkiri, Ara Poutama Aotearoa (Corrections), MSD and iwi to support both tāne and whānau who are impacted by the corrections system<sup>[55]</sup>

#### Support for disabled people to find work

Our disability employment services are specific and targeted contracted services that provide employment support to help disabled people into work.



Between 1 July 2020 and 30 June 2021

**5,500**

people participated in disability employment services

**1,971**

people have been supported into work.

Oranga Mahi supports MSD clients living with health conditions or disabilities, and those at risk of losing employment, to improve their health and wellbeing and achieve sustainable outcomes. In 2020/21 we extended existing Oranga Mahi trials into other regions:

- **Here Toitū** focuses on helping people on a benefit who have a health condition or disability to improve wellbeing and take steps towards employment. It also provides an early response service for those at risk of losing employment because of health reasons. Here Toitū was already running in Auckland and Canterbury and was extended to the Central region.
- **Take Charge** focuses on youth who live with common mental health needs or substance addiction and want help to look for or stay in employment – it was already in Canterbury and was extended to the Auckland region.
- **Individual Placement and Support (IPS)** supports people with severe mental health conditions to find and stay in employment. IPS has been operating in Waitematā District Health Board and is being extended to include Auckland and Counties Manukau DHBs.

## Connecting people to jobs using digital channels

To support clients during and after the lockdowns, we adapted the way we worked with clients and the systems we used.

We modified employment initiatives to work with a larger and different type of client group from those usually supported – a mix of newly unemployed, skilled people who'd seldom been out of work or had not needed to access our employment services before.

Our digital employment services were an important tool for connecting people with employers and job opportunities. They allowed employees and employers to interact with the labour market in a way that suits them better.

Digital employment initiatives included:

- **Rapid Return to Work (RRtW)**, a new phone- and email-based initiative to support newly unemployed people, who can opt in through MyMSD. The initiative supports people for up to six weeks to reconnect with employment as quickly as possible. It has supported around 8,500 clients and around 3,000 exits into jobs
- **Work and Income Online Recruitment Tool**, which was launched as part of our response to COVID-19 to connect employers with people looking for work. Employers can list jobs on the platform and anyone looking for work (both clients and other jobseekers) are able to apply for the jobs directly - 7,199 employers and 34,759 jobseekers have used this tool
- **Connected**, launched in August 2020 as an all-of-government online, phone and face-to-face initiative connecting New Zealanders who are looking for a job directly with employers. It also offers a wide range of employment, education and training support – 229,000 people had used the service online by 30 June 2021

- **Click to Enrol**, which allows Jobseeker Support and Sole Parent Support clients to self-refer to employment services through MyMSD
- **Virtual Job Expo**, launched in November 2020 as part of our response to COVID-19. The first pilot supported MSD to recruit frontline staff, and the second (launched in March 2021) supported Auckland MSD staff to continue to offer recruitment services to employers during alert level changes. The platform was used to run recruitment seminars as well as one-to-one interviews. Approximately 41 jobseekers and six employers participated in the Virtual Job Expo pilots by 30 June 2021.

## Using regional knowledge to support locals into work

Our 11 regional offices use their local knowledge to tailor employment support to the needs of their regions and clients. We also contract services regionally to meet the needs of clients in their local areas and to complement the nationally driven employment initiatives.

In the regions we continued support to lessen the impact of COVID-19. We increased staffing for the Rapid Response Teams (regional teams who work directly with businesses and employees affected by COVID-19, to let them know what services and support MSD can help with). Our employment centres continued to operate at all COVID-19 Alert levels, enabling employment-focused staff with local knowledge to respond to employers' and jobseekers' needs.

Our regions also used the Service Delivery Employment Focused Contestable Fund to develop employment-related opportunities for their regions.

### Case study:

#### **Rochelle grows a job and a community!**

Volunteering has led to rewarding paid work for mother-of-three Rochelle, after more than a decade of unemployment.

[Read Rochelle grows a job and a community!](#)



## Footnotes

- 54.** In addition to the programmes listed here, three new employment programmes were transferred from MBIE to MSD from 1 July 2021 following Ministerial decisions in late 2020: the Auckland Jobs and Skills Hub, He Poutama Rangatahi – Youth Employment Pathways, and the Māori Trades and Training Fund.
- 55.** The programme was prototyped in Hawke's Bay and Te Tai Tokerau in August and September 2021.



## Ko te whakapai ake te tāwariwari o te tiaki pūtea i te Ratonga Taiohi

### Improving the flexibility of money management in the Youth Service

Under the Youth Service<sup>[56]</sup>, we contract community-based service providers to work intensively with young people and provide a wrap-around service to support them into education, training or work-based learning. Youth coaches provide intensive, tailored support in the ways the young people most need it – for example, giving practical help with housing issues, identifying training opportunities, or preparing for job interviews.

We provide financial assistance via the Youth Payment (YP)<sup>[57]</sup> and the Young Parent Payment (YPP)<sup>[58]</sup>. There is also a voluntary service for 16- and 17-year-olds who are not in education, training or employment (NEET).

A compulsory money management model has been in place for YP and YPP recipients since 2012 to ensure that the young person can meet their essential household needs and expenses while improving their financial capability. Obligations include having regular meetings with a Youth Service provider, being actively involved in full-time education, training or work-based learning, and completing a budgeting course. YPP recipients also need to complete a parenting course.

Young people can be taken off money management once they have demonstrated that they can successfully manage their finances and have complied with all their obligations. As part of the welfare overhaul work programme, we have been exploring ways to improve the flexibility of compulsory money management in the Youth Service.

## Footnotes

- 56.** The Youth Service, which is hosted by Work and Income rather than MYD, targets young people who are at risk of long-term benefit dependency. It aims to help young people build an independent future and reduce their risk of going on to a working-age benefit, through achieving a qualification at NCEA Level 2 or higher and developing life skills.
- 57.** Payment for young people aged 16 or 17 years who are unable live with their parents or guardians.
- 58.** Payment for young people aged 16 to 19 years who are the main caregiver for a child.



## **Te anga ki te pae** Looking to the horizon

Continuing to help the recovery and creating a fit-for-purpose welfare system.

In the short-term future, MSD will focus on supporting those affected by COVID-19 by continuing to get people back into work, helping those in hardship and housing need, and supporting community resilience. Our employment services, our relationships with employers, iwi and providers, and our understanding of regional labour, housing and community needs will remain more important than ever. However, we don't want to simply return to a pre-COVID-19 service model, but instead we will leverage the Welfare Expert Advisory Group findings, the lessons from our pandemic response and feedback from our clients to create an improved welfare system that works for all.



## **Tā mātau tūranga i te whakaoranga ake o te Mate Korona**

### **Our ongoing role in the COVID-19 recovery**

Our response to COVID-19 required us to change the way we work with New Zealanders and MSD is determined to retain this beneficial model and improve on it where we need to.

As we did during the first COVID-19 lockdowns, we will continue to develop authentic partnerships based on mutual respect, co-operation, integrity and good faith. Through a network of trusted partners, we will harness knowledge and expertise to contribute to shared goals, create better measures, reduce barriers to make it easier for clients, whānau, families and communities to access social services, and encourage innovation and fresh thinking.

We will broaden our role in community development and social services to support people, whānau, families and communities to realise their potential and aspirations. This may mean training and development for sustainable employment and to build resilient communities, volunteering or caring for whānau.

Focusing closely on regional economic development will also strengthen our work with employers and industry so that we can maximise opportunities for people, whānau and families, and communities. This will help us to understand and anticipate changes and trends in employment, and community and housing needs, especially if COVID-19 returns.

Our information, services and environments must be accessible to all those who need our support and services. Clients should feel comfortable dealing with us, be aware of all that is available to them, and feel confident they will receive it. This must continue if COVID-19 returns, and alert level changes occur.

We will continue to provide Ministers with policy advice and support, especially in relation to high-priority areas of focus like the welfare overhaul work programme. We will work with other agencies to advance the Government's wellbeing strategy and with the wider social sector on cross-agency initiatives in areas such as social cohesion, family violence, regional development and climate change.

## **Te waihanga ake he pūnaha toiora whai-take**

### **Creating a fit-for-purpose welfare system**

Over the next few years we will undergo significant change to deliver to our strategic direction and the Government's welfare overhaul work programme. We need to be fit for purpose to operate today, and able to adapt and prepare for the future and all the challenges we will face.

Since Te Pae Tawhiti was introduced in 2018, we have seen positive changes flowing into operational activities across the organisation. Our COVID-19 response has shown us that we can make quick and effective changes to the way we work. However, it also highlighted that to fully achieve our strategic outcomes, we need to make more fundamental changes in the way we operate and how we deliver services to clients, and to the technology that enable these.

Having the right people, capability and culture, with appropriate oversight and assurance of our actions, and with the right technology and resources in place, is essential to successfully delivering outcomes for New Zealanders.

Work is already under way to outline the case for transforming our processes, systems and capabilities to enable a more flexible and responsive organisation. This will focus on simplifying and streamlining our service delivery so that clients can easily, quickly and effectively access the support they need, especially those who have multiple needs. In the past we have made a lot of small changes, fixes and workarounds to our existing systems to save money rather than investing in the systems that can keep pace with the changes we need – and the more we have done, the more difficult it has become to make changes. We are investigating options to improve our systems to allow us to be more agile in implementing policy and making ongoing changes to retain fitness for purpose.

Key decisions will need to be made about the future design and delivery of services to clients and communities, the technology needed to enable those changes, and the support our people need to deliver them.

## **Ngā rauemi me te whakapaunga pai i ngā pūtea**

### **Resources and ensuring value for money**

We are committed to improving how we work, and we continue to look for ways to enhance outcomes and value creation for our clients and partners. We will prioritise, and deliver more effectively, the services and opportunities that provide the greatest benefit and fully align with Te Pae Tawhiti – our strategic direction, while working within our existing baseline allocations.

We will do this through a fully integrated planning, budgeting and governance model that is aligned with achieving our strategic objectives. It will mean prioritising our resources more effectively while demonstrating value for money. This will involve having clearly articulated roadmaps that will match our resources with long-term funding supported by a robust prioritisation process.

The integrated model will have multi-year capability and capacity plans aligned to the multi-year budgets. Updates every quarter will align with our planning cycle based on value delivered, capability applied, and costs incurred. We will monitor progress made and value generated and will regularly check that resources and funding match what we need to deliver.

Maintaining and improving our technology, infrastructure and other assets is vital in supporting our people to provide better services to our clients and partners. Our offices must be welcoming, secure and safe, we need to have appropriate technology and tools, reliable and resilient infrastructure to support our digital channels, and a fleet strategy that will give our people the mobility to provide better community-based services.

Our property portfolio is evolving as we adapt to new ways of working and new workplace requirements, including flexible working, increased security requirements and the need to understand and meet new building safety and efficiency standards. We are working with the Government Functional Lead for Property<sup>[59]</sup> to actively pursue further co-locations and resilient regional workplace options.

## **Footnotes**

**59.** Caroline Tremaine, Chief Executive of Hīkina Whakatutuki Ministry of Business, Innovation and Employment.





## He whakatutuki i ngā ratonga kounga mā te āheinga rangatira o te rōpū

Delivering high-quality services through excellent organisational capability

MSD is a large and diverse organisation, with over 9,000 staff. As a government agency, we are fully committed to the fundamental ‘spirit of service’ characteristic of the New Zealand Public Service and to the principles that underpin everything the Public Service does:

- acting in a politically neutral manner
- giving advice to Ministers in a free and frank manner
- making appointments on the basis of merit
- fostering a culture of open government
- proactively promoting stewardship of the Public Service<sup>[60]</sup>

We are especially mindful of these principles given the extent of our reach into New Zealanders' lives.

In this section we report on our progress towards delivering on the goals we have previously set ourselves with regard to strengthening our people culture, our responsiveness to Māori, equal employment opportunities, health and safety, information, data and evidence, technology, management of resources, and ensuring value for money, risk mitigation, and good governance practices.

## In this section

We support our people to help New Zealanders >

Our governance model supports strong decision-making >

Privacy and security of information >

Data, analytics and insights help us make the right decisions for New Zealanders >

We manage technology to help us respond to people's needs >

We manage a significant departmental assets portfolio >

Towards a carbon-neutral government sector >

## Footnotes

**60.** The principles are enshrined in section 12 of the Public Service Act 2020.



## **Ka tautoko mātou i ō mātau tāngata kia tautoko i ngā iwi o Aotearoa**

We support our people to help New Zealanders

**“ Having the right people, capabilities and culture, appropriate oversight and assurance of our actions, and the right technology and resources in place is essential to successfully delivering outcomes for New Zealanders.**

We are focusing on shaping an environment that supports our people to:

- understand the special relationship with Māori
- embrace diversity and inclusion and the benefits these bring – for wellbeing, organisational resilience and high performance
- build trusting relationships with each other, clients, communities and partners
- grow our reputation as a key and trusted social sector organisation that our people are proud to work for.

## **In this section**

Building a strong culture and capability to achieve our outcomes >

Providing a positive working experience based on our shared values >

Being recognised for our work for the people of Aotearoa New Zealand >

## Building a strong culture and capability to achieve our outcomes

Our People Strategy, He Korowai Manaaki, describes how we will develop our workforce so we can deliver to our purpose of helping New Zealanders to be safe, strong and independent. It sets out what we need to do to be successful in an ever-changing environment, how we might work in new and different ways, and what we want the experience of working and leading people at MSD to be like.

He Korowai Manaaki is about protecting and growing the capabilities we already have, and has four key threads:

- **Being client- and whānau-centred** – we design our work, roles and organisation to deliver for our clients and whānau
- **Building capability** – we have the capability to perform to our potential now and in the future
- **Leading for performance** – our leaders develop and nurture people and teams to deliver high levels of performance
- **Providing a positive working experience** – our people have an experience at work that enables them to reach their potential and to be included, safe and well.

### Being client- and whānau-centred

He Korowai Manaaki is driven by our mission to help New Zealanders to be safe, strong and independent. Everything we do is centred on improving outcomes for our clients and whānau. We already work closely with our partners and stakeholders, and we are increasing our focus on intervening early, helping people back to work quickly, making it easier for our clients to do business with us, and meeting the complex needs of our clients through a deep understanding of these needs.

We want this way of working to become part of our organisational DNA. Putting clients and whānau at the centre of what we do ensures that they receive personalised, integrated and joined-up services that meet their needs and circumstances, and helps them to support themselves and their whānau.

He Korowai Manaaki is an enabling strategy that supports the aspirations articulated in Te Pae Tawhiti, **Te Pae Tata** and **Pacific Prosperity**. Our Future Services model, puts our client- and whānau-centred approach into operation. People-related activity to support this includes:

- understanding and building the types of roles needed to support our service model and meet the needs of our clients and whānau
- having organisational structures and roles that enable us to respond quickly to a rapidly changing environment and sudden, increased or changing demand
- having the tools and capability to resolve client and whānau needs at the earliest point of engagement
- providing intensive support for those with complex needs
- working in an agile way to respond quickly to demand

- partnering with others to deliver services on our behalf, if this delivers better outcomes for our clients and whānau
- having flexible working and agile work practices enabling individuals and teams to adapt as needed and work to their strengths.

As part of becoming more client- and whānau-centred we have:

- continued to develop an agile approach to prioritising and delivering work to provide services to clients and whānau
- begun to develop a strategic workforce planning capability that is aligned to our delivery system, so we can forecast and respond to workforce demands better over the longer term
- started the mahi on the Te Pae Tawhiti transformation programme to develop our Future Service Model, including the technology, data, information and business processes needed to deliver services to clients and whānau
- initiated work to define a standard MSD approach to organisational design that reflects a client- and whānau-centred perspective.

Our training, development and qualifications programmes aim to equip our people to deliver an empathetic and effective service experience for our clients that aligns with our key strategic priorities. We continually adapt our learning curriculum so that new staff receive a consistent induction experience and ongoing training. This has been critical during the COVID-19 and post-COVID response as significant numbers of new staff have come on board.

## Building capability

We have established a wide variety of capability development roles that have replaced site-based trainers, quality checkers and other on-the-job development resources to support the development of our client-facing workforce.

We are investing in our people leaders through building core skills and coaching capabilities. Our leadership programmes have been modernised, and in the COVID-19 recovery phase we are:

- making more places available on these programmes
- providing specialist development in areas such as mental health
- building positive workplaces, unconscious bias awareness, agile leadership, and systems thinking.

## Strengthening our cultural competency

We have a number of tools that our people can access for developing their cultural competency. These include:

- our Māori Capability Framework, He Matapihi ki te ao Māori – the framework identifies four levels of capability and provides clarity around the knowledge and skills that underpin working in a bicultural way
- an app, Kimihia<sup>[61]</sup>, to support learning and awareness of te ao Māori
- Te Rito – Enhancing Bicultural Awareness, a 14-module online programme exploring te ao Māori at an introductory level, focusing on tikanga, Te Tiriti o Waitangi, whakapapa and te reo
- The Wall Walk®, an interactive workshop that provides an immersive experience to raise collective awareness of key events in the history of Aotearoa's bicultural relations.

## Embedding te ao Māori

We have started to embed te ao Māori into the fabric of our organisation. Our induction package for new staff includes an introduction to Te Pae Tawhiti, Te Pae Tata and MSD's values - all of which are grounded in te ao Māori and Pacific Prosperity. He Korowai Manaaki also emphasises our commitment to Māori and a focus on developing cultural capability.



## Wānanga

Te Whaihanga a Rua wānanga/educational sessions are available to our people who are working on advice for policy and proposals being submitted to decision-makers. Wānanga provide a positive and uplifting environment for education, action, reflection, growth and innovation. Our people are supported to work through ideas, solutions and complexities from a te ao Māori perspective with a focus on whānau, hapū and iwi development, and honouring Te Tiriti o Waitangi.

## Leadership programmes for Māori and Pacific staff

Our Te Aratiatia leadership programme is available for the development of Māori and Pacific staff who demonstrate potential to become effective leaders within MSD. Our Te Aka Matua programme supports high-performing Māori and Pacific managers to gain a Masters level tertiary qualification.

## Pacific staff fono

Three Pacific staff fono were held in June 2021 in Auckland, Wellington and Christchurch. The fono support Pacific Prosperity and provide people with opportunities to celebrate their Pacific heritage through language, culture and identity at work and how they can contribute their cultural and community skills/knowledge at local, regional and national levels.

## Employee training and reskilling

Increasing investment in employee training and reskilling is helping us prepare for the rapidly changing future of work.

COVID-19 has impacted on people development across MSD. We inducted over 700 new employees in 2020/21, but some learning and development was deferred to ensure that priority operational demands could be met. Now that the disruptions of COVID-19 on our capability programmes are being mitigated, we can prioritise critical training for new and existing employees. Although recorded training hours did not meet the target this year, we know that a large amount of on-the-job training takes place that is currently not recorded.

## Skills Pledge

We have committed to the Aotearoa New Zealand Skills Pledge, an initiative sponsored by the Prime Minister and the Business Advisory Council (BAC) in 2019 in response to the report of the BAC with consulting firm McKinsey and Company, *A Future that Works: Harnessing Automation for a More Productive and Skilled New Zealand* [62]. Our commitment is to double our investment in reskilling and training hours by 2025, and to report annually on progress. This will help both our people and our organisation as we prepare for the rapidly changing future of work.

## “ In 2020/21:

- for all MSD employees the learning hours for the year averaged 4.0 days, against a target of 4.7 days
- learning hours in the last quarter of the year (April to June 2021) averaged about nine hours per staff member (5,815 staff), up one hour from the March quarter
- learning hours for managers in the June quarter averaged seven hours (786 managers), which remained static from the March quarter.

The way we develop our workforce is changing. Increasingly, people development is occurring ‘in the mahi’ and much of this has not been captured in our Skills Pledge reporting. As our approach to training evolves, our ability to capture this

investment and outcomes also needs to adapt. We have a method of identifying this, and future Annual Reports will reflect these insights.

## **Leading for performance**

We are focused on building capability by embedding a new pay and progression approach that sets out a consistent approach to development, pay and progression. We continue to recognise achievements and contributions and to engage regularly with our people. Managers provide constructive feedback, guidance and regular coaching and actively develop their teams to be high performing.

### **Te Ara Piki: a modernised staff pay and progression system**

In 2020/21 we developed a new capability and development framework for our people, Te Ara Piki (the pathway ahead). Te ara piki is designed to grow the capability of our organisation so we can continue to deliver great work and adapt to the changes around us. Te Ara Piki was made ready for launch on 1 July 2021 to complete the rollout of our new pay and progression approach and for all our people in staff roles to grow and develop skills and to apply capabilities in our mahi.

#### **Key features of Te Ara Piki**

Te Ara Piki is a forward-looking employee-owned approach, that gives our people the opportunity to have ongoing and real-time discussions to develop capabilities that support our organisational priorities and values.

#### **Employee-owned**

Our people own and lead the process, and managers create the environment where this can occur. People identify and propose their own objectives that contribute directly to MSD's strategies, priorities and outcomes, and align to their career aspirations and capability needs.

#### **Forward-looking**

People can set objectives that are aligned with their own near-term requirements and wider MSD priorities, outcomes and values.

#### **Real-time feedback**

Reflection and regular check-ins help to recognise progress, provide opportunities for feedback, celebrate work achievements, identify development needs, and enable discussion about supports that may be required.

#### **Focus on demonstrating capability**

To keep up with the changes around us, we need to learn, develop and adapt. Te ara piki allows our people to use their strengths and capabilities to deliver outcomes and contributions that support the direction and aspirations of MSD. Development and learning happens every day, sometimes formally with support from managers and others, but mostly 'in the mahi' through change, opportunity and learning from experiences.

Te Ara Piki is the culmination of almost three years of partnering work with the Public Service Association (PSA), and is based on four principles:

- encouragement of fair recognition for all people
- simplicity, flexibility and transparency
- supporting our strategic direction
- affordability, consistency, and evidence-based.



Implementing the new framework has allowed us to:

- lift pay for lower-paid employees
- implement step-based progression for people in all staff roles
- provide consistency across staff groups
- implement a modern, fit-for-purpose remuneration and performance system.

## Leadership development

We established a guide to the centralised leadership learning and development opportunities at MSD, ensuring it was aligned with our organisational purpose, key strategies and values. Everyone at MSD is encouraged to actively participate in development conversations with their manager, and to take a proactive and planned approach to their learning, development and career.

All MSD staff are responsible for drafting and then implementing strong personal development plans with ongoing support and involvement from their manager. Specific development opportunities targeted at different levels of leaders are set out for managers to access (depending on their particular needs, from emerging leaders and induction to senior organisational leaders).

## Addressing bias and discrimination

This year we introduced training for our people and managers on identifying and managing unconscious bias. This training complements our existing learning programmes, which support our people to provide client services that are grounded in empathy and respect, including:

- **Lives Like Mine** – encouraging staff to recognise the importance of empathy, self-awareness and reflection to support client outcomes and interactions with colleagues
- **Mindset** – developing understanding of, and skills to overcome, bias, and how to develop a growth mindset to support clients
- **Recognising Diversity** – raising contact centre staff awareness of the effect of assumptions and distractions on effective communication
- **Rethinking Mental Health** – supporting people to effectively engage with clients who have mental health conditions, and to explore how to support clients to achieve better outcomes in their lives
- **Mental Health 101** – building staff confidence in recognising, relating to and responding to people experiencing mental illness
- **Strengthening Service Culture** – on-the-job learning through team activities, focusing on body language, empathy and understanding of clients' issues.

## Footnotes

**61.** Kimihia allows employees to engage with Māori cultural knowledge and build awareness of key Māori concepts, values and practices.

**62.** See <https://www.mckinsey.com/featured-insights/digital-disruption/harnessing-automation-for-a-future-that-works>



## Providing a positive working experience based on our shared values

We provide everyone with a positive work experience that enables them to be safe and well, feel a sense of belonging, and reach their potential at MSD. This includes some key focus areas.

Our values are the foundation of our people's experience, and we build from them and live them every day.

After adopting our four values – Manaaki, Whānau, Mahi tahi, and Tika me te pono – we began to embed them through our employee lifecycle, including in recruitment, induction, development and wellbeing conversations, programmes and resources.

Some of the ways our values have been embedded and reinforced through the lifecycle include:

- refreshing our careers site, making our values a central feature
- updating our position description templates, embedding both the values and our public servant commitment statement
- strengthening our induction programme to help new people joining us feel a part of our MSD whānau through an initial focus on our values – the induction programme connects our people to their role as public servants with a strong focus on what our values are and on what we do
- Te Ara Piki, which connects development objectives with values-based behaviours.

## Supporting a diverse and inclusive workplace

Being a diverse and inclusive organisation means recognising and respecting the differences between people while valuing the contribution everyone can make. We want all our people and clients to thrive and enhance their wellbeing. It is critical for our success as an organisation that we reflect the people we serve, which means acknowledging and appreciating our own diversity so that we can support our clients' aspirations.

Our direction is in line with the vision of Te Kawa Mataaho Public Service Commission for diversity and inclusion across the public sector<sup>[63]</sup>. The five priority areas for 2020/21 were to:

- address bias and discrimination
- strengthen cultural competency
- build inclusive leadership
- develop relationships that are responsive to diversity
- support and engage with employee-led networks.

## Narrowing the Gender Pay Gap

We continued to focus our efforts to reduce the Gender Pay Gap and increased our focus on ethnic pay gaps. The Gender Pay Gap is measured as the difference between the average<sup>[64]</sup> salary for women and for men.



### Gender Pay Gap

At 30 June 2019 our Gender Pay Gap was

**13.1 percent**

By 30 June 2020 this had improved to

**12.2 percent**

By June 2021 this had improved to

**9.9 percent**

The primary driver for the Gender Pay Gap continues to be the ongoing challenge of having a high proportion of women in lower- and mid-level roles than in senior and executive management positions. We have made progress on lifting remuneration at lower levels, where around 70 percent of our employees are women.

Actions taken in 2020/21 to reduce the Gender Pay Gap include:

- implementing a new performance and remuneration framework for Ministry of Youth Development, National Office and Service Delivery staff
- introducing a flexible working policy
- designing a partnership-based mentoring programme with our women's and Pacific networks
- unconscious bias training and recruitment guidance to support managers to recognise and mitigate bias in the hiring process.

## Most of our ethnic pay gaps are narrowing

There is evidence of ethnic pay gaps at MSD when we compare Māori to non-Māori staff, Pacific to non-Pacific staff and Asian to non-Asian staff. Māori, Pacific and Asian representation in MSD is higher than in the Public Service as a whole and in the New Zealand workforce generally. At 30 June 2021:

- our Māori pay gap was 4.6 percent (2020: 6.0 percent)
- our Pacific pay gap was 12.0 percent (2020: 13.4 percent)
- our Asian pay gap was 9.1 percent (2020: 7.8 percent).

With key stakeholders, including unions, employee-led networks and our Diversity and Inclusion Steering Group, we developed a 12-month Pay Gap Action Plan for 2021/22 that represents the diverse voices of our people and helps guide our work. The action plan has a stronger focus on ethnicity, gender by ethnicity, and the actions required to reduce the pay gaps we have identified.

## Gender distribution by level of seniority

N/A indicates that data is not available.

### Female (percentage)

	2019	2020	2021
Executive and senior managers	49.4	49.8	<b>51.3</b>
Middle management	64.6	65.6	<b>64.8</b>
Other staff	71.3	71.1	<b>71.1</b>

### Male (percentage)

	2019	2020	2021
Executive and senior managers	50.6	50.2	<b>48.7</b>
Middle management	35.4	34.4	<b>34.7</b>
Other staff	28.6	28.6	<b>28.4</b>

### Gender diverse (percentage)

	2019	2020	2021
Executive and senior managers	N/A	<0.1	<b>0.1</b>
Middle management	N/A	<0.1	<b>0.1</b>
Other staff	N/A	0.2	<b>0.3</b>

### Undeclared (percentage)

	2019	2020	2021
Executive and senior managers	N/A	0.0	<b>0.0</b>
Middle management	N/A	0.0	<b>0.1</b>
Other staff	N/A	0.1	<b>0.1</b>

## Diversity statistics by gender – MSD compared with the public service

N/A indicates that data is not available.

### Female (percentage)

	2019	2020	2021
MSD	70.4	70.5	<b>70.4</b>
Public Service	61.1	61.7	N/A

### Male (percentage)

	2019	2020	2021
MSD	29.5	29.2	<b>29.1</b>
Public Service	39.9	N/A	N/A

### Gender diverse (percentage)

	2019	2020	2021
MSD	N/A	0.3	<b>0.3</b>
Public Service	N/A	N/A	N/A

### Undeclared (percentage)

	2019	2020	2021
MSD	0.1	0.3	<b>0.1</b>
Public Service	N/A	N/A	N/A

**Ethnicity distribution of staff<sup>[65]</sup>**

Total MSD staff declaring ethnicity in 2021: 8,874.

N/A indicates that data is not available.

**European (percentage)**

	2019	2020	2021
MSD	61.1	60.4	<b>59.6</b>
Public Service	67.3	66.3	N/A

**Māori (percentage)**

	2019	2020	2021
MSD	23.5	24.1	<b>24.4</b>
Public Service	15.5	15.9	N/A

**Pacific (percentage)**

	2019	2020	2021
MSD	16.3	16.9	<b>17.7</b>
Public Service	9.2	9.7	N/A

**Asian (percentage)**

	2019	2020	2021
MSD	14.0	14.9	<b>16.2</b>
Public Service	11.1	11.6	N/A

**MELAA<sup>[66]</sup> (percentage)**

	2019	2020	2021
MSD	1.3	1.5	<b>1.6</b>
Public Service	1.5	1.7	N/A

## Developing relationships that are responsive to diversity

We remain committed to developing purposeful, positive and inclusive relationships between people leaders and employees. In 2020 we released policies on flexible working and reasonable accommodation in employment, with supporting guidance for managers and employees. Flexible working relates to where and when people work, and reasonable accommodation relates to workplace adjustments to ensure a person can participate fully and do their job. Both policies facilitate conversations about employees' individual circumstances and needs.

Our Positive Workplace policy puts in place practice and guidelines to address inappropriate behaviours, bullying and harassment in the workplace. This includes online learning and team discussions.

## Supporting employee-led networks

We have strong staff networks across the country:

- a Women's Network
- a range of Pacific networks across the regions
- a Disabled Employee Network
- our Proud@MSD<sup>[67]</sup>.

We recognise the significant contribution that networks make to employee wellbeing, growing communities of belonging by and for our people.

Funding allocated for employee-led networks will support activities to raise visibility of important events, celebrations and activities such as language weeks, and hui to bring network members together.

## Leading the way for disabled people

As part of the Lead Toolkit programme, we became the first Public Service agency to implement a policy on reasonable accommodation, with supporting guidance for managers and employees<sup>[68]</sup>. Reasonable accommodation relates to adjustments in the recruitment process and the workplace to ensure a person can participate fully and do their job. While the policy is a crucial enabler in the employment of disabled people, we expanded its scope to apply to anyone employed by MSD, recognising the diversity of our people and their individual circumstances. We have shared the policy and guidance across the Public Service and actively encourage other agencies to adopt their own policies through quarterly Lead Toolkit cross-agency meetings.

We have hired a full-time internship relationship manager to support disabled young people into Public Service graduate and summer internship programmes. The role is helping existing internship programmes within the Public Service to be more accessible to and inclusive of disabled people by making the application process accessible, building the disability confidence of programme managers and providing information and support on reasonable accommodation.

We are responsible for co-ordinating the all-of-government management of alternative formats – translating documents into Easy Read, New Zealand Sign Language (NZSL), Braille, audio and large print. This is done in partnership with Disabled People's Organisations.

We were honoured by People First New Zealand as a recipient of the 2020 Make It Easy award for strong leadership in overseeing an all-of-government approach to the provision of accessible information during COVID-19.

We are responsible for the development and chairing of the all-of-government Disabled Network. Our Chief Executive is the sponsor of the Network and under Papa Pounamu<sup>[69]</sup> has responsibility for the disability pou.

As part of implementing the Accessibility Charter<sup>[70]</sup>, and in conjunction with the Department of Internal Affairs Te Tari Taiwhenua and the three print-disabled Disabled People's Organisations – People First New Zealand, Deaf Aotearoa and the Association of Blind Citizens – we run a monthly training programme on digital accessibility and alternative formats<sup>[71]</sup>. By 30 June 2021, 450 public servants had attended the training. Internally, we appointed an Accessibility Governance Team which is chaired by our DCE People and Capability and comprises all key business teams within the People and Capability Group: IT, Communications; Health and Safety; Human Resources, and Property. We also established a specialised team to undertake audits and provide internal training and advice.

## Balancing family and work obligations

We are committed to supporting the wellbeing of our people and to providing them with a great place to work.

Support we provide for our people includes the Poutuarā network, professional counselling or coaching services, parental leave provisions, an ex gratia parental leave payment on return to work, flexible working arrangements, preferential re-engagement after childcare, and a range of leave options that support caring responsibilities.

We offer targeted support for employees with caring responsibilities, through the CareWise programme run by Carers NZ. This is available to anyone who cares for a friend, family, whānau or aiga member with a disability, health condition, illness or injury who needs help with everyday living, except paid professional carers or foster carers.

In December 2020 we released a new flexible working policy that was developed in line with guidance and resources from Te Kawa Mataaho Public Service Commission to enable fair and consistent flexible working practices. Because our people and the mahi they do is so diverse, flexibility is different for our people depending on their role, the team situation and their individual needs.

## Championing equal employment opportunities

We are committed to the principle of equal employment opportunities (EEO), and we value having a diverse workforce, as this represents our communities better and leads to a staffing profile within MSD that reflects the values and composition of the communities we work with. This in turn helps to improve policy development and service delivery.

For example, we:

- recognise our commitment as a Te Tiriti o Waitangi partner
- are committed to embedding a te ao Māori perspective into MSD, in line with **Te Pae Tata**
- base appointments on merit, while recognising the employment aspirations of Māori, ethnic and minority groups, women, disabled people and Rainbow communities, ensuring fairness in employment for all people
- purposefully recruit people who reflect and understand the diversity of Aotearoa and the communities we serve
- develop Māori and Pacific employees' career aspirations in line with **Te Pae Tata** and **Pacific Prosperity**
- commit to employing disabled people and collaborating across government to increase the number of disabled people employed in the public sector
- focus on the capabilities that underpin an openness to diversity, which applies to how we work with our clients, communities, and our own people within our workplace
- work with other agencies to share best EEO practices, policies and procedures.

## Reviewing EEO policies

We are required to review our HR policies regularly (at least every three years) to ensure they are current and remain applicable. As we review each policy, we ensure they are:



- standardised – with the same template, sections and flow for consistency
- in plain English – using everyday words where we can with language that is consistent
- up to date – for example, referring to Te Kawa Mataaho instead of the State Services Commission, and the Public Service Act 2020 instead of the repealed State Sector Act 1988
- fit for purpose – they convey all the information needed to understand a policy.

These changes will make policies consistent, easier to read, clearer and more user-friendly.

We reviewed four EEO policies this year. Three needed administrative and minor changes only, and have been approved for use – our policies on parental leave, personal grievances, and zero tolerance of fraud and misuse of client information.

The remaining EEO policy has more substantive changes, particularly the updated principles, and approval is expected during 2021/22.

### **Positioning our EEO policy within a wider framework**

We have introduced principles to our EEO policy to support Te Tiriti o Waitangi, **Te Pae Tata** and **Pacific Prosperity**, making these principles more explicit, current and relevant. To do this we have highlighted diversity and inclusion and then aligned them all with MSD's values.

We also added 'gender' to the list of grounds as this is an important part of EEO.

## **Investing in the wellbeing of our people**

In October 2020 we adopted an organisation-wide wellbeing plan, Pā Harakeke, that is focused on improving the wellbeing of our people. We have a framework for workplace mental health and wellbeing that aims for a healthy workplace where people have a sense of purpose, feel valued, are thriving, and show compassion towards themselves and others. We have invested significant resource into supporting the wellbeing of our people, and draw on long-standing initiatives that help maintain organisational health. This includes specialist staff (including a registered psychologist) who take a strategic approach to wellbeing across the organisation.

As a part of this work programme, we facilitated a range of Workplace Mental Health and Wellbeing workshops this year, with over 125 sessions reaching more than 2,000 staff.

Our peer support network of staff, Poutuarā, has been trained to provide first-line support for colleagues who wish to talk about anything related to their wellbeing. We have expanded the Poutuarā network over the last year from 22 supporters to 75 across the country, and we designed a support programme that ensures they are trained and equipped to respond to a range of issues including mental health first aid response, and get the mentoring and supervision they need. We have developed a range of communications to promote the programme.

## **Ensuring our people are working in a safe, modern and flexible working environment**

### **Managing our health, safety and security obligations**

The health, safety and security (HSS) requirements and duties that MSD operates under are set out in the Health and Safety at Work Act 2015 (the HSWA) and the Government's Mandated Protective Security Requirements (PSRs). Our policies and procedures give effect to those requirements and duties. We regularly review our approach to health, safety and wellbeing to ensure it is consistent with good practice, including WorkSafe guidance.

Our Health, Safety and Security Policy is reviewed and refreshed every two years in consultation with our National Health and Safety Committee and reflects the current areas of strategic focus. Other policies support the control and management of our critical HSS risks (for example, responding to harmful behaviour), or set out our response to statutory obligations or whole-of-government directives (for example PSRs). Procedures and guidelines support decision-makers to implement policy effectively, or to deal with scenarios requiring judgement and discretion.

In May 2021 we adopted a new policy outlining how we will work with external parties and manage overlapping duties of care. The policy informs the induction process for contractors coming on to MSD sites, and supports consultation, co-operation and co-ordination on matters affecting health and safety. A working group has reviewed contractor management and procurement and developed a new pre-qualification system for maintenance contractors. The results of this working group have been embedded into our procurement processes.

## Health, safety and security on sites

Our security consists of a number of features to ensure the safety of staff. It is designed around the principles of detect, deter, delay and respond, and underpins operational decisions that impact staff safety. This includes site safety plans and drills, a guard model, controlled access, client risk assessments, mobile pendant alarms, and regular site visits by senior HSS advisors.

### Security Assurance Programme

Under our Security Assurance Programme, we have established a baseline standard of security for every client-facing site to ensure that we meet our obligations under the HSWA and the PSRs. The programme also lets us track the maturity of the security ecosystem as we roll out new security programmes. We review each of our sites under the programme annually.

Our sites undertake a self-assessment to ensure that HSS standards are met and maintained; this allows us to identify which sites require more work. The assessment involves input from management, union, and other nominated employee representatives. This assures us that all our sites are meeting our standards.

### Service Centres for the Future

This national programme of work focuses on rolling out a new zoning model for our service centres across the country. We are enhancing the security layout in all our service centres, incorporating new spaces and technology.

We have 42 sites with a new zoning layout, with a 60 more in progress, despite delays due to the impact of COVID-19 and resulting lockdowns.

### Learning from incidents

We have continued to embed our approach to investigations as a response to major or severe HSS incidents. Over the past year our team of senior regional HSS advisors has conducted a range of investigations with a focus on what we can learn or change to make people safer, and as a prevention strategy to minimise the likelihood of incidents being repeated. These investigations provide an opportunity to improve processes and systems.

### Health and safety incidents, July 2019 to June 2021

This table reports the number workplace health and safety events entered into our STAR (Security, Threats, Accidents, Risks) database, including office-based, working-from-home and off-site incidents.

Type of event	2019/20	2020/21
Pain and discomfort	1,360	<b>1,678</b>
Accident and injury	370	<b>426</b>
Near miss and hazard	86	<b>153</b>
Total	1,816	<b>2,257</b>

The increase in reported events in 2020/21 can be explained through both a significant increase in staff numbers and increased reporting of near miss and hazard events.

## **Supporting our people to be health and safety champions**

We work closely with the PSA to encourage worker participation in HSS. A Worker Participation Agreement provides for the establishment of Health and Safety Committees in all workplaces, and a National Health and Safety Committee that provides a voice for workers and the PSA on the overall state of health, safety and wellbeing within MSD.

### **Health and safety representatives**

We are committed to actively supporting our network of health and safety representatives (HSRs). All newly elected HSRs receive training that equips them to fulfil their roles under the HSWA, with ongoing training that incorporates a mix of formal and informal development opportunities. We produce a monthly newsletter for HSRs and encourage networking and sharing of good practice. Since 2019 we have celebrated the achievements of high-performing HSRs with an award presented by the Chief Executive.

## **Supporting our staff through elevated COVID-19 alert levels**

In 2020 we developed guidelines for implementing COVID-19 alert level protocols to ensure that we were able to operate effectively and safely throughout the COVID-19 response. These guidelines were deployed throughout the various alert level elevations in 2020/21.

We employ a range of methods to provide assurance that our guidelines and protocols are being implemented as intended. This includes readiness checklists for sites' use when reopening, staff pulse checks, visibility of compliance and issues through Health and Safety Committee meetings, and frequent engagement with the PSA.

To support managers who have a suspected or confirmed case of COVID-19 amongst their teams, we have:

- developed a checklist to ensure consistent and accurate data is provided
- put in place processes for how to deal with staff who may have been in contact with an infected person
- established protocols for closing and cleaning sites
- set up data capture, monitoring and weekly ministerial reporting.

## **Improving our systems**

Our HSS notification system, STAR assists with compliance with our responsibilities under the HSWA and provides better visibility of risks and hazards.

The system allows all staff to enter security events, pain and discomfort reports, and accident/injury or near miss/hazard events. Staff can also report workplace issues like bullying or stress, or notify MSD of family violence issues.

In 2020/21 we introduced a number of new modules for staff to use through STAR, including site safety plans, hazard risk registers, an actions module, audit module and safety toolbox. The integration of STAR with our core client system, CMS, was successfully scoped, and development commenced. We began reviewing our system and process for when workplace issues are reported.

## **Reporting**

We have embedded and enhanced a regular cycle of comprehensive internal reporting on HSS risks. Members of our Leadership Team are Officers under the HSWA, and require regular detailed reports to gain the assurance required to

discharge their due diligence duties. We have recently reframed our reporting to more specifically focus on our Officers' duties under the HSWA.

## **Building on our constructive relationships with our employees and their union representatives**

Our relationship with the PSA remains constructive, with engagement at operational and strategic levels. We engage with around 350 delegates at local and national levels, including Ngā Kaitūhono representatives and the PSA convenor. Rūnanga delegates in sites have almost doubled since the 2019 PSA delegate elections.

We signed a High Performance High Engagement (HPHE) agreement with the PSA in 2019, aimed at improving the quality of our employees' working life. HPHE is a way of working with increased employee participation to improve organisational performance through genuine engagement.

Employees are more involved in decision making and solving workplace issues. The approach is based on the principle that those working closest to an issue are best placed to resolve it, and the investment in developing the solution increases ownership of the outcome.

HPHE can be seen in action through work-based teams who apply agreed tools and techniques to issues (for example brainstorming, root cause analysis, interest-based problem-solving, continuous or rapid improvement methods).

We have increased our HPHE investment this year to enable more staff engagement on our future operating model. In addition, we are continuing to use an HPHE approach for three priority areas:

- working from home
- capability framework
- employee experience.

We are working with the PSA on supporting the introduction of HPHE across other public sector agencies.

## **Bargaining**

In 2020/21 we completed bargaining for three of our four collective employment agreements. These cover frontline Service Delivery employees as well as National Office and Ministry of Youth Development staff – a total of around 5,275 staff with around 55 percent union membership. A smaller local Work and Income North Staff collective agreement was also settled in 2020/21.

We were the first agency to settle negotiations under the revised Public Service Pay Guidance, which was issued in May 2021. This was a significant achievement and demonstrated our constructive relationship with our union partners.

MSD is the subject of two pay equity claims. One covers administration and clerical employees and is part of the wider Public Service claim. The other relates to customer service and contact centre employees, and covers around 3,000 MSD people. Te Kawa Mataaho Public Service Commission is leading the work to resolve these claims, which are a priority under the 2021 Public Service Pay Guidance.

## Footnotes

- 63.** See <https://www.publicservice.govt.nz/our-work/diversity-and-inclusion/papa-pounamu-driving-diversity-and-inclusion-across-the-public-service/>
- 64.** Average salaries are calculated by the MSD Cost Analysis and Modelling Tool, which includes all employees except external secondees.
- 65.** Figures exclude other, not stated and refused to state. Figures do not always add to 100 percent as people may identify with more than one ethnicity.
- 66.** MELAA refers to Middle Eastern, Latin American and African ethnicities.
- 67.** We launched a new Pan-Asian Staff Network in July 2021.
- 68.** See <https://www.msd.govt.nz/about-msd-and-our-work/work-programmes/lead-programme-work/information-and-support/reasonable-accommodation.html>
- 69.** Papa Pounamu was established in 2017, to bring together diversity and inclusion practices across the Public Service and to support Public Sector chief executives to meet their diversity and inclusion obligations and goals. For more information, see <https://www.publicservice.govt.nz/our-work/diversity-and-inclusion/papa-pounamu-driving-diversity-and-inclusion-across-the-public-service/>
- 70.** For more information, see <https://msd.govt.nz/about-msd-and-our-work/work-programmes/accessibility/accessibility-guide/about-the-charter.html>
- 71.** For more information, see <https://msd.govt.nz/about-msd-and-our-work/work-programmes/accessibility/training/index.html>

## **Kia āhukahukangia mō a mātou mahi mō ngā tāngata o Aotearoa**

### **Being recognised for our work for the people of Aotearoa New Zealand**

#### **New Zealand Spirit of Service Awards**

We achieved finalist nominations in two categories for the 2021 Public Service Te Hāpai Hāpori Spirit of Service Awards for our work in communities.

We have been extending our services beyond the walls of our offices over the last few years, with co-location at eight local marae in Tamaki Makaurau Auckland, known as the Taumata Kōrero Tāmaki Makaurau Rōpu.

Co-location alongside other agencies at marae provides a more relaxed setting where people feel more comfortable asking for help, and offers a ‘one stop shop’ where clients can access multiple services for their needs.

By co-locating with Māori-led services and adopting a service delivery approach based on kawa and tikanga Māori, we’ve been able to build trust and strong relationships with iwi, as well as Māori whānau and individuals. This has allowed us to reach people who otherwise would not have had access to our services. We were nominated finalists in the Crown-Māori relationships category for this work.

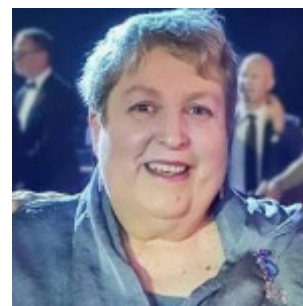
In the Leadership in Governance category, we were nominated jointly with Gisborne District Council in relation to collaborative regional governance to improve outcomes for people in Tairāwhiti who lost their jobs during the COVID-19 pandemic.

#### **Queen’s Birthday Honours 2021**

We were proud to acknowledge two of our MSD whānau whose names appeared among the list of 170 people named in the 2021 Queen’s Birthday Honours for their service to New Zealand.

Our Principal Disability Advisor, Anne Hawker, was admitted as an Officer of the New Zealand Order of Merit (ONZM) for her services to people with disabilities.

Anne has had a long and impressive career advocating for and supporting disability issues. As well as leading key pieces of work around accessibility, she helps ensure we fulfil our disability leadership role, both as an employer and in serving our clients. She was integral to our taking a lead role in the Accessibility Charter, which has been signed by all Government agencies. Anne previously received a Queen’s Service Medal for Community Service, in 1989.



Our Waikato Regional Commissioner for Social Development, Te Rehia Papesch, was awarded the Queen's Service Medal for services to the community and public service.

Te Rehia has been with MSD for over 40 years and remains passionate about our purpose as an organisation and the people we serve. She has held numerous senior roles, including Assistant National Commissioner.



### **Public Service Medal and Commendation for Service**

In January 2021, Ann Dysart, Manager of our E Tū Whānau team, was recognised for her immense contribution to vulnerable communities in New Zealand, especially Māori, Pacific, migrant and refugee communities, over a long Public Service career. She received a Te Tohu Ratonga Tūmatanui Public Service Medal in acknowledgement of her outstanding commitment to New Zealand and New Zealanders. Ann also received the Public Service Commissioner's Commendation for Service for 50 years of exceptional service.

Throughout her career, Ann was there to listen, to understand and to work with communities to find their own path. For the past decade Ann managed our E Tū Whānau team, a kaupapa with a focus on initiatives designed and led by Māori for Māori aimed at strengthening whānau resilience and wellbeing and addressing issues of violence.



Following the Christchurch Mosques shootings in 2019, Ann's immediate and hands-on support for the Muslim community was exceptional. At the time her style was described as "nothing about us without us" – a mantra that flowed through everything Ann did.

Sadly, Ann passed away in the early hours of 28 January 2021 after a long battle with cancer, just two days after receiving her awards at a ceremony at her home. She is greatly missed by us all.



## Tā mātau anga whakahaere e kīnaki ai i ngā whakataunga

### Our governance model supports strong decision-making

Our governance arrangements support Te Pae Tawhiti. We ensure the focus is on what we want to do, that is on helping New Zealanders to be safe, strong and independent. Discussions and decisions actively consider the impact on and outcomes for Māori, acknowledging our role as a partner in Te Tiriti o Waitangi.

We have embraced best practice governance principles as a foundation for our governance system. These include:

- openness and transparency
- integrity and accountability
- effectiveness and delivery
- leadership
- strong decision-making
- strategic thinking
- working with agility.

### Our Leadership Team is responsible for the overall management of MSD

The Leadership Team is led by our Chief Executive and comprises eight Deputy Chief Executives. It meets weekly during the year. In 2020/21 its responsibilities included:

- leading our COVID-19 response
- overseeing organisational risk and assurance
- directing our organisational strategies
- directing organisational performance
- driving organisational priorities and our future operating model
- overseeing organisational finances
- leading a positive organisational culture.

A centralised declarations of interest register is maintained for all those in a governance role. The Leadership Team also completes annual Related Parties Transactions declarations, and a standing item on all governance meeting agendas supports acknowledgement of any emerging interests.



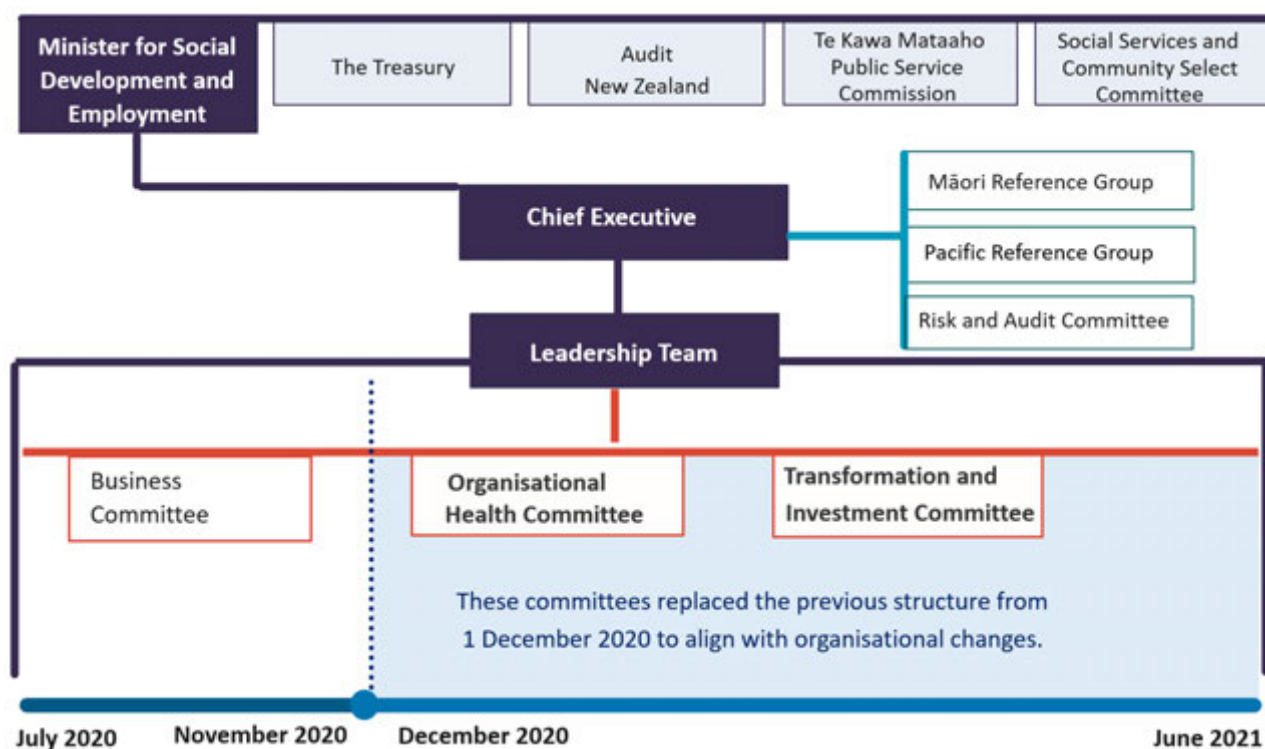
## The Leadership Team is supported by two new governance committees

Two governance sub-committees assist the Leadership Team to deliver on its long-term strategic vision for the Ministry. Each committee is chaired by a member of the Leadership Team, and can make decisions on behalf of the Leadership Team in specific areas of responsibility.

The interim Business Committee, set up in March 2020 to address the most pressing governance and COVID-19-related matters, was disestablished in November 2020. The previous Investment, Organisational Health and Transformation committees were paused during this time, and the Leadership Team took the opportunity to review the governance arrangements. A new fit-for-purpose governance structure to support the changing needs of the organisation was designed.

In December 2020, two new governance committees were established: the Organisational Health Committee and the Transformation and Investment Committee. Memberships of these two committees are drawn from across the organisation and bring significant strategic, financial, operational and governance expertise to support whole-of-MSD decision-making.

Diagram showing changes in the Leadership Team's governance committees from July 2020 to June 2021



## Transformation and Investment Committee

The purpose of the Transformation and Investment Committee is to ensure investments are robust, strategic and effective, and that organisational transformation and performance supports delivery of strategic outcomes.

Committee meetings started in December 2020 and are held fortnightly. In 2020/21 the Committee's key responsibilities included:

- ensuring sound investment decisions through setting priorities for investment
- providing advice and direction on delivery of organisational strategies
- overseeing the Transformation programme, ensuring alignment with organisational strategies
- overseeing organisational performance and accountability by ensuring integrated planning
- driving investment and performance maturity and capability.

## Organisational Health Committee

The Organisational Health Committee focuses on the high-level design and health of key corporate services, systems and capabilities, and ensures that infrastructure aligns with and supports organisational performance. Meetings started in December 2020 and are held fortnightly. In 2020/21 the Committee's key responsibilities included:

- championing staff wellbeing, organisational values, and a positive work culture
- overseeing of organisational integrity, risk, assets and infrastructure
- overseeing of corporate strategies and our policy framework
- driving system capability and maturity
- managing oversight of our approach to the Carbon Neutral Government Programme.

## Our Chief Executive is supported by three independent advisory groups

### Māori Reference Group

The Māori Reference Group provides a strategic reference point and advice on the design and implementation of social strategies and policies that impact Māori. It advises the Leadership Team on matters relating to positively transforming outcomes for Māori and the implementation of our policies, services and initiatives that impact Māori.

The Group comprises the following Māori leaders who have specialist skills, knowledge and expertise in areas such as kaupapa Māori/te reo Māori, family violence, policy, legal, and social service infrastructure:

- **Roku Mihinui** (Chair) – Roku is Project Manager at the Te Arawa Lakes Trust, the post-settlement entity established in 2009 in relation to a co-management framework for the restoration of the Waikato. Roku has held senior management positions in the forestry, tourism, justice and education sectors and in social services organisations in the community, public and private sectors.
- **Tā Mark Solomon KNZM** – Tā Mark is an experienced and respected leader of his hapū, his iwi and the wider New Zealand business community. As a strong supporter of the E Tū Whānau kaupapa since its inception, Tā Mark is an outspoken advocate for violence-free whānau.
- **Katie Murray MNZM QSM** – Katie is the Kai Arahī of Waitomo Papakāinga, a whānau-based and focused kaupapa Māori social service agency in Kaitiāia. Katie is actively involved in her community of Te Hiku o Te Ika and is a former Deputy Chair of Te Rūnanga O Te Rarawa.

- **Toa Faneva** – Toa is Te Ahurei, Chief Executive of NorthTec in Tai Tokerau, and was formerly CEO for five years of Te Rūnanga o Whāngaroa, which provides a range of services to the community including emergency housing, financial capability and social services. Under his leadership, the rūnanga developed an innovative emergency and transitional housing complex on Whangaroa Harbour and an ambitious ‘Violence-Free Whangaroa/Kaeo’ kaupapa.
- **Donna Matahaere-Atariki MNZM** – Donna is Deputy Chairperson of the Ōtākou Rūnanga and Chair of Ōtākou Health Ltd. She is also a member of the University of Otago Council, a Trustee of Well South Primary Health Network, Representative for Te Rūnanga o Ngāi Tahu, a Gambling Commissioner, and Chair of the Independent Children’s Monitor Kāhui Group.
- **Richard Steedman** – Richard has over many years held a number of governance and management roles for the furtherance of the rangatiratanga of hapū and iwi o Mōkai Pātea. He is Chair of Te Rūnanga o Ngāti Whitikaupeka, and a member of three iwi councils – Te Rūnanga o Ngāti Hauiti, Te Rūnanga o Ngāti Tamakōpiri, and Te Rūnanga o Ngāi Te Ohuake. He is heavily committed to the kaupapa of Whānau Ora and was a member of the Taihauāuru Regional Leadership Group and the Whānau Ora Partnership Group and continues as a member of the National Iwi Chairs Forum – Whānau Ora Iwi Leadership Group.
- **Haami Piripi ONZM** – Haami is the Chair of Te Rūnanga O Te Rarawa. He has spearheaded key Māori development projects in the public sector and served as Chief Executive of Te Taura Whiri i te Reo Māori (the Māori Language Commission). He is an inaugural member of the Hiku o Te Ika Social Wellbeing and Development Accord, which monitors the delivery of social services in the Far North by 16 statutory agencies.
- **Merepeka Raukawa-Tait** – Merepeka is an elected member of the Rotorua Lakes Council and the Lakes District Health Board and Chair of the Whānau Ora Commissioning Agency. She is a passionate advocate for women and children living in violence-free homes, and believes Māori must be given every opportunity to determine and control their own futures.
- **Ruahine (Roni) Albert QSM JP** – Roni has worked in the area of family violence and sexual violence since 1986. She has been involved with numerous agencies, panels, and groups in key lead roles with implementation of regional and national programmes and projects. She is experienced in relationship management with iwi, refugees and community, and was recently appointed to the role of iwi representative in the Tainui rohe, specifically regarding family violence and sexual violence.

Fees for the Māori Reference Group fall under the category Group 4, Level 2 body of the Cabinet Fees Framework.

## Pacific Reference Group

Our Pacific Reference Group was established in 2019 to ensure that actions and initiatives that come out of our Pacific Strategy and Action Plan, Pacific Prosperity, are effective for Pacific peoples. It recognises opportunities to work more innovatively to drive the implementation of Pacific Prosperity.

The Pacific Reference Group is made up of external Pacific community leaders whose primary role is to provide advice to the MSD Leadership Team – and in particular our Māori, Communities and Partnerships group – on matters relating to the wellbeing of Pacific peoples, families and communities. At 30 June 2021, the Group comprises the following Pacific leaders who have specialist skills, knowledge and expertise in policy, legal, and social service infrastructure:

- **Tevita Funaki (Chair)** – Tevita is the CEO of the Fono Health Trust (The Fono) and Chair of the Pacific Business Trust Board, the ProCare Health Ltd (PHO) Board and the Oceania Career Academy Board. Prior to joining The Fono, Tevita was the Pacific Health Manager for ProCare Health Ltd and was the National Pasifika Liaison Advisor for Massey University. He has also managed an employment consultancy and project management services firm and worked in health services.
- **Malia Hamani QSM JP** – Malia is a Tongan-born New Zealand citizen who had embraced community work in Wellington in the 1970s and in Auckland from the early 1980s. Malia is the founder and Chief Executive of TOA Pacific Inc and a member of the Carers NZ Board and the Carers Alliance NZ Executive Committee. Malia also sits on advisory committees for research on Pacific older people and caring for older people during the COVID-19 lockdown.

- **Pati Umaga QSM** – Pati is a disability advocate who is passionate in advocating for all people with disabilities and has a particular interest in the Pacific disabled community and leadership. He is a Senior Pasefika Engagement Advisor with the Abuse in Care Royal Commission of Inquiry, and a former Chair of the National Enabling Good Lives Leadership Group. He is also a musician and an arts advocate, and in 2015 received an Arts Access Leadership Award and released a music video, SIVA (Dance).
- **Meleane Burgess** – Meleane is the founder and chairperson of the Waikato Pacific Business Network, an organisation with a vision to grow more sustainable, more profitable and well-connected Pacific owned businesses in the region. Meleane is of Samoan heritage and an alumni of the University of Waikato School of Management. Meleane is the Chair of the Board of Trustees of Hillcrest High School, and an accountant by profession.
- **Sai Lealea MNZM** – Sai is Fijian and is Principal of SDL Consultancy, a Wellington-based Pacific public policy and community development consultancy. Sai was recently honoured as a Member of the New Zealand Order of Merit (MNZM) for services to the Pacific community. He has around 20 years' experience as a senior manager in the New Zealand Public Service and as a public policy consultant with graduate and postgraduate qualifications from Victoria University of Wellington.
- **Dr Falaniko Tominiko** – Dr Falaniko studied Pacific Studies at the University of Auckland and is currently the Director of Pacific Success at the Unitec Institute of Technology. His interests are in Pacific leadership, history, languages, arts and culture.
- **Danny Mareko** – Danny is the Manager Community Participation for He Whanau Manaaki o Tararua Free Kindergarten Association and Co-founder of the Etu Ao Early Childhood Education Homebase Service in Porirua. He is a member of Te Pae Whakahou Hapori – Eastern Porirua Advisory Panel, and founder of the Lavalava A Samoa Trust, O A'u O Le Samoa.
- **Lui Poe** – Lui is the Chief of Operations for The Cause Collective, and has worked in the social sector for two decades, primarily in child protection and youth justice. He has had experience at practitioner, management and governance levels. Lui has served on a number of charitable boards, and over the years has been involved with various Pacific communities.
- **Kathleen Tuai-Ta'ufo'ou** – Kathleen brings 18 years of extensive experience in community development and has led the growth of Pacific health and social services through partnerships, acquisitions and subcontracting, as well as supporting services through accreditation. Kathleen is an executive director of the Siaola Vahefonua Tonga Methodist Mission Charitable Trust.
- **Pesio Ah Honi** – Pesio is of Samoan and Chinese descent. Born in Samoa and raised and educated in Auckland, he is National Director Pacific Services, Mapu Maia. Prior to this role he was the National Public Health Manager of the Problem Gambling Foundation of New Zealand. Pesio represents the Pacific sector on the NGO Health and Disability Council of New Zealand and is Deputy Chair of DRUA, the National Network of Pacific Mental Health and Addiction Practitioners of NZ.

Fees for the Pacific Reference Group fall under the category Group 4, Level 2 body of the Cabinet Fees Framework.

## Risk and Audit Committee

The Risk and Audit Committee has a crucial role in our governance system. It provides independent advice to the Chief Executive on risk assurance and auditing requirements for MSD.

In September 2020, the Risk and Audit Committee Charter (Terms of Reference) was refreshed. As previously, in 2020/21 the Committee met quarterly and provided advice and assurance on:

- MSD's priorities
- financial reporting
- MSD's complaints process
- risk and assurance reporting

- COVID-19 Wage Subsidy performance
- housing and income portfolios
- legislative compliance.

The four independent external members of the Committee are appointed for three years and may be reappointed for a further two years. Two members (Kristy McDonald ONZM QC and Ian Fitzgerald) left the Committee in 2020/21, being replaced by Lisa Tipping and Sandra Alofivaa.

The members at 30 June 2021 are:

- **David Smol** – David was Chief Executive of the Ministry of Economic Development from 2008 to 2012 and of MBIE from 2012 to 2017. He currently holds several governance roles in the public and private sectors. David succeeded Kristy McDonald as Chair in March 2021.
- **Donna Flavell** – Donna is the Chief Executive of Te Whakakitenga o Waikato Inc, the iwi organisation for Waikato-Tainui where she holds key responsibilities for providing leadership on a wide range of complex issues. Before this, Donna led the Waikato-Tainui team that provided technical and administrative support to the co-negotiators for the Waikato River Claim and subsequent settlement with the Crown.
- **Lisa Tipping** – Lisa is the Chief Finance and Operations Officer for Te Papa Tongarewa, Museum of New Zealand. She is a Trustee of the Springboard Arts Trust and a former independent member of the Finance Assurance and Risk Committee for Philanthropy NZ. Lisa's experience spans over 30 years across the public and private sectors, and she has been a chartered accountant since 1989. Lisa joined the Committee in March 2021.
- **Ali'imua Sandra Alofivaa** – Sandra is a barrister and co-founder of a legal practice in South Auckland that is well known for its advocacy and support for children and young people in the Family and Youth Courts. A former Families Commissioner, Sandra's wide-ranging governance roles have included Chair of the South Auckland Social Wellbeing Board, the board of Housing New Zealand, Counties-Manukau District Health Board, and numerous boards of community organisations. She is a commissioner on the Abuse in Care Royal Commission of Inquiry. Sandra joined the Committee in June 2021.

Fees paid to the independent members of the Risk and Audit Committee fall under the category Group 4, Level 3 body of the Cabinet Fees Framework.

The annualised daily fee for independent members of the Committee is considered as an exception to the Framework with ministerial approval.

## Managing risk in a challenging environment

We work in an environment of ongoing change that provides both opportunities and challenges in terms of delivering services and meeting the expectations of our clients, the Government and the public. Good risk management and a strong control environment are key factors in navigating the changing environment in which we operate.

We support our people to make decisions in a risk-aware way, so that as an organisation we can take advantage of opportunities while managing their associated risks. This provides ongoing assurance that the key systems and processes we rely on to deliver our services and safeguard our people are operating effectively and efficiently.

Our Risk Services and Assurance team supports the Leadership Team by:

- overseeing the process for managing Ministry-wide risks
- ensuring that the risk framework remains fit for purpose through engagement with our stakeholders and governance groups

- providing support and advice in applying the risk management framework across our corporate and operational business groups
- providing objective advice that enhances our organisational risk management and assurance capability
- maintaining our organisational relationship with Audit New Zealand and the Office of the Auditor-General.

This year the Risk Services and Assurance team:

- reviewed and updated our consequence criteria to support the appropriate assessment and management of risk
- updated our collateral to ensure it is easy to apply by all staff and supports consistent risk assessments within the current operating context.

During the COVID-19 response, the pace, scale and complexity of responding to the pandemic meant that getting the fundamentals right, which includes robust risk management, was and remained important. We supported the recording and subsequent review of decisions made during this time that could impact on our control environment.



## **Ka tautokona a mātau whakatau e ngā raraunga, e te tātari me ngā mōhiotanga**

Data, analytics and insights help us make the right decisions for New Zealanders

**“ We deliver data and analytics that help us deliver to our purpose by aiding effective decision making, focusing resources on the right investments, and understanding and evaluating performance.**

We generate a variety of products and insights to support key frontline operations (such as case manager and service centre reporting and client service matching), performance measurement, external performance reporting, ministerial servicing, responses to official information requests, research and evaluation, policy advice, data feeds to partners, and Statistics New Zealand’s Integrated Data Infrastructure.

We provide tools to improve the effectiveness of frontline decision-making and services to clients. We have developed and improved smart tools that help our case managers in their discussions with clients about employment aspirations and skill gaps, as well as in recommending services that may help them meet their employment goals.

### **Developing timely and robust labour market intelligence**

In response to the demand for more timely and robust labour market intelligence to inform our policy and delivery efforts to support New Zealanders into work, we have redeveloped our benefit reporting platforms. We are also working closely with other agencies to bring together data and analysis on labour market supply and demand, which is vital in economically uncertain times.

Our data and analysis have proven critical for supporting the all-of-government response to COVID-19, and we continue to make available more fine-grained regional and demographic information and analysis of benefit system flows to support that work. This includes supporting cross-government scenario and modelling efforts.

### **Enhancing benefit data reporting**

In 2020/21 we published more data, more frequently, to inform public discussion of the impact of COVID-19 on the New Zealand economy. This included moving from quarterly to monthly and weekly reporting, and more detailed regional breakdowns to reflect local labour markets. It also included reporting for the \$14 billion Wage Subsidy scheme, which supported more than 1.7 million jobs. This reporting had to be developed extremely quickly and informed nationally significant policy decisions, such as during the Auckland resurgence.

We continued to enhance self-service reporting across MSD. In April we launched the Social Development Data application – an interactive income support data reporting and visualisation tool. The new application also includes the

underlying data for download, so that members of the public can conduct their own analyses.

We will be expanding our reporting through both the Social Development Data application and standard publications to develop further data content and regional views, and will continue to enhance the accessibility and functionality of our reporting.





## He kaupapa nui ki a mātau te matatapu me ta haumarutanga

We take privacy and security of information seriously

**“ We are regularly provided with large amounts of personal information. Keeping this information private and secure is extremely important to us.**

### Making sure we use information responsibly

We are committed to respecting the privacy, human rights, and ethical interests of our clients. We believe that using personal information in a safe and respectful way will achieve better outcomes for the owners of the information as well as for the Ministry.

We are embedding a te ao Māori approach into our information privacy and security design and assurance, to ensure that we include Māori data sovereignty <sup>[72]</sup> requirements in our approach to being kaitiaki of people's personal information.

We have developed further tools as part of our Privacy, Human Rights and Ethics (PHRaE) Framework, and have further matured our approach to building PHRaE thinking into how we design and deliver new products and services.

Our focus has been on integrating our privacy and security experts into service delivery teams. These experts can provide timely joined-up advice and risk assessments that consider all aspects of information use, so that risk can be designed out and new or improved products and services have privacy and security considerations built in from the beginning.

We want to make sure that those protections do not erode over time. We have initiated assurance activities over key risk areas and monitor our progress in improving our privacy and security maturity. This is an area we will continue to grow and improve.

### Reviewing privacy protections in serious fraud investigations

Following the Privacy Commissioner's publication in early 2019 of the results of an inquiry into our use of powers in relation to serious fraud investigations, we have updated the Code of Conduct that governs how we use our statutory powers under Schedule 6(2) of the Social Security Act 2018.

We consulted with the Privacy Commissioner on the development of the Code, and with other key stakeholders such as Community Law.

The new Code and the associated protections and assurance activities came into force on 1 March 2021. We will review the Code after 12 months to ensure that it remains fit for purpose and is being appropriately applied in our integrity intervention services.

## Sharing information with other agencies

As lead agency, we are responsible for reporting against two approved information-sharing agreements (AISAs) with other agencies. One AISA is with the Ministry of Education and Oranga Tamariki for providing services to help disengaged youth move into education, employment or training, and the other is with the New Zealand Customs Service for the supply of information regarding arrivals into and departures from New Zealand.

The reports on these AISAs can be found in Appendix 3.

## Footnotes

- 72.** Data sovereignty typically refers to the understanding that data is subject to the laws of the nation within which it is stored. Indigenous data sovereignty perceives data as subject to the laws of the nation from which it is collected. Māori data sovereignty recognises that Māori data should be subject to Māori governance. It supports tribal sovereignty and the realisation of Māori and iwi aspirations.



## **Ka whakahaere mātou i ngā hangarau ki te tautoko i tā mātou urupare ki ngā hiahia o te iwi**

**We manage technology to respond to people's needs**

In the past year we have continued work on improving the reliability and resilience of our infrastructure and investing in keeping our systems current. As part of our COVID-19 response we accelerated our work on improving digital channels for clients, as well as remote working and collaboration services for staff. Our key focus has been on meeting immediate COVID-19-related and legislative demand while managing risk and creating enduring value from investments.

**“ Having fit-for-purpose technology is fundamental to delivering the shifts in Te Pae Tawhiti and the successful delivery of outcomes for New Zealanders.**

It will enable us to connect more effectively with our clients, our partners and other social sector members, support us to streamline or simplify our systems and processes, and enhance the client, staff and partner experience. We are making better and smarter use of technology, but we will need to build on this to deliver a better, more accessible service for our clients.

Creating a fit-for-purpose welfare system will require more than keeping our current systems online: it will require a fundamental change to simplified and streamlined systems that improve the digital experience for users through reducing barriers and making social services more accessible.

We are refining our technology strategy to ensure it is aligned with our future vision for the way we deliver services to clients. Key focus areas of the strategy include delivering improved experience for clients, partners and staff, enabling greater flexibility in our core systems, maintaining system security, and improving responsiveness to meet changing needs. We are ensuring alignment with the all-of-government Strategy for a Digital Public Service, and delivering a better experience and outcomes for New Zealanders.



## He anga pīroiroi rironga o te tari

We manage a significant departmental assets portfolio

**“ Our client services are supported by many assets that assist us and our shared service partners to deliver services like visiting clients, communicating, having face-to-face discussions, and meeting together online.**

We manage close to \$325 million in departmental capital assets (2019/20: \$333 million), made up of \$137 million (2020: \$158 million) of property, plant and equipment and \$174 million (2020: \$188 million) of intangible assets. This year we received a capital injection of \$84 million, which included some funding to improve the resilience of critical systems. We spent just over \$91 million (2020: \$90 million) on capital expenditure to maintain and upgrade our asset base.

Maintaining the suitability and availability of assets through strong asset management practice and performance monitoring is essential to optimising the value of our significant asset portfolio. This includes asset management planning at strategic and operational levels and a structured approach to assessing the condition and performance of our assets with a strong base of reliable asset information.

Our asset performance framework groups monitoring and reporting into Property and Technology asset portfolios. This breakdown, as further described below, reflects the different management approaches required to manage and monitor our significant assets.

Asset performance measures and standards are approved at executive level at the start of each financial year. Our asset performance results and standards are set out in Appendix 4.

## Our asset portfolios

### Property

These assets provide more than 159,000m<sup>2</sup> of commercial office space (2019/20: 225,000m<sup>2</sup>), the majority of which is located in leased rather than owned premises, to house MSD staff<sup>[73]</sup>. These property assets are key in allowing us to engage face to face with clients and provide the back-office support necessary for a large government agency. The assets within the leased space are primarily fitouts, furniture and security assets. We relocated three client-facing offices into new improved premises this year.

We have introduced flexible workspaces in our National Office campus to better reflect the way our people work and to make better use of our space.

We are also working on improving long-term property investment planning, including options to leverage tenure at strategic sites.

We are actively working with the Government Property Group to optimise government office accommodation throughout New Zealand.

## Technology

We monitor asset performance within two broad categories: software and computer equipment. These play a critical role in ensuring that we can provide services in a timely, reliable and efficient way and in accordance with current government policy and legislation. The services provided through these assets are significant, with over 380 different technology services across a range of applications.

Most of our core applications are now at least 15 years old, with the core payments engine (SWIFTT) 30 years old. The age of these systems means it is increasingly difficult to maintain and support these applications or to deliver policy changes in a timely manner. Some of our software assets are no longer fully supported by the supplier and need to be enhanced or replaced.

## Footnotes

- 73.** The commercial office portfolio has reduced by approximately 66,000m<sup>2</sup> with the transfer of leases occupied by Oranga Tamariki.



## Kia haukino kore te rāngai kāwanatanga

### Towards a carbon-neutral government sector

In December 2020 the Government launched its Carbon Neutral Government Programme (CNGP)<sup>[74]</sup> alongside its declaration of a climate change emergency<sup>[75]</sup>. The objectives of the CNGP are to reduce government emissions at an accelerated rate and to achieve carbon neutrality by 2025.

Cabinet has directed that participating agencies must:

- measure, verify and (starting in 2021/22) report emissions annually
- by December 2022, set gross emissions reduction targets and longer-term reduction plans for the next decade
- introduce a phased work programme to reduce emissions
- by December 2025, offset remaining emissions to achieve carbon neutrality.

We are taking our responsibilities to reduce carbon emissions seriously, and we regard the CNGP as a priority programme. We are on track with our preparation for moving towards a carbon-neutral state. We have established a Green House Gas inventory<sup>[76]</sup> and set carbon emissions reduction targets out to 2025 and beyond. We are a Premium Plus member (the top level) of Toitū Envirocare's CarbonReduce programme.

In setting up a programme for implementing the CNGP within MSD, we spoke with Māori and Pacific reference groups, to align the programme with our strategic direction as set out in *Te Pae Tata* and create opportunities to partner with our Māori staff, who have a strong sense of being kaitiaki of our environment and preserving our taonga. We are encouraging all MSD people to take an active part in achieving the CNGP's objectives.

We will provide a summary report on our progress on these initiatives in future Annual Reports, starting from next year.

## Footnotes

**74.** Further information on the CNGP may be found at <https://environment.govt.nz/what-government-is-doing/key-initiatives/carbon-neutral-government-programme/about-carbon-neutral-government-programme/>

**75.** See <https://climateemergencydeclaration.org/new-zealand-declares-a-climate-emergency/>

**76.** The Greenhouse Gas inventory lists a wide range of MSD assets and activities that produce carbon emissions.



## **Ngā wānanga kēhi**

### Case studies

[Help to find a home >](#)

[Marae environment reaches people >](#)

[Kaupapa to be free of violence >](#)

[A thirteen year-strong employment relationship >](#)

[Road to success for trainee truckies >](#)

[Rochelle grows a job and a community! >](#)



## Marae environment reaches people

The Iwi/Crown relationship between Taumata Kōrero Tāmaki Makaurau Rōpū and MSD has achieved better results for Māori and the needs of our client whānau, while upholding kaupapa kōrero engagement that respects the kaupapa, the whānau and hononga.

The relationship began with MSD's partnership with Te Puea Memorial Marae, where our people were based on the marae to deliver on-site services to Māori in their own space. Now it is a collective of eight independent Auckland Māori organisations, who have come together under the collective mana and tapu of 'Taumata Kōrero'.

MSD wanted and needed to improve the delivery of our services to Māori – aware that issues of homelessness and employment were disproportionately affecting Māori.

The marae environment doesn't look like an MSD office. In many cases, whānau who previously would have been hesitant to seek support from multiple government agencies can now come to the marae and feel safe enough to speak frankly and accept help. Assistance with housing needs assessments (including emergency housing), hardship grants, benefit applications, employment, health, family violence services and even driver licensing is available on the marae. This is all key to opening doors to education and jobs.

The combined approach of MSD and other government agencies with Taumata Kōrero Tāmaki Makaurau means hundreds of clients a month are reached who might not have been otherwise.

In the spirit of Te Tiriti o Waitangi, Taumata Kōrero Tāmaki Makaurau Rōpū and MSD has achieved results neither could have achieved on their own.



## Kaupapa to be free of violence



Manaia Cuthbert was looking at a prison sentence when he first encountered the kaupapa of E Tū Whānau through Taupo-based Te Hapori Ora – The Village of Wellbeing.

E Tū Whānau is a Māori-led kaupapa for positive change building strong whānau who are free of violence; Te Hapori Ora is a te ao Māori service and community dedicated to personal and community development.

It was through Te Hapori Ora’s innovative wananga – learning based on te ao Māori wellbeing practices - that Manaia began his own journey of change.

“There was a lot of family history that I didn’t know. Learning about it explained some of the anger inside me and helped me to heal while acknowledging that what happened is still a part of me.”

Seven years later, Manaia is the chair and one of many Te Hapori Ora members for whom violence of any kind, be it physical, spiritual, psychological or social, is a violation of whakapapa and, as such, is unacceptable. They’re determined to be the change they want to see in their whānau and their community.

Most came to the kaupapa by following their own journeys of change, healing of personal and cultural trauma and deep immersion in tikanga, kōrero and wairua.

Many have, like Manaia, graduated from Tāne Ora and Wāhine Ora wananga designed and facilitated by Kim and Brendon Eriksen-Downs. They’re experienced indigenous practitioners in family harm, whānau and hapū development and co-design with communities.

Other members of the group are whānau Tūwharetoa who have seen for themselves the positive effect the kaupapa is having on their communities. There’s a rangatahi forum too.

Together they are growing a kaupapa based on kotahitanga, manaakitanga and piringa (shelter) that uses wānanga and whanaungatanga – natural healthy human relationships – to influence and support those around them.

Te Hapori Ora is supported by the E Tū Whānau team and its iwi counterpart, Tūwharetoa Maranga Ra or Making a Stand within Tūwharetoa, which is, itself, inspired by the E Tū Whānau kaupapa.



## A 13 year employment relationship

MSD signed a relationship agreement with the Downer Group in 2008 to develop work opportunities for jobseekers. The partnership is one of our largest and most successful Skills for Industry relationships.

It began with Downer New Zealand recruiting MSD jobseekers via listed vacancies. From there it grew into many training programmes embracing the diversity of jobseekers, working with regional teams and setting up to meet industry and New Zealand's employment needs.

The Downer Ready programme was developed during the 2020 COVID-19 level 4 lockdown to support displaced workers from sectors such as forestry and tourism into new jobs, for example for the roading environment.

In October 2020 we celebrated graduates of the Downer Road Ready programme, run by MSD and Downer, who are now working on local road improvements funded by the Provincial Growth Fund (PGF). The training programme is an induction into how the industry runs, and teaches participants tricks of the trade. Now more than 200 Gisborne locals working on roading projects across the region, all with career development plans in place.

Here's a video featuring the graduates: <https://fb.watch/5UqNRegz1g/>

## Road to success for trainee truckies



Young MSD job seekers are getting opportunities to learn on the job while trucking operators gain much-needed new drivers through a new road transport industry traineeship – Te ara ki tua Road to Success.

Betty Heremaia Sola, Liana Manu and Shaun Tomai were the first three young people to gain full-time work as trainees, joining trucking firm Carr & Haslam in early 2021.

“Even in these early days of the traineeship we have had three keen and motivated drivers join us”, says Chris Carr, of Carr & Haslam. “Road transport is an essential service and it is essential we attract good people to deliver the goods we all need.”

Te ara ki tua Road to Success was set up by the Road Transport Forum (RTF), funded by MSD’s Industry Partnerships, with support from the Tertiary Education Commission and training provider MITO. RTF is also working with MSD to place people who’ve lost work through COVID-19 with road transport operators.

People can work and earn money for a year while they’re training, and all going well it’s expected the trainee will stay on with their employer.

Road Transport Forum CEO Nick Leggett says trucking has an ageing workforce and a shortage of drivers is a problem for the industry.

“We want to bring a new and diverse range of people into the road freight transport industry. We want trainees to be clear on a career path and we believe over time, this training will ensure a higher skilled and safer workforce, leading to safer roads.

“Getting the programme off the ground in the quick timeframe of a year would not have been possible without government assistance and backing,” Leggett says.

## Rochelle grows a job and a community!



Volunteering has led to rewarding paid work for mother-of-three Rochelle, after more than a decade of unemployment.

Her advice to other jobseekers: “It is possible. Take any upskilling opportunities you can. Keep trying and keep at it.”

Rochelle had been on a benefit for 12 years and a few years ago started volunteering at a community charity – Common Unity Project Aotearoa. It was a role where she could have her seven-month-old and three-year-old with her while she worked.

“Another mum came up to me when I had my kids alongside me volunteering at the café, and said I was quite inspiring to her. That meant the world to me!” says Rochelle.

After 10 months of volunteering, Rochelle was offered a full-time role. That was four years ago.

“My mum and grandmother were on benefits their whole lives, but that isn’t the life for me. I’m loving my independence and loving setting an example for my kids,” says Rochelle. “I’m getting that weekly pay packet that I know I’ve earned myself. It’s pretty amazing really.

“It’s not just a 9 to 5 job, it’s fun, doing something I love and being around supportive people. The job lets me be me, in my own unique way.”

Julia Milne, Common Unity Project Aotearoa’s founder says “Rochelle’s story is an inspirational one. Not only has she grown her skills capacity, she has also grown our little café from its inception, and also a community around it.”

The Common Unity Project Aotearoa is a charity working with community, schools and organisations across Lower Hutt on projects to unite the community and meet the needs of children.



## Te Tauākī Haepapa a te Tumuaki

Hei Tumuaki o Te Manatū Whakahiato Ora, e haepapa ana au kia:

- whakariterite i tā te Minita tauākī ahumoni me ngā tauākī whakapaunga moni, whakapaunga moni whakahaere kamupene me ngā whakawānga e whakapuakitia ana ki roto
- whai i tētahi pūnaha e kite ai ngā mahi ā-roto e tika ana, kia whakatūturu pai te pono me te whakawhirinakitanga o ngā rīpoata ahumoni
- kia whakatūturu nei ngā pārongo paearu mahi mutunga tau mō ia tahua kua whakahaerehia e te Manatū e puta ana e ai ki ngā wāhanga 19A ki te 19C o te Public Finance Act 1989, ahakoa e takoto ana ēnei pārongo ki roto i tēnei pūrongo ā-tau, kāore rānei
- Kia kōrero tōtika, ahakoa he aha ngā pārongo mahi paearu mutunga tau kua whakaritea e te Manatū, ahakoa e takoto ana ēnei pārongo ki tēnei pūrongo ā-tau, kāore rānei.

Ki ōku whakaaro:

- tā te Pūrongo ā-Tau nei, he whakaatū tika i ngā whakahaere, te anga whakamua, te oranga pai o te rōpū me te āheinga o te Manatū
- ko ngā tauākī ahumoni e whakaatu tika ana te noho ahumoni o te Manatū nō te 30 o Hune 2021 me āna whakahaere mō te tau i mutu i taua rā nei.
- ko ngā tauākī whakapaenga ahumoni e whakaatu tika ana i te nohonga whakapaenga ahumoni o te Manatū mō te 30 o Hune 2022 me āna whakahaere ka mutu hei taua rā.

**Debbie Power**

Tumuaki

30 o Hepetema 2021



## Chief Executive's Statement of Responsibility

As Chief Executive of the Ministry of Social Development (the Ministry), I am responsible for:

- the preparation of the Ministry's financial statements and statements of expenses and capital expenditure, and for the judgements expressed in them
- having in place a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting
- ensuring that end-of-year performance information on each appropriation administered by the Ministry is provided in accordance with sections 19A to 19C of the Public Finance Act 1989, whether or not that information is included in this annual report
- the accuracy of any end-of-year performance information prepared by the Ministry, whether or not that information is included in the annual report.

In my opinion:

- the annual report fairly reflects the operations, progress, and organisational health and capability of the Ministry
- the financial statements fairly reflect the financial position of the Ministry as at 30 June 2021 and its operations for the year ended on that date
- the forecast financial statements fairly reflect the forecast financial position of the Ministry as at 30 June 2022 and its operations for the year ending on that date.

**Debbie Power**

Chief Executive

30 September 2021



## Te rīpoata a te ringa here kore

### Independent auditor's report

To the readers of the Ministry of Social Development's Annual Report for the year ended 30 June 2021 | Ki ngā karu-pānui o te Pūrongo ā-Tau a Te Manatū Whakahiato Ora mō te tau i oti i te 30 o Hune 2021

The Auditor-General is the auditor of the Ministry of Social Development (the Ministry). The Auditor-General has appointed me, John Whittal, using the staff and resources of Audit New Zealand, to carry out, on his behalf, the audit of:

- the financial statements of the Ministry on pages 74 to 110, that comprise the statement of financial position, statement of commitments, statement of contingent liabilities and contingent assets as at 30 June 2021, the statement of comprehensive revenue and expense, statement of changes in equity, and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information;
- the performance information prepared by the Ministry for the year ended 30 June 2021 on pages 12 to 71 and 173; and
- the statements of expenses and capital expenditure of the Ministry for the year ended 30 June 2021 on pages 129 to 137; and
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 111 to 128 that comprise:
  - the schedules of assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2021;
  - the schedules of expenses; and revenue for the year ended 30 June 2021;
  - the statement of trust monies for the year ended 30 June 2021; and
  - the notes to the schedules that include accounting policies and other explanatory information.

## Opinion

In our opinion:

- the financial statements of the Ministry on pages 74 to 110:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2021; and
    - its financial performance and cash flows for the year ended on that date; and
  - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Reporting Standards.
- the performance information of the Ministry on pages 12 to 71 and 173:
  - presents fairly, in all material respects, for the year ended 30 June 2021:
    - what has been achieved with the appropriation; and
    - the actual expenses or capital expenditure incurred compared with the appropriated or forecast expenses or capital expenditure; and
  - complies with generally accepted accounting practice in New Zealand.
- the statements of expenses and capital expenditure of the Ministry on pages 129 to 137 are presented fairly, in all material respects, in accordance with the requirements of section 45A of the Public Finance Act 1989.
- the schedules of non-departmental activities which are managed by the Ministry on behalf of the Crown on pages 111 to 128 present fairly, in all material respects, in accordance with the Treasury Instructions:
  - the assets; liabilities; commitments; and contingent liabilities and assets as at 30 June 2021; and
  - expenses; and revenue for the year ended 30 June 2021; and
  - the statement of trust monies for the year ended 30 June 2021.

Our audit was completed on 30 September 2021. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Chief Executive and our responsibilities relating to the information to be audited, we comment on other information, and we explain our independence.

## Basis for our opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Responsibilities of the Chief Executive for the information to be audited**

The Chief Executive is responsible on behalf of the Ministry for preparing:

- financial statements that present fairly the Ministry's financial position, financial performance, and its cash flows, and that comply with generally accepted accounting practice in New Zealand.
- performance information that presents fairly what has been achieved with each appropriation, the expenditure incurred as compared with expenditure expected to be incurred, and that complies with generally accepted accounting practice in New Zealand.
- statements of expenses and capital expenditure of the Ministry, that are presented fairly, in accordance with the requirements of the Public Finance Act 1989.
- schedules of non-departmental activities, in accordance with the Treasury Instructions, that present fairly those activities managed by the Ministry on behalf of the Crown.

The Chief Executive is responsible for such internal control as is determined is necessary to enable the preparation of the information to be audited that is free from material misstatement, whether due to fraud or error.

In preparing the information to be audited, the Chief Executive is responsible on behalf of the Ministry for assessing the Ministry's ability to continue as a going concern. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to merge or to terminate the activities of the Ministry, or there is no realistic alternative but to do so.

The Chief Executive's responsibilities arise from the Public Finance Act 1989.

## Responsibilities of the auditor for the information to be audited

Our objectives are to obtain reasonable assurance about whether the information we audited, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers, taken on the basis of the information we audited.

For the budget information reported in the information we audited, our procedures were limited to checking that the information agreed to the Ministry's information on strategic intentions for the period 2018-2022 and relevant Estimates and Supplementary Estimates of Appropriations 2020/21, and the 2020/21 forecast financial figures included in the Ministry's 2019/20 annual report.

We did not evaluate the security and controls over the electronic publication of the information we audited.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the information we audited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive.
- We evaluate the appropriateness of the reported performance information within the Ministry's framework for reporting its performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Chief Executive and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the information we audited, including the disclosures, and whether the information we audited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

## Other information

The Chief Executive is responsible for the other information. The other information comprises the Chief Executive's Foreword, Executive summary, About the Ministry of Social Development, Our story in 2020/21, Achieving our outcomes, Looking to the horizon, Delivery high-quality services through excellent organisational capability, Case studies and the information on pages 12 to 182 but does not include the information we audited, and our auditor's report thereon.

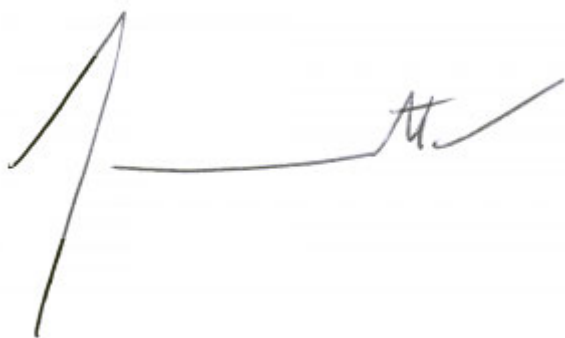
Our opinion on the information we audited does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the information we audited or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Independence

We are independent of the Ministry in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit, since 30 June 2021, we have commenced a probity assurance engagement for the payroll replacement solution. Other than the audit and this engagement, we have no relationship with or interests in the Ministry.



### John Whittal

Audit New Zealand

On behalf of the Auditor-General

Wellington, New Zealand



## **Te tūhono mai ki a mātou**

### How to contact us

Te reo Māori >

English >



## Te tūhono mai ki a mātou

### Tari pae tukutuku:

<https://www.workandincome.govt.nz/about-work-and-income/contact-us/find-a-service-centre/index.html>

### Te Tari Matua

The Aurora Centre, 56 The Terrace, Wellington 6011, New Zealand

**Pouaka Poutāpeta:** Te Manatū Whakahiato Ora, PO Box 1556, Pōneke 6140, Aotearoa

### Pae tukutuku, pae pāpāho pāpori

**Te Manatū Whakahiato Ora:** [www.msd.govt.nz](http://www.msd.govt.nz)

**Te Hiranga Tangata:** [www.workandincome.govt.nz](http://www.workandincome.govt.nz)

**Te Tari Kaumātua:** [www.superseniors.msd.govt.nz](http://www.superseniors.msd.govt.nz)

**Te Tari Mō Ngā Take Hauātanga:** [www.odi.govt.nz](http://www.odi.govt.nz)

**Te Manatū Whakahiato Taiohi:** [www.myd.govt.nz](http://www.myd.govt.nz)

**Pukamata:** [www.facebook.com/MSDNewZealand](https://www.facebook.com/MSDNewZealand)

**Pae Tīhau:** [www.twitter.com/msdgovtnz](https://www.twitter.com/msdgovtnz)

**LinkedIn:** [www.linkedin.com/company/ministry-of-social-development-in-wellington-new-zealand](https://www.linkedin.com/company/ministry-of-social-development-in-wellington-new-zealand)

**Kia whakahoki kōrero mai, hono ki:** <https://www.msd.govt.nz/form/msd/govt/nz/form.req2?requestType=msd-govt-nz-select-form-v1> or <https://www.workandincome.govt.nz/about-work-and-income/contact-us/feedback.html>

### Īmērā

**Ngā ui whānui:** [information@msd.govt.nz](mailto:information@msd.govt.nz)

**Ngā pānga pāpāho:** [media@msd.govt.nz](mailto:media@msd.govt.nz)

## **Waea**

**Te Tari Matua:** +64 4 9163300

**Ngā ui penihana:** 0800 559 009

**Kia ripoata he whakapaenga tinihanga:** 0800 556 006

**Ngā ratona hunga Kaumātua:** 0800 552 002

## **Ngā ratonga mō te hunga mate taringa**

**Waea Turi freefax:** 0800 621621

**Waea Patotuhi:** 0800 111113

**SMS:** 029 2867170

**Īmēra:** [MSD\\_Deaf\\_Services@msd.govt.nz](mailto:MSD_Deaf_Services@msd.govt.nz)

## **Ngā reo atu i te reo Pākehā**

**Ngā taipito kōrero ki:** <https://www.workandincome.govt.nz/about-work-and-income/contact-us/language-lines/index.html>



## How to contact us

### Site offices

See <https://www.workandincome.govt.nz/about-work-and-income/contact-us/find-a-service-centre/index.html>

### National Office

The Aurora Centre, 56 The Terrace, Wellington 6011, New Zealand

**Postal address:** Ministry of Social Development, PO Box 1556, Wellington 6140, New Zealand

### Online and social media

**Ministry of Social Development:** [www.msd.govt.nz](http://www.msd.govt.nz)

**Work and Income:** [www.workandincome.govt.nz](http://www.workandincome.govt.nz)

**Office for Seniors:** [www.superseniors.msd.govt.nz](http://www.superseniors.msd.govt.nz)

**Office for Disability Issues:** [www.odi.govt.nz](http://www.odi.govt.nz)

**Ministry of Youth Development:** [www.myd.govt.nz](http://www.myd.govt.nz)

**Facebook:** [www.facebook.com/MSDNewZealand](https://www.facebook.com/MSDNewZealand)

**Twitter:** [www.twitter.com/msdgovtnz](https://www.twitter.com/msdgovtnz)

**LinkedIn:** [www.linkedin.com/company/ministry-of-social-development-in-wellington-new-zealand](https://www.linkedin.com/company/ministry-of-social-development-in-wellington-new-zealand)

**To provide feedback, visit:** <https://www.msd.govt.nz/form/msd/govt/nz/form.req2?requestType=msd-govt-nz-select-form-v1> or <https://www.workandincome.govt.nz/about-work-and-income/contact-us/feedback.html>

### Email

**General enquiries:** [information@msd.govt.nz](mailto:information@msd.govt.nz)

**Media contacts:** [media@msd.govt.nz](mailto:media@msd.govt.nz)

## Phone

**National Office Phone:** +64 4 9163300

**Benefit enquiries:** 0800 559009

**To report suspected fraud:** 0800 556006

**Services for Seniors:** 0800 552002

## Services for the hearing-impaired

**Deaf Line freefax:** 0800 621621

**Telephone typewriter:** 0800 111113

**SMS:** 029 2867170

**Email:** MSD\_Deaf\_Services@msd.govt.nz

## Languages other than English

**Details at:** <https://www.workandincome.govt.nz/about-work-and-income/contact-us/language-lines/index.html>





## He raihana auaha

### Creative commons licence

#### Te Reo Māori

Kua whiwhi raihana tēnei mahi i raro anō i te Creative Commission Attribution 3.0 o Aotearoa. Ko te whakamārama mō tēnā – kei te wātea koe ki te whakakapi, tohatoha, whakarerekē rānei i te tuhinga engari me mātua whakatau koe ki te Karauna, me whai hoki koe i ngā tikanga o te raihana.

Mēnā e hiahia ana koe kia tirohia he kapi o tēnei raihana me toro atu ki <http://creativecommons.org/licenses/by/3.0/nz/>. Me maumahara koa, mehemea ka pirangi koe a whakamahia i te tohu, waitohu rānei a te Karauna, me kaua koe e whati i te Ture Tiaki Haki, Waitohu, Ingoa Hoki o te tau 1981. Ko te whakatau ki te Karauna me mātua tuhi, ā, me kaua e whakatauiria i te tohu Karauna, waitohu Karauna rānei.

He mea whakaputa i te Oketopa 2021

Manatū Whakahiato Ora  
Pouaka Poutāpeta 1556  
Te Whanganui a Tara 6140  
Aotearoa

Waea: +64 4 916 3300  
Imera: [info@msd.govt.nz](mailto:info@msd.govt.nz)  
Pae Tukutuku: [www.msd.govt.nz](http://www.msd.govt.nz)

#### English

This work is licensed under the Creative Commons Attribution 3.0 New Zealand licence. In essence, you are free to copy, distribute and adapt the work, as long as you attribute the work to the Crown and abide by the other licence terms.

To view a copy of this licence, visit <http://creativecommons.org/licenses/by/3.0/nz/>. Please note that no departmental or governmental emblem, logo or Coat of Arms may be used in any way which infringes any provision of the Flags, Emblems, and Names Protection Act 1981. Attribution to the Crown should be in written form and not by reproduction of any such emblem, logo or Coat of Arms.

Published October 2021

Ministry of Social Development  
PO Box 1556  
Wellington 6140  
New Zealand

Telephone: +64 4 916 3300  
Email: [info@msd.govt.nz](mailto:info@msd.govt.nz)  
Web: [www.msd.govt.nz](http://www.msd.govt.nz)

