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PRESERVATION

An Inventory of the Department and Its Programmes



A BRIEFING PAPER
FOR THE
MINISTER OF SOCIAL WELFARE

OCTOBER 1990

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INTRODUCTION

A key principle of Financial Management Reform has been to ensure accountability between Government and its agencies for the way in which public resources are allocated. The Department is contracted to Government to produce a range of services (Outputs), to contribute to the desired Outcomes of Government.

To follow is a list of the desired Outcomes which are sought by Government from the Department's activities.

OUTCOMES DESIRED BY GOVERNMENT IN THE AREA OF SOCIAL WELFARE

Policy Development

1. All people in New Zealand are able to participate within the communities to which they belong.
2. National resources are allocated equitably and efficiently, with the needs of individuals for income support or social services balanced against other demands made on these resources.

Income Maintenance

3. People warranting financial support are able to participate in the normal life of their communities.
4. People receiving income support become self-supporting, where this is feasible.
5. Non-custodial parents contribute to the support of their children.

Social Services

6. Children and young persons are safe from neglect and physical, emotional, or sexual abuse.
7. Young offenders face sanctions appropriate to their circumstances, such as age, level of offending, and prior criminal experience.
8. Whanau and families resolve difficulties and function independently, or with support from their iwi and communities.
9. Adults who were adopted as children, and their birth parents, are able to make contact with each other if they so desire.

Rehabilitation

10. As far as possible, people with disabilities are able to work and have normal lives in their communities.

To follow is a list of the Outputs (services) produced by the Department in order to achieve the above desired Outcomes of Government. The Department currently has 10 Classes of Outputs - each class represents a grouping of similar Outputs. These Classes of Outputs are:

CLASSES OF OUTPUTS

A VOTE: SOCIAL WELFARE

10 Policy Advice and Ministerial Servicing

- this class of output involves the provision of policy advice covering a wide range of topics, and includes reporting to Parliament and the provision of services to the Minister;
- it contributes towards Outcomes 1 and 2.

20 Assessment and Payment of Income Tested Benefits

- this class involves the assessment and payment of entitlement, and rectification of wrong payment for income tested benefits;
- it contributes towards Outcomes 3 and 4.

21 Assessment and Payment of Non Income Tested Benefits

- this class of outputs involves the same tasks as for output class 20, but for non income tested benefits;
- it contributes toward Outcome 3.

40 Collection of Maintenance and Other Payments from Non-custodial Parents

- this involves the collection of money from non-custodial parents who have been ordered to pay maintenance by the Court, and collection of contributions from liable parents;
- it contributes towards Outcome 5.

50 Social Work Services Case Management

- this involves the ongoing assessment of clients and referral to additional services; placements in alternative care or custody; advocacy on behalf of clients; direct provision of specialist services; reporting to external agencies; the provision of adoption information; and the provision of residential accommodation for children and young persons;
- it contributes towards Outcomes 6, 7, 8, 9, and 10.

70 Administration of Funding to Providers of Social Services

- this involves the assessment of funding entitlement for organisations and individuals; payment of entitlement on behalf of the Crown; and negotiation of contracts;
- it contributes towards Outcomes 1, 2, 6, 7, 8, 9, 10.

71 Servicing of Non-Departmental Groups

- this involves providing administrative and technical skills to non-departmental groups, and the administration of regulations for residential homes;
- it contributes towards Outcomes 1, 2, 6, 7, 10.

B VOTE: WAR PENSIONS

80 War Pensions Administration Services

- this class of output involves the assessment and payment of entitlement for war pensions, including policy advice and reporting on issues relating to war pensions;
- it contributes towards Outcomes 1 and 2.

C VOTE: SENIOR CITIZENS

82 Policy Advice and Ministerial Servicing for Senior Citizens

- this class of output involves the provision of policy advice covering a wide range of topics, and includes reporting to Parliament and the provision of services to the Minister;
- it contributes towards Outcomes 1 and 2.

83 Assessment and Payment of Income Maintenance for Senior Citizens

- this involves the assessment and payment of entitlement for guaranteed retirement income, and rectification for wrong payment;
- it contributes towards Outcomes 1 and 2.

SUMMARY OF ADMINISTRATIVE EXPENDITURE BY OUTPUT CLASSES

OUTPUT CLASS	1989/90 (\$000)	1990/91 (\$000)
Vote: Social Welfare		
Policy advice and Ministerial Servicing	13,541	11,864
Assessment and payment of income tested benefits	185,075	177,130
Assessment and payment of non income tested benefits	36,999	36,733
Collection of maintenance and other payments from non- custodial parents	38,687	37,853
Social Work Services case management	177,387	169,961
Administration of funding to providers of social services	11,166	10,833
Servicing of Non- Departmental groups	8,991	8,469
	<hr/>	<hr/>
TOTAL:	471,846 -----	452,843 -----
Vote: War Pensions		
War Pension Administration Services	4,748 -----	4,493 -----
Vote: Senior Citizens		
Policy Advice and Ministerial Servicing for Senior Citizens	1,466	1,301
Assessment and Payment of Income Maintenance for Senior Citizens	4,074	4,021
	<hr/>	<hr/>
TOTAL:	5,540 -----	5,322 -----

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1. LEGISLATION**A. MAJOR ACTS ADMINISTERED BY THE DEPARTMENT OF SOCIAL WELFARE**

Department of Social Welfare Act 1971
 Social Security Act 1964
 Disabled Persons Community Welfare Act 1975
 Children, Young Persons and Their Families Act 1989.
 Family Benefits (Home Ownership) Act 1964
 War Pensions Act 1954
 Rehabilitation Act 1941
 Social Welfare (Transitional Provisions) Act 1990

B. SCOPE OF THE LEGISLATION ADMINISTERED**Department of Social Welfare Act 1971**

This Act is still on the statute book, but most of its operative provisions have been repealed by s.33(1) of the Social Welfare (Transitional Provisions) Act 1990.

Social Security Act 1964 (PART I)

The Social Security Act 1964 is the legislative basis for the social security scheme. It sets out the criteria and conditions applying to the payment of the following:

- unemployment benefit
- training benefit
- independent youth benefit
- job search allowance
- family benefit
- widow's benefit
- orphan's benefit
- unsupported child's benefit
- invalid's benefit
- domestic purposes benefit
- miner's and miner's widow's benefit
- sickness benefit
- handicapped child's allowance
- accommodation benefit
- special benefit
- emergency benefit
- payments after death
- concessions and ancillary services for social security beneficiaries

The Act also establishes the Social Security Appeal Authority.

Part II of the Social Security Act relates to medical benefits and is administered by the Department of Health. |

Part III of the Social Security Act relates to general provisions administered by the Department of Social Welfare, such as Special Needs Grants and other welfare programmes approved by the Minister of Social Welfare under Section 124 (d), advances for repairs or maintenance to a home, and offences against the legislation.

Social Welfare (Transitional Provisions) Act 1990

This Act established the guaranteed retirement income and the veterans pension, and is the legislative basis for New Zealand's reciprocity agreements with other countries regarding social welfare benefits. It also contains a number of other matters including provisions relating to certain management structures of the Department, and provisions establishing the New Zealand Artificial Limb Board.

Disabled Persons Community Welfare Act 1975

This Act establishes a number of provisions for assistance directed to individuals, families and organisations.

- (a) **Section 12; Aid to Families** provides financial assistance for full-time care givers of people with disabilities requiring constant care and attention, to purchase respite care services. Not subject to a means test.
- (b) **Section 13; Travel and Accommodation Expenses** provides financial assistance to people with disabilities who are required to attend a course of medical treatment provided in the "home" hospital board area, attend an assessment or be interviewed by an officer of the department. Not subject to a means test.
- (c) **Section 14; Suspensory Loans for Housing Alterations** provides financial assistance to carry out essential alterations which will enable a person with a disability to remain independently in their own home or private accommodation. Alterations up to \$7,900 are not subject to a means test.
- (d) **Sections 15&15A Provision of Equipment** provides financial assistance to purchase equipment which will enable a person with a disability to remain in their own home, assist with mobility in the home, obtain employment or undertake education. Not subject to a means test.
- (e) **Section 16A Suspensory Loan to Purchase a Vehicle** provides financial assistance to a person with a disability to purchase a vehicle which will enable the person to obtain or retain employment, undertake a course of education or retraining which will lead to employment or undertake voluntary work in the community. Subject to a means test.
- (f) **Section 26 (3) (a) Costs of Attending Driving Assessment Centres** provides financial assistance to enable a person with a disability, and if necessary an attendant, to attend an approved driving assessment centre. Not subject to a means test.

- (g) Section 26 (3) (b) Travelling and Accommodation Expenses while Undergoing Work Experience or Training provides financial assistance towards any expenses incurred by a person with a disability undergoing any period of assessment, work experience, training or education where the person is required to live away from their ordinary place of residence. Not subject to a means test.
- (h) Section 27 (1) (d) Assistance to Individuals to become Self-Employed provides a suspensory loan of up to \$5,250 to a person with a disability wishing to establish their own business.
- (i) Section 28 Rehabilitation Allowance is paid to assist a person with a disability with out of pocket expenses incurred when undertaking work experience, assessment, education or training for employment at an approved organisation.
- (j) Section 30 Fund is a fund of \$11,000 which is used by the Minister to provide assistance for incentives not covered elsewhere under the Act which will assist a large number of people with disabilities. A further \$2M is used to fund rape crisis counselling through ACC.

Children, Young Persons and Their Families Act 1989

The CYP & F Act 1989 involved a major reform of the law relating to children and young persons who are in need of care or protection, or who offend against the law. The Department's role in this area has been greatly modified.

The Act identifies a number of principles which are to guide any Court or person exercising the powers it confers, and in the case of conflict between these principles, the deciding factor is the welfare and interests of the child or young person. Much of the Act focuses on the need for the child or young person's family, whanau, hapu, and iwi to participate in decision-making, and to strengthen their involvement in matters affecting the child or young person.

The Family Group Conference is established as the primary vehicle for empowering "families", and co-ordinators are appointed to arrange these Family Group Conferences, in respect of both the Care and Protection, and Youth Justice parts of the Act.

The Act also confers a large number of duties on the Director-General, and details the method of providing support services for families and for the community. It establishes Care and Protection Resource Panels, and the office of Commissioner for Children.

In the Youth Justice area, there has been a major shift from the welfare approach, towards a criminal justice model, and this is reflected in the establishment of the Youth Court. Care and Protection issues are kept separate from Youth Justice issues, and are handled by the Family Court.

Family Benefits (Home Ownership) Act 1964

This Act makes provision for advances for housing purposes against the capitalised value of family benefit. This Act was amended in 1986, at the time of the introduction of the Housing Corporation's new Homestart programme, which provides housing deposit assistance for first home buyers on lower incomes. The amendment provided that family benefit capitalisation advances would not be granted to applicants who had received a Homestart loan, and that no new applications for capitalisation would be accepted from 1 October 1986. The scheme is expected to phase out over the next 10 years as the number of grants in force dwindles.

C. WAR PENSIONS AND REHABILITATION

The following Acts are administered by the Department of Social Welfare but statutory responsibility for them rests with the Minister in Charge of War Pensions or the Minister in Charge of Rehabilitation.

War Pensions Act 1954

This Act establishes the position of Secretary for War Pensions and the War Pensions Advisory Board. It also establishes the process for claiming, reviewing, and payment of:

- war disablement pensions;
- pensions to wives and dependants of disabled ex-servicemen;
- war veterans allowances and war service pensions;
- concessions and ancillary services to war pensioners and their dependants.

Rehabilitation Act 1941

This Act sets up the National Rehabilitation Council, and a Rehabilitation Board comprising representatives of government departments and up to five other members, to provide for the establishment in civilian life of ex-service personnel who served overseas during the Second World War. Provision for the rehabilitation of service personnel who served overseas in time of an emergency is covered by the Emergency Forces Rehabilitation Act 1953.

D. RELEVANT ACTS ADMINISTERED BY OTHER DEPARTMENTS

The following Acts administered by other Departments require a significant involvement by the Department of Social Welfare.

Adoption Act 1955 (Justice)

Departmental social workers are responsible for issuing placement approvals, and reporting to the Courts on all adoption applications. The DSW also performs a number of non-statutory functions relating to adoption placements, and assessing the suitability of prospective adoptive parents.

The Adult Adoption Information Act 1985 (Justice)

The Adult Adoption Information Act 1985 provides for adults (aged 20 and over) who were adopted as children, and their birth parents, to have greater access to information about each other. It also allows for a veto to be placed on such information by either party if so desired. The Director-General is given a major role in providing access to identifying information which is requested by birth parents and adult adoptees who met the statutory criteria.

Family Proceedings Act 1980 (Justice)

The Department of Social Welfare is responsible for:

- reporting at the Court's request on any matter relevant to the custody, welfare and maintenance of a child and on any matters relevant to the child, or to the means, earning capacity and economic circumstances of any party to proceedings under the Family Proceedings Act;
- reporting to the Court on request on proposed arrangements for the custody of children in separation and dissolution proceedings;
- collecting and disbursing maintenance payments, and enforcing maintenance orders in arrears, in respect of maintenance orders made or registered in the Family Court, and agreements for maintenance for children and young persons in the care of the Director-General of Social Welfare.

Guardianship Act 1968 (Justice)

The Department of Social Welfare is responsible for:

- making applications to a Court for an order placing a child under the guardianship of the Court; taking possession of any child named in a warrant from the Court and delivering to the person entitled to custody; taking possession of any child about to be removed from New Zealand and placing the child in the care of some suitable person;
- reporting on applications for guardianship or custody of, or access to any particular child as requested by the Court, and supervising access ordered by the Court.

Protection of Personal and Property Rights Act 1988 (Justice)

This Act gives the Family Court the ability to make orders affecting the personal rights and the property rights of many people who are not fully able to manage their own affairs. Departmental social workers are authorised to apply for such orders, and orders may also be made on the application of others, which will affect children in the care of the Department.

2. DEPARTMENTAL ORGANISATION

PART A: GENERAL STRUCTURE OF THE DEPARTMENT

Introduction

The Department of Social Welfare is now the largest core department in the public service with some 8,000 staff based at more than 80 locations around New Zealand. The organisation of the Department, with regard to its role, responsibilities and tasks, is described below.

The Chief Executive

The Department is managed by the Chief Executive, the Director-General of Social Welfare, who is accountable to the Minister of Social Welfare. This is in respect of delivery of agreed services and management of the Crown's investment in the Department. The Chief Executive is also accountable to the Ministers of War Pensions and Senior Citizens for delivery of services within each of their portfolio areas.

Assisting the Chief Executive is the Deputy Director-General and eleven Assistant Directors-General responsible for Policy and Programmes, Senior Citizens, Resource Management, Information Systems, Audit and Security, Special Duties (2), and regional Operations (4). The names and specific responsibilities of each of these senior executive staff is outlined in the attached chart.

The Executive Management Group (EMG)

The Executive Management Group assists the Chief Executive in the management of the Department. The Chief Executive chairs the EMG, which comprises the Deputy Director-General and eight of the Assistant Directors-General (four of whom are centrally based and four based in Operational Areas). EMG is responsible for the overall direction of Social Welfare as outlined in the Corporate Plan. It also approves resource allocations and deals with major policy or management decisions.

Head Office

The role of Head Office is to provide the Minister of Social Welfare with policy advice and ministerial services, and to translate policy decisions into instructions or guidelines for District Offices. It is also responsible for setting performance standards and monitoring performance, and for preparing departmental estimates of expenditure, and accounting to Parliament for that expenditure. Other tasks include developing and maintaining management information systems, personnel and good employer practices, audit, national training programmes, and a communications strategy for the Department.

Operations Area Offices

The Department has four regionally based Operations Area Offices. Each Operations Area is headed by an Assistant Director-General (ADG) whose responsibilities include providing leadership and management support for District and Residence Directors, and monitoring service delivery and resource management of District Offices and Residences.

The ADG Operations are also responsible for analysing District and Residence budgets and financial practices, and allocating funds. They also exercise personal delegations not held by District or Residence managers, liaise with broadly based Community Groups and help facilitate major change within the Department.

District Offices

There are 45 District Offices located in major centres. These offices provide the full range of Social Welfare services to the public including income support payments, social work services, and community services.

District Offices are divided into 3 key divisions - Benefits and Pensions; Corporate Services; and Social Services.

Each District Office is headed by a Director who is responsible to the relevant Assistant Director-General Operations.

Area Welfare Offices

The Department has 33 Area Welfare Offices located in suburban centres and country towns. They provide full social work services and administer major benefits (Sickness, Unemployment and Domestic Purposes Benefits) and related payments. They are headed by a manager who is responsible to the District Director.

Residences

The Department has four residential institutions which provide short term care and custody services for some young people who are referred to the Department under the Care and Protection and Youth Justice Provisions of the Children, Young Persons and Their Families Act (1989). Residential placements are provided only in cases where community-based care is not appropriate.

Each Residence is headed by a Director who is responsible to the relevant Assistant Director-General Operations.

In support of its social work services, the Department also has a number of family homes located around the country.

Information Technology Service Centre (ITSC)

The Information Technology Service Centre (ITSC) is situated in Upper Hutt. It is responsible for the operation of the Department's computer systems and the provision of such services to District Offices, Residential Institutions and Head Office.

Recent Reviews Which Have Effected the Department's Organisation

(i) Review of the Regional Structure

In 1986 the Department introduced a regional structure. The reason for doing this was that a centralised structure did not ensure sufficient authority to managers so that they could be held accountable for performance, and the central structure did not effectively meet local needs. Six regional offices were established, the focus of which was on districts and their operations.

A review of the regional structure was carried out between January and April 1990 to establish whether it had achieved the organisational efficiencies envisaged in 1986, and to consider whether the level of resources committed to the regions could continue to be justified.

The review concluded that a continuation of the regional structure was justified, but expressed concern about the proliferation of resources - particularly cars, staff, and property; about the gap which had developed between district offices and head office; and about the differences in interpretation of policies from one region to another.

The Department agreed that the number of regions (re-designated Operational Areas) be reduced to four. The districts now covered by each operational area are outlined in the attached chart. Operational Area offices are regarded as part of head office with particular responsibilities for district offices. Their main functions are to provide a regional perspective to corporate management, to provide management support to district offices, to monitor and evaluate performance of district operations, analyse and allocate budgets, undertake personnel work which cannot be done in districts, liaise with major non-departmental groups and organisations in the region, and facilitate major policy and management changes.

It is anticipated that the savings from the new regional structure will be about \$5 million a year. The new operational structure began functioning on 1 July 1990.

(ii) Review of Residences

Over the past decade the Department has been moving away from placing children in its care in residences (or institutions as they have previously been known). This move has occurred because of an acceptance that institutionalisation is often not the best response to the needs of a child or young person needing care or control.

In February 1990, as part of the Department's continuing evaluation of its residences and their use, a report on residential services was commissioned. That report concluded that the Department required only four of its existing nine residences to meet both current and anticipated residential placement requirements. The four remaining residences are sited in Auckland, Wellington, Christchurch and Dunedin. The other five residences at Owairaka, Auckland, Hamilton, Kohitere, and Lookout Point, Dunedin were closed in September.

Forthcoming Changes Which Will Have an Impact on the Department's Organisation

The changes indicated in this section are discussed at greater length in other sections of the briefing papers. They are addressed here because they will significantly affect the Department's structure and organisation. These changes are as follows:

- (a) the introduction of the universal benefit. The current categorical benefit system means that staff in district offices become familiar with administering one or two different benefits; the universal benefit will mean a move away from this approach to one where most clients are governed by the same conditions and requirements.
- (b) the introduction of the incapacity scheme means that clients who have hitherto been the responsibility of this Department in the provision of the invalids benefit and disability assistance in particular will now come under the ACC. Some sickness beneficiaries will also be eligible for the incapacity scheme.
- (c) the introduction of the enhanced family benefit will raise some important questions and issues of administration for this department.
- (d) if a separate Ministry is established to service the Minister for Senior Citizens, this would make little difference to district staff as they would still administer the guaranteed retirement income. The main difference would occur in head office with the removal of the policy making function from this Department to the Ministry.
- (e) the creation of the Child Support Agency in the Inland Revenue Department will remove much of the revenue collecting function of the Department. Staff presently employed in the Revenue area have been assured that their employment will be protected as the move is not expected to occur until 1992. The Department will still be responsible for collecting overpaid benefits, or those wrongly paid, although there has been some contracting out of this function to a private company.
- (f) the development of the Department's computer system (SWIFTT).
- (g) the Health/Welfare interface and the transfer of responsibilities between the two departments.

DEPARTMENT OF SOCIAL WELFARE

ORGANISATIONAL STRUCTURE

SOCIAL WELFARE
COMMISSION

Minister

Chief Executive: John Grant

Deputy Director-General: Robin Wilson
 - Corporate Solicitor: Neil Williamson
 - Corporate Secretary: Raoul Ketko
 - Manager Secretariat
 - Manager Public Affairs
 - Cultural Advisors
 - Planning & Reporting

Assistant Director-General

Programmes and Policy: Alan Nixon
 - National Directors
 Disability Services
 Children, Young People and their Families
 Maori Development
 Income Support
 Special Duties (Study of CYP&F)
 - Director Policy
 - Chief Economist
 - Managers
 Pacific Island Development
 Community Services
 - National Review Officer
 War Pensions
 - Project Manager (Benefit Reform)

Assistant Director-General

Senior Citizens: David Preston
 - Senior Advisory Officers

Assistant Director-General

Resource Management: Richard Wood
 - Directors
 Administration Services
 Personnel Policy
 Training and Development
 Equal Employment Opportunities
 - Corporate Manager Finance
 - Manager Financial & Management Information
 Systems (FAMIS)

Assistant Director-General

Information Systems: Maria McKinley
 - General Manager
 Information Technology
 - Directors
 Information Systems Planning
 Management Information Systems
 Operations

- Research
- Evaluation
- Monitoring
- Project Director SWIFTT
- Project Manager CYPFIS

Assistant Director-General

Special Duties: Mike Fitzgerald

- Director
- Special Duties (Strategies Addressing Fraud, Abuse and Waste of Resources)

Assistant Director-General

Audit and Security:

- Audit Manager

Assistant Director-General Special Duties
(Revenue & Change Management): Simon Arnold

Principal Social Worker

Assistant Directors-General (Operations)

Northern: Richard Deyell

- District Directors
 - Kaitaia, Kaikohe, Whangarei, Takapuna, Central Auckland, Grey Lynn, Panmure, Royal Oak, Henderson, New Lynn, Otahuhu, Mangere, Manukau, Otara, Papakura
- Managers, Area Welfare Offices
 - Kawakawa, Dargaville, Kamo, Orewa, Manurewa, Pukekohe
- Director Northern Services Office
- Director GRI & Corporate Services Office
- Director Weymouth Residential Centre

Western: Barry Shea

- District Directors
 - Hamilton, Tokoroa, Taumarunui, Hauraki, Rotorua, Taupo, Tauranga, Whakatane, New Plymouth, Wanganui
- Managers Area Welfare Offices
 - Huntly, Te Kuiti, Thames, Waihi, Turangi, Te Puke, Opotiki, Kawerau, Stratford, Hawera, Taihape

Eastern: Vacant (Mike Rogers - Acting)

- District Directors
 - Gisborne, Wairoa, Napier, Hastings, Palmerston North, Horowhenua, Masterton, Wellington, Porirua, Lower Hutt.
- Managers Area Welfare Offices
 - Waipukurau, Dannevirke, Feilding, Paraparaumu, Upper Hutt
- Director, Eponi Residential Centre

Southern: Maurice Doocey

- District Directors
Blenheim, Nelson, Greymouth,
Christchurch City, Linwood, Sydenham,
Papanui, Timaru, Dunedin, Invercargill.
- Managers Area Welfare Offices
Motueka, Westport, Riccarton, Shirley,
New Brighton, Rangiora, Ashburton,
Oamaru, Alexandra, Balclutha, Gore.
- Director Kingslea Residential Centre,
Christchurch

DISTRICT EXECUTIVE
COMMITTEES

- District Directors
 - Assistant Directors
Benefits and Pensions
Social Services
Corporate Services

AREA WELFARE
EXECUTIVE COMMITTEES

- Managers Area Welfare Offices

RESIDENCE MANAGEMENT
COMMITTEES

- Directors of Residences

CORPORATE SECRETARY:

Raoul Ketko

DEPARTMENT OF SOCIAL WELFARE EXECUTIVE MANAGEMENT GROUP:

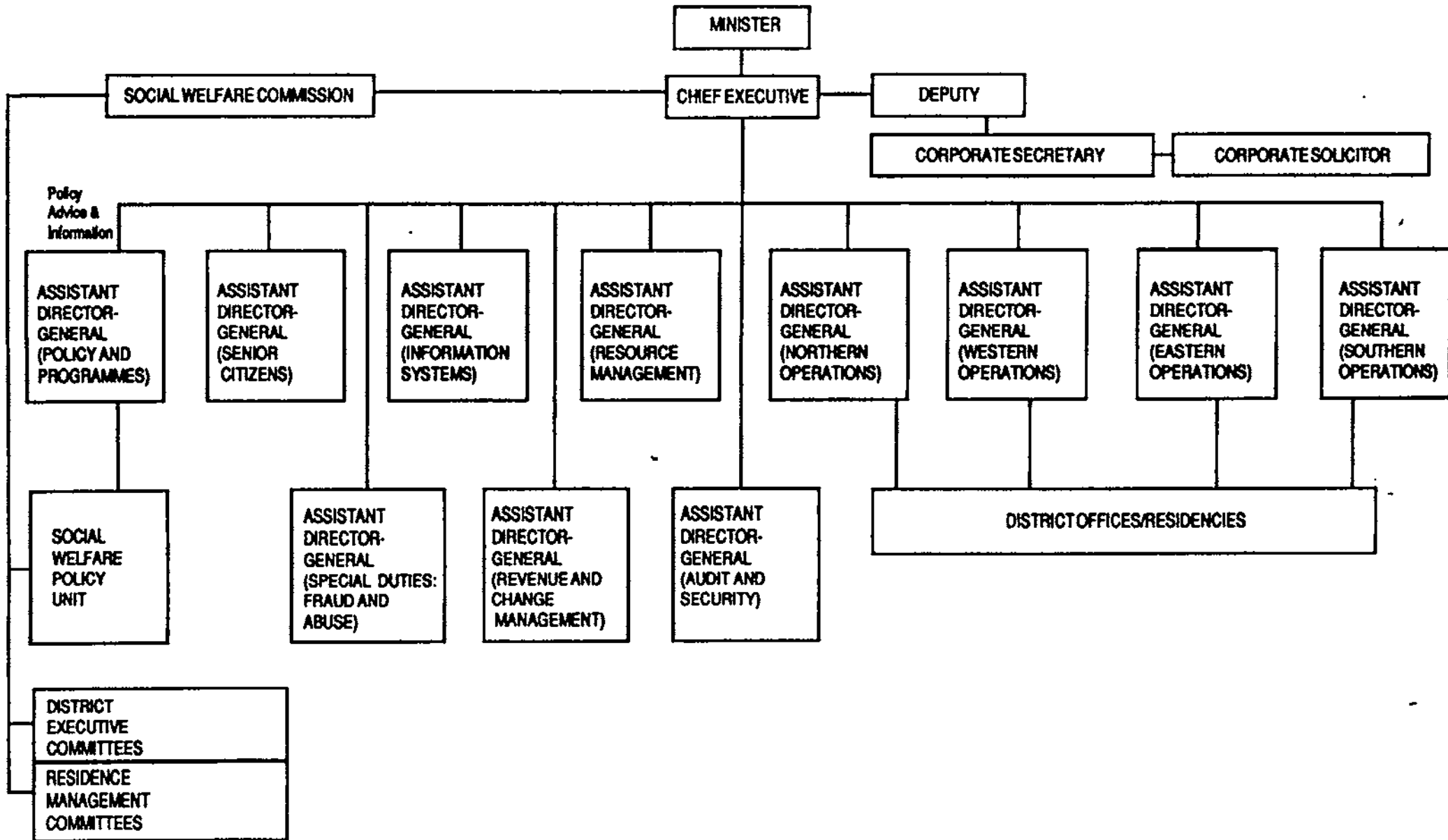
DIRECTOR-GENERAL AND CHIEF EXECUTIVE: John Grant

DEPUTY DIRECTOR-GENERAL: Robin Wilson

ASSISTANT DIRECTORS-GENERAL:

Richard Deyell
Maurice Doocey
Maria McKinley
Alan Nixon
David Preston
Mike Rogers (Acting)
Barry Shea
Richard Wood

DEPARTMENT OF SOCIAL WELFARE ORGANISATION CHART



Part B: SOCIAL WELFARE COMMISSION (SWC)
DISTRICT EXECUTIVE COMMITTEES (DEC)
AREA WELFARE EXECUTIVE COMMITTEES (AWEC)
RESIDENCE MANAGEMENT COMMITTEES (RMC)

SOCIAL WELFARE COMMISSION

Description

The Social Welfare Commission was established as part of the implementation of Puao-te-Ata-tu. (The Report of the Ministerial Advisory Committee on a Maori Perspective for the Department of Social Welfare.) First appointed in 1987, the Commission was restructured in April 1990, with the removal of DSW senior executives as members, and the Minister of Social Welfare being made presiding member (in place of the Director-General).

Role

With legislative changes from April 1990 the role of the Commission is more clearly defined as advisory, and is as follows:

- (a) to advise the Minister of Social Welfare on social welfare policy matters.
- (b) to monitor and review the functions of the Department.
- (c) to co-ordinate and monitor the functions of District Executive Committees (DEC), Area Welfare Executive Committees (AWEC), and Residence Management Committees (RMC), and to provide them with direction.
- (d) to receive and comment upon submissions made to it by members of the public.

Membership

Presiding Member: Minister of Social Welfare

One person is appointed by the Minister of Social Welfare on the nomination of the Minister of Maori Affairs.

Six persons are appointed by the Minister of Social Welfare to represent women, elderly, Maori, Pacific Island people and people with disabilities. Nominations are sought from community organisations.

The usual term of appointment is three years.

Current members are:

Dame Mira Szaszy DBE, JP; Ms A Rasmussen; Dr N K Hopa;
 Dr V S Levett; Ms V J Smith; Mr T Kruger; Mr E Brussovs.

Performance

The Commission over the past two years has familiarised itself with the operations of the Department and general policy issues. The issues under consideration have included unemployment, the interface between social security and accident compensation schemes, benefit reform and the flexible use of the unemployment benefit.

The Commission has also looked at bi-cultural issues, tribal boundaries, community funding issues, retirement incomes and the Children Young Persons and their Families Act.

A major effort has also been in the supporting and encouragement of District and Area Welfare Executive Committees.

With the advent of new legislation in April 1990, the Commission has devoted considerable time in determining an appropriate approach to the task. The overall objective being to provide authoritative advice to the Minister; according to the principles of the Treaty of Waitangi and Puaote-Ata-tu. The outcome being "social welfare policies that better meet peoples' needs". The Commission is developing a set of principles against which it can assess Departmental policy.

DISTRICT EXECUTIVE COMMITTEES (DEC) AREA WELFARE EXECUTIVE COMMITTEES (AWEC)

Forty-six DEC and AWEC currently operate. Their primary functions are to monitor and evaluate the Department's service delivery in their local district and to recommend changes to policy and practice to the local Director and to the Social Welfare Commission where appropriate. Their role is advisory except in DEC involvement on District Review Committees, where they have equal voting rights with the Department (District Review Committees were established in 1987 and are the first right of review in benefit decisions for beneficiaries).

Membership

Each Committee consists of

- (a) the Director for the district of the Department served by the Committee;
- (b) a member of the tangata whenua of the district appointed by the Minister on the nomination of the General Manager of the Iwi Transition Agency;
- (c) not less than 3 nor more than 7 members appointed by the Minister, resident in or closely connected with the district representing women, older people, Maori, Pacific Island people and people with disabilities.

DEC/AWEC Appointments

A new re-appointment round has just been completed with approximately 100 new members appointed to 47 committees.

Performance

District Executive Committees and Area Welfare Executive Committees are the "eyes and ears" of the Commission. They have the potential to

- give independent advice to the Department and the Commission
- are one of many sources of advice to the district director
- can advise across the whole range of the Department's services
- be a watchdog on Social Welfare issues in the district
- advocate for the needs and rights of disadvantaged people
- be a means of public consultation
- bring a community perspective to the district office and to SWC
- provide an overview of needs and priorities in the district
- participate as a full member on District Review Committees (AWEC have no statutory right.)
- help the Department provide a better service and be accountable to clients

RESIDENCE MANAGEMENT COMMITTEES (RMCs)

The major functions of the RMCs are to monitor the practices followed by the Department in the administration of residences to assess and make recommendations on the programmes carried out; and to propose measures which may be used by the Department to divert children and young persons from residences into appropriate care and control in the community.

Membership

One member is appointed by the Minister on the recommendation of the Director-General.

A member is appointed by the Minister on the recommendation of the General Manager of the Iwi Transition Agency.

Not less than 3 nor more than 7 members are appointed by the Minister after consultation with the Minister of Maori Affairs and Iwi and relevant community organisations designated for the purpose by the Minister.

The Directors of the residence served are ex officio members of the Committee.

Performance

Until the change in legislation in April 1990 Residence Management Committees had an executive role in the running of residences. Now that role is advisory and in addition the Review of Residences has reduced the number of residences covered by the legislation to four. This has meant uncertainty about role and representation. Currently a working party is being set up to examine these issues. It is meeting for the first time in mid October 1990.

3. POLICY DEVELOPMENT

Functions

An important output of the Department is the provision of Policy Advice and Ministerial Services. Policy analysis and development is undertaken for the Minister, and through the Minister for Cabinet Committees, as a source of information and advice to enable Government to make informed decisions on welfare policy, programmes and expenditure.

Advice and information is also provided for other Government agencies with officials sometimes working interdepartmentally on certain issues.

Ministerial Services involves such things as attendance on the Minister, the provision of information in response to Ministerial requests, and preparing draft responses to Ministerial correspondence and Parliamentary questions.

An important component of the Policy Advice and Ministerial Services Output is the oversight of the legislative programme. This involves maintaining up-to-date legislation and regulations, organising Orders-in-Council, advising on improvements to legislations and incorporating policy changes into draft legislation which the Minister will be presenting to Parliament.

Scope of Activities

Policy advice is provided on:

- the choice of outputs for general income support provisions, social services, and war pensions;
- the relationship of departmental outputs and payments on behalf of the Crown to the desired outcomes of Government;
- both broad and specific social welfare and equity issues;
- issues identified by the Minister or Government;
- departmental issues for which a Ministerial decision is required, or on which the Government might want to consider action;
- advice on developments and policy issues arising from other Government agencies - such as commenting on proposals in the Health portfolio which might affect clients of this Department.

Policy Section

The Policy Section (which has 14 staff) co-ordinates much of the policy development activity. This includes co-ordinating the Department's legislative programme, its response to the Estimates questionnaire, annual increases in rates of benefits, war pensions and guaranteed retirement income, as well as other broad project work. The Section is also developing an improved capacity to forecast expenditure on Social Welfare, and to more accurately cost options for new policy.

The Section also has an advisory role in major policy development. Its major project items in the last three years have been:

- the review of national superannuation and development of guaranteed retirement income;
- the review of social security, and development of the universal benefit;
- advising on benefits rates and benefit adjustment policies;
- the development of the incapacity scheme;
- youth income and training support policy;
- changes to family assistance;
- establishing the initial principles for contracting of social services;
- war pension reform.

The Department's chief economist, who has responsibility for overseeing economic analysis in the Department, is located in Policy Section, as is the senior advisor in research and policy.

Other Units Contributing to Policy Development

The Research, Monitoring and Evaluation Sections (a total of 26 staff) of the Department play an important role in the policy development process, by providing background information and statistics, and an ongoing assessment of a range of policy issues.

Programme specific areas in Head Office provide policy advice in respect of their specific outputs, as well as developing and maintaining guidelines for the management of their programmes at district level. The specific work units are:

- (i) The Children, Young Persons and their Families Unit (16 staff)
- (ii) The Income Support Unit (13 staff)
- (iii) The Disability Services Unit (11 staff)
- (iv) The Maori Development Unit (3 staff)
- (v) The Pacific Islands Development Unit (4 staff)
- (vi) Community Services Unit (3 staff)

The primary role of these units is to operationalise policy changes for districts and to monitor, review and modify existing programmes across their areas of expertise. They also administer centralised funding programmes for voluntary agencies. Significant current issues for these units include benefit reform; health/welfare interface; ongoing work with the Children, Young Persons and Their Families Act; rationalising grant programmes; reviewing supplementary income support programmes such as the accommodation benefit; and negotiating reciprocal pension agreements with other countries.

The recently established Senior Citizens Unit (8 staff) is currently responsible for providing advice in respect of older people.

Advice on a range of operational and technical issues will be provided from time to time by other Head Office units. For example, the Operations Branch on delivery issues, Personnel Policy on human resources, and Finance on resource management. Special project teams also exist, such as the Benefit Reform Implementation Team, to provide advice to government on specific or micro-policy detail within reforms of the social security system.

The Social Welfare Commission, established as part of the implementation of Puao-te-Ata-tu, also has a role in advising the Minister on social welfare policy matters.

While the responsibility for policy development is centred mainly in the head office of the Department, input from districts, communities and other organisational bodies is sought. There is an increased awareness of the need to consult with a wide range of ethnic groups in the development of social welfare policy - and in particular with Maori - to ensure that the values, cultures and beliefs of all people are incorporated in the policies developed.

An important challenge for future policy development will be the further application of the principles embodied in Puao-te-Ata-tu and in Te Urupare Rangapu - the Partnership Response, with regard to bringing a Maori perspective to both national and district policy-making.

Policy development contributes towards Output Class 10.

4. RESEARCH

The role of the Research Section is to provide research-based information to assist in the provision of advice on the development of departmental policy and practice.

RESEARCH PROGRAMME

During the 1990/91 year, work will focus on seven priority areas, as follows:

(a) **The distribution of material well-being across New Zealand society**

Current projects include work on income equivalence, time series monitoring of household incomes and the position of Maori and Pacific Island households.

(b) **The Children, Young Persons and Their Families Act 1989**

Current projects include work on monitoring departmental child protection activities, measurement of family violence, families' perceptions of Family Group Conferences and social work competency.

(c) **Young offenders and the juvenile justice system**

Current projects include work on the offending careers of juveniles and young adults, time series statistics on juvenile offending, and youth justice aspects of the Children, Young Persons and Their Families Act.

(d) **Benefits and beneficiary behaviour**

This includes work on sole parents, social and psychological effects of unemployment, durations of benefits and incentive effects deriving from the relativities between benefit levels and labour market wages.

(e) **Demographic analyses**

Current projects include work on the implications for the Department of social and demographic change in the Maori population.

(f) **Provision of cost estimates for income maintenance reform**

The section currently maintains models for estimating costs of changes to the guaranteed retirement income, to the benefit reform package and to financial assistance to families.

(g) **Development of methodology for forecasting expenditure on benefits and pensions**

Current projects include work on projection of numbers of people and expenditure on each of the benefit types.

This programme contributes towards Output Class 10.

5. MONITORING

The Monitoring Section provides two main services: statistical collection and monitoring of trends.

The section collects a wide range of information on departmental benefits and social work programmes, and provides regular reports on these programmes to the Minister and to managers within the Department. The section is able to provide data relating to previous years on request. It is a frequently used source for Parliamentary Questions and replies to letters from the public.

In addition to the role of collecting and reporting departmental statistics, the staff of the section have undertaken a number of small projects, either in conjunction with other staff or on their own to improve our knowledge about the operation of the Department. The section also provides an advisory service assisting programme managers set up their own monitoring systems.

With the gradual introduction of new computer systems (such as SWIFTT) in coming months, many of the manual returns currently processed by the section will be replaced by "on line" access. This will allow this section to gather a wider range of data, and provide improved service in terms of accuracy and timeliness. As resources allow, the section will be looking at improvements to deliver statistics which are more directly relevant to the programme managers, particularly in the area of performance indicators. The Monitoring Section is keen to identify the kind of service its customers require, and to provide that service.

This programme contributes towards Output Class 10.

6. EVALUATION

The Evaluation Unit was set up in 1981 to provide evaluations of key programmes and new policies of the Department. Projects carried out by the Unit in the recent past include:

- reviews of benefit administration and discretionary decision-making;
- studies of alternative care for children;
- funding of voluntary organisations;
- quality of service provided to clients.

The two projects most recently completed were both in the benefits area. These were a study of the effectiveness of the Training Incentive Allowance and an evaluation of the Independent Circumstances Allowance.

The Unit is currently carrying out two major projects on key areas of the Children, Young Persons and Their Families Act 1989. One is on Family Group Conferences in the Care and Protection area, and the other is on the four orders available to the Youth Court. These projects are due to be completed in the second half of 1991. The Unit also participates in and services the Department's committee on evaluating the Children, Young Persons and Their Families Act.

In addition to carrying out project work, the Unit provides evaluation assistance and advice to head office Policy and Programmes Division staff. This service was set up in response to the requirement that programme managers monitor and evaluate the programmes for which they are responsible. The Unit has facilitated a number of training sessions and developed some guidelines for carrying out monitoring and evaluation.

This programme contributes to Output Class 10.

7. INTERNAL AUDIT

The objective of Internal Audit is to assist the Chief Executive and other departmental staff to discharge their responsibilities and achieve identified outputs. It provides for the independent and systematic appraisal and evaluation of departmental operations and for advice to the Director-General and senior management about the effectiveness, efficiency and equity of the Department's operations, procedures, practices and management and internal control.

Internal auditing in the Department has a broader perspective than traditional financial reporting and can respond quickly to important information needs of management. It has the capacity to report on one-off, focused issues as well as the regular appraisal of offices.

The information service provided by Internal Audit enables management to make better informed decisions about the activities reviewed, and promotes optimum use of all resources, an enhanced control environment and the production of the desired quality of outputs to achieve Government outcomes.

The extent to which established goals and objectives for operations and activities are met is assessed in a number of ways including:

- Compliance with legislative authorities, government policies, departmental instructions, guidelines and procedures.
- Effectiveness.
- Efficiency.
- The safeguarding of resources and, as appropriate, the verification of the existence of assets.
- The adequacy and security of existing and proposed systems.
- Reliability and integrity of information.

The Quality Review component of Internal Audit provides New Zealand-wide information about the volume, causes and costs of errors in administering benefits. This is a structured programme based on random samples of four benefit types and is reported externally annually, but internally at the time of the review of each selected file and beneficiary.

The Department employs approximately 65 Internal Audit staff. The staff, located in Auckland, Hamilton, Wellington, Christchurch and Dunedin, include specialists in quality review, accounts, administration, social services, benefits and pensions and EDP. The Chief Auditor reports directly to the Chief Executive.

8. OPERATIONS

Operations is a branch of the Information Systems Division of the Department's Head Office.

Functions

The Director Operations reports to the Assistant Director-General, Information Systems and is responsible for the provision of:

- (a) national systems and procedures (excluding data processing systems) to enable the effective and efficient delivery of services by field operational staff;
- (b) effective compliance and quality assurance systems and procedures so that losses through fraud and abuse are prevented or minimised;
- (c) workload data and analyses to enable the Department to accurately cost its outputs and ensure that the Department's resources are deployed equitably and efficiently;
- (d) advice on the operational feasibility, resource implications and implementation of new policy.

The Operations Branch also acts as a key interface between the Head Office and District Offices by co-ordinating the implementation of new policy.

Current Issues

Some important current issues relating to the Operations Branch's area of responsibility are:

- (a) The complex and cumbersome nature of some national systems and procedures. These contribute to the overhead costs of delivering departmental outputs and are also slowing the development of the new SWIFTT computer systems;
- (b) The need to develop more effective systems and procedures for preventing and minimising fraud and abuse;
- (c) The need to review and improve internal controls operating within the Department. Current controls are overly prescriptive and inconsistent with managerial accountability. They are also deficient in limiting exposure to some types of staff fraud;
- (d) The need to better support the provision of policy advice to the Minister and Government in terms of resource implications and operational feasibility issues.

Current Work Programme

A range of projects is planned over the next year to address these issues. These include:

- (a) the extension of the Department's Benefit Payment Control Programme into a further 15 district offices;

- (b) the introduction of new techniques to improve the effectiveness of this programme;
- (c) a study into the desirability of greater sharing of information between Government agencies and the introduction of a common client identifier (the Mason Review) as a means of combating fraud and abuse;
- (d) work to standardise and simplify national systems and procedures;
- (e) work to improve compliance and quality assurance systems and procedures;
- (f) a review of the Department's internal control systems and procedures.

In addition, Operations Branch staff are heavily involved in:

- (a) the implementation of various Budget initiatives (the introduction of a "Living Alone Payment" for GRI earners and extension of the LPC Scheme);
- (b) implementation of Family Assistance reforms and the new Universal Benefit;
- (c) development of the new SWIFTT systems.

Various of these initiatives are commented on in other sections of these papers.

9. PRINCIPAL SOCIAL WORKER

Functions

The Principal Social Worker has responsibility to consult on, promote, develop, and monitor the competence and quality of social work services in the Department. Of fundamental concern is the changing nature of social work roles and tasks as the Department implements the Children, Young Persons and Their Families Act 1989. The Principal Social Worker also assists in the resolution of disputes between social workers and the interests of the organisation or users of social work services.

The objectives of the Unit are:

- (a) To develop and implement policies and strategies which promote competent bi-cultural social work practice;
- (b) To provide advocacy and support for social workers;
- (c) To advise on the appropriate social work contribution to social welfare policies, programmes and services;
- (d) To advise on the development of social work as a resource within the Department; and
- (e) To contribute to the effective resolution of disputes between social workers and the interests of the organisations or users of social services.

Current Work Programme

In the 1990/91 financial year the Principal Social Workers Unit is to design and implement two programmes that are to promote the competence and quality of the Department's social services delivery. These programmes are:

(a) Competence and Certification

This project will provide the basis for programmes of training and supervised practice which will lead to a social services qualification consistent with requirements of the New Zealand Council for Education and Training in the Social Services and the New Zealand Qualifications Authority.

This project will contribute towards Output 50.

(b) Quality Assurance

A system is to be developed to monitor the quality of social services delivery as perceived by clients and checked from random file search and staff interviews.

The Quality Assurance Project will contribute towards Outputs 50 & 70.

10. INDUSTRIAL RELATIONS

Introduction

Since the advent of the State Sector Act 1988 the Department has become an employer in its own right. It maintains a small unit in Head Office responsible for industrial relations and human resource policy.

Negotiations for a DSW Employees Agreement are usually held annually (although this can be varied subject to mutual agreement). The current agreement will expire on 30 June 1991.

DSW staff are very union conscious. The sheer weight of the clerical staff in the Department, which outnumbered that of any other single department, has been used by the PSA in the past to push for wages and conditions with public service wide implications. The Department is clearly used as the "cutting edge" of association strategy.

Provided there is no personal risk, DSW staff have shown a willingness to use industrial action to pressure management through various forms of industrial action on a variety of issues. They have generally stopped short of taking action that would result in cessation of pay.

Nevertheless the Department enjoys a good relationship with the association and has developed a consultative approach formalised by a joint consultation agreement that in the main works well.

Developments in Industrial Relations Policy

The Industrial Relations Branch is responsible for the development of industrial relations policy for the Department, and for planning its implementation once approved.

Recent developments have included:

- A range of rates remuneration system affecting over 6,000 employees of the Department.
- Remuneration policy for senior managers excluded from the Employees Agreement.
- Health and safety policy for the introduction of new technology.
- Policy and procedural guidelines for a Change Management Manual to assist managers in carrying out their responsibilities in surplus staffing situations.

Current Issues

Most of the policy and change management issues facing the Department have industrial relations implications. These include:

- (i) **The SWIFTT Computer Project** - Industrial harmony is vital for the successful implementation of this project. SWIFTT has the potential to reduce staff numbers in the benefits processing and typing occupational areas. This is understood by staff and the PSA who have been involved in all stages of the implementation of the project.

The development must have regard for the application of the Code of Practice for VDU's, and the standards for occupational health and safety. Good progress has been made in establishing a protocol and meeting agreed standards for computer equipment and ergonomic furniture. A protocol for environmental standards (i.e. lighting, heating, ventilation) has also been developed, and the Department is doing all it can to meet the standards set by the Labour Department's code of practice with the level of funding available.

Good progress has been made with occupational health and safety committees now established in nearly all offices and successful training programmes have been implemented.

- (ii) **Benefit Reform** - Major reforms in income maintenance announced by Government in the last Budget are work intensive. The Department will require additional resources for the delivery of the universal benefit, enhanced family benefit, independent youth benefit, and unsupported child's benefit. These are currently being quantified, as is the possible impact on existing staff.
- (iii) **FAMIS** - The introduction of a new accrual accounting (mode B) system on 1 July 1990 within a tight timeframe and with a limited budget imposed a heavy strain on accounts staff with problems experienced with the computer system, training, and insufficient staff resources. The PSA pressed strongly for compensation in the form of cash and leave for its members. This was declined by the Department as it was not possible to single out for special treatment the staff of one unit when virtually all units have been and continue to work under the pressures imposed by a climate of continuing change.
- (iv) **The Effect of the CYP & F Act on Social Workers** - The passing of the Children, Young Persons and Their Families Act which came into effect in November 1989, radically changed the nature and way social work services are carried out in the Department.
- (v) **Industrial Democracy** - As noted in the preamble the Department has an agreement with the PSA on industrial democracy and consultation. Currently the PSA is seeking an enhancement to that agreement in the form of relief structures for delegates unable to do their normal work due to PSA delegate activity. In essence this means more staff as the Department could not provide such relief without affecting other areas of the organisation and its service delivery in particular.

- (vi) **Change Management** - Advice and guidance to management on change management issues.

Recent or impending legislative changes will also impact on industrial relations.

- (vii) **The Introduction of the Pay Equity Act** - The Department is subject to a mandatory requirement to develop equal employment opportunities programmes for the designated groups in consultation with workers and the PSA, and is also obliged to develop pay equity assessments policy (Over 70% of the Department's staff are women).
- (viii) **Pending legislation on Occupational Health and Safety, and Industrial Democracy and amendments to the Labour Relations Act** - Changes to current legislation and introduction of new legislation will impact on the Department and it will be necessary to develop policies and guidelines for their application.

The Labour Department's VDU code of practice already imposes obligations on the Department which if fully implemented could cost the Department millions of dollars in environmental (furniture, curtaining, ventilation) upgrading.

11. STAFFING**Staffing By Major Functions and Occupational Class**

As at 30 June 1990 the Department had 8,175 employees located in different offices throughout the country.

The distribution of these staff within the functions of the Department is as follows (as at 30 June 1990):

-	Benefits, Pensions and Revenue	47%;
-	Management and Administration	33%;
-	Social Services	20%

Within occupational groupings, the majority of the Department's staff are employed in Executive/Clerical positions. The breakdown of departmental staff by occupational class is as follows:

-	Executive/Clerical	65.7%
-	Social Workers	12.5%
-	Not Classified	8.6%
-	Other Administration	7.0%
-	Residential Social Workers	3.3%
-	Other	2.1%
-	Residential Care Workers	0.7%
-	Senior Executive Service	0.1%

Staff Turnover

The rate of staff turnover has fallen over the past three years, from almost 16% for the 1987/88 year to about 11% in 1989/90. However, the average staff turnover amongst social workers has been much higher at about 21% over the past year. This is largely the result of the review and restructuring of residences, with the subsequent reduction in the number of residential social workers required.

12. TRAINING AND DEVELOPMENT

The Function

The Training and Development function has been identified as a key element in enabling the Department to produce the outputs required by government, and to manage the process of change inherent in the recent reform policies. It does not provide outputs directly but contributes to all of them by enabling managers to improve and sustain staff performance.

Training and development is also a key component in the fulfilment of the Chief Executive's obligations to be a "good employer" as defined in the State Sector Act 1988.

Structure and Roles

Head Office Training and Development Services Division reports to the Assistant Director-General (Resource Management). There are three separate units dealing with departmental training; Social Work Training, Management Development, and Clerical and Technical Training. The Division is also responsible for providing administrative support for the NZ Council for Education and Training in the Social Services, although this function is to be transferred to the Ministry of Education this year.

The Division advises on training policy, designs and develops training programmes to support change management projects, and provides training information and quality assurance at the national level. It has operational responsibility for senior management development, and administers national study awards for social workers.

The four new regional Operations Offices each have a Senior Advisory Officer (Human Resources) to monitor District Office performance in managing the human resource function (of which training is an integral part). These people report to and advise their respective Assistant Director-General.

Operational training in each region is co-ordinated by a Training Co-ordinator (attached to one of the larger offices in each region). This officer may lead a small team of trainers to provide training that may be better delivered centrally, in terms of economies of scale. For example, social work, management and cultural training.

The ADG's (Operations) also have responsibility for small teams working on a project basis to support the implementation of major change initiatives such as SWIFTT. These teams include project training co-ordinators who liaise closely with the Head Office training staff associated with the projects, and with District Office trainers.

The bulk of training delivery is carried out at District Office level. This includes on-the-job technical training, and group training such as induction, supervisory and interviewing skills.

The introduction of computer-based training associated with the new information systems will have a considerable impact on the nature of future training.

13. EQUAL EMPLOYMENT OPPORTUNITIES

State Sector Act 1988

Section 58 of the State Sector Act states that the Chief Executive shall each year:

- * develop and publish an EEO programme for the Department
- * ensure that the EEO programme is complied with throughout the Department.

In developing personnel policies the Chief Executive should comply with the principle of being a good employer as outlined in section 58, especially being aware of the aspirations and employment needs of Maori, Women, Disabled, Ethnic Minorities as well as individuals.

The Chief Executive must include in the Department's annual report to Parliament a progress report on the EEO programme and is also required to furnish an annual report with statistics to the Commissioner of State Services. The Chief Executive's performance in this area is monitored by the State Services Commission.

Employment Equity Act 1990

This Act identifies:

1. inequality of opportunity for designated groups in paid employment
2. inequality of remuneration for women
3. the need to promote EEO through the use of EEO programmes and the elimination of inequality of opportunity for designated groups.

Designated groups are:

Women, Maori, Polynesians, some ethnic or national origin groups, workers with physical or mental disabilities and others, yet to be designated. This Act comes into force in October 1990. In terms of the EEO programme it means that it has to be developed and implemented in consultation with the Union and workers. The Commissioner of Employment Equity needs to approve the Programme.

Equal Employment Opportunities

1. The function of the Equal Employment Opportunities Programme is to ensure that discriminatory practices within the organisation are identified and changes occur which benefit the organisation and contribute to the Department becoming a good employer.

2. Through the development of EEO networks at all levels of the organisation discriminatory practices are beginning to be identified.

3. Equal Employment Opportunities is a new area in human resource management in NZ and implementing legislative requirements while critiquing present practice is a key function. The development of good monitoring systems will also contribute towards ensuring managers are accountable for their effective use of human resources.

Organisational Structure and Roles

There is a small EEO Unit in Head Office with the key function of providing expert advice in the development, promotion and monitoring of the EEO programme within the Department.

The unit comprises a director, EEO specialists and an administration officer. The director reports to the Assistant Director General (Resource Management).

EEO specialists for Women, Maori, Pacific Island, and Disability have key functions in providing specialist advice for their areas relating to the employment issues for their groups.

14. PUBLIC AFFAIRS

Public Affairs is responsible for all of the Department's major internal and external communications. The unit covers the areas of media, client publications, community initiatives, internal communications and handles information enquiries from the public. It services Head Office, Operations Area and District Offices and has regular contact with the Minister's office.

The unit's work includes:

Communication strategies - covering both communications for large internal projects such as the SWIFTT and CYPFIS computer systems and for external changes such as Benefit Reform and the introduction of the Living Alone Allowance.

Media Relations - includes press releases, acting as spokesperson for the Department, advice on handling the media, arranging media training, and identifying promotional opportunities for DSW. A particular concern in this area is to improve the Department's media performance and to take a pro-active stance to media relations.

Client Publications - the Department is continuing its efforts to make information about its services accessible and understandable to its client groups. Public Affairs publishes a wide range of brochures and posters and is planning to expand its range of translations.

Corporate and Community Communications - The unit is working to strengthen the Department's corporate image and to take initiatives which will assist District Offices with their community and client relations.

Documentation Services provides a publishing service for technical and procedural material produced by DSW staff, advises on categorising and circulation of Circular Memoranda, keeps originals of policy and data processing manuals up to date, and provides a desk-top publishing service for DSW staff.

15. INFORMATION SYSTEMS

The responsibilities relating to information technology fall within three areas of the Information Systems Division. They are:

- (1) Operation of the Department's computer systems and the provision of such services to District and Head Offices. These responsibilities are provided by the Information Technology Service Centre (ITSC);
- (2) The development of new computer systems. The main ones are:
 - The SWIFTT project (Social Welfare Information For Tomorrow Today) which is redeveloping the main computer systems;
 - CYPFIS (Childrens and Young Persons Information System), which will provide management information in respect of CYP&F Act and a tool to assist social workers undertake their specific tasks;
 - Management information systems;

(Responsibility for the development of the financial management information systems belongs with the Finance Division).
- (3) Ongoing strategic planning for the use of technology within the Department.

1. OPERATION OF THE DEPARTMENT'S COMPUTER SYSTEM

THE INFORMATION TECHNOLOGY SERVICE CENTRE (ITSC)

(i)

The Centre is responsible for the operation, maintenance and enhancement of all computer systems provided to District Offices. New systems (SWIFTT, CYPFIS and FAMIS) have been developed outside of the Centre to ensure the appropriate management focus is directed to these major investments by the Department. They have been staffed by ITSC staff on secondment and contract employees, but it is intended that responsibility for their operation, maintenance and enhancement passes to ITSC once their implementation has been successful.

The Centre is situated in Upper Hutt in new premises which were opened on 21 July 1990 and house approximately 170 staff.

ITSC is responsible for the provision of a networked computer system to District Offices, Residential Institutions and Head Office.

The dedicated computer mainframe and network service is provided to the Department under contract by the Government Computing Service (GCS).

ITSC is responsible for the operation of the Department's computer systems which run on the equipment and network provided by GCS.

(ii) Existing Benefits and Pensions Systems

ITSC presently operates seven major computer systems covering the Benefits and Pensions area. In addition, there are a number of smaller subsidiary systems that provide support to Benefits and Pensions staff in District Offices. The services provided from the systems include:

- Collection of liable parent contributions and other revenue;
- Assessment and issue of benefit payments;
- Taxation of payments and the issuing of taxation certificates;
- Issues of some letters and forms to beneficiaries;
- Provision of management information;
- Identification of clients.

(iii)

The primary objective of the computer systems at ITSC is to provide for the accurate and timely payment of benefits to beneficiaries. A secondary objective is to provide support information to District Offices to allow them to service clients effectively. ITSC acts as custodian of the client data on behalf of District Offices and as the paying agent for the bulk of the Income Support payments. District Offices have access to the latest information on file and change it by keying into the local terminal any changes which are then up-dated overnight. There is now on-line processing for family benefit (the first part of the new SWIFTT system).

There are about 2.5 million payments per month issued from ITSC, which cover the regular periodic payments (weekly, fortnightly and four weekly) as well as daily payments in respect of new or amended cases.

The main method of payment is the direct credit system to Databank, ASB, Postbank and Trust Bank group, as well as making payments direct to clients and to other agencies such as the Housing Corporation and the Iwi Transition Authority for payment of rent and mortgage repayments.

District Office Support

(iv)

Support is provided by a Help Desk, which provides a problem resolution service to District Office staff. Currently about 100 problem calls per day are received at the Help Desk.

Support is also provided for the provision of local processing in District Offices, with advice on the selection and purchase of PC hardware and software in accordance with standards.

- (v) There are a number of other systems which operate within the Corporate Services area, but the majority of them are not within the responsibility of ITSC. The main ones are:

- financial management
- debts
- the payroll system.

2. NEW COMPUTER SYSTEMS

(a) THE SWIFTT (SOCIAL WELFARE INFORMATION FOR TOMORROW TODAY) PROJECT

(i)

The need for a major overhaul of the Department's computer systems was initially identified during Operation Staff Plan in 1985. This project was an intensive review of all work practices and systems.

A firm of independent consultants was commissioned to carry out an investigation and they presented a Strategic Information Systems Report in 1987. The report concluded that the existing systems were fundamentally wrong in design and could not provide the levels of service required. Therefore, a significant redevelopment was required to meet the needs of the Department and the Government.

This conclusion was endorsed by the report of the Administrative Review Committee (December 1987) which identified improvements in computer systems as being essential to improving client service and improving the Department's efficiency.

In December 1987, the Cabinet approved in principle an upgrade of the Department's computer system.

(ii)

The broad objectives of the new system are:

- (a) to improve the service to clients;
- (b) to improve the environment for staff;
- (c) to provide management information to allow policies to be effectively implemented;
- (d) to improve cost-effectiveness in the Department;
- (e) to be able to respond more quickly to new legislation;
- (f) to provide a technological base for expansion into the 1990s.

(iii) Features of the New System

The new system's design incorporates the following major features:

- (a) replacement of separate databases with an integrated database so that each client would be represented once only;
- (b) online data entry, updating and enquiry;
- (c) greater security of information;
- (d) reduced error rates.

(iv) Systems Design

The fundamental requirement of the system is to integrate the existing eight databases into one logical database so that each client appears only once in the system.

This has led to the concept of General Client Information which forms the core of the system and is independent of information pertaining to any particular type of benefit.

The system will provide the ability for staff to enter information online and immediately update the database. Thus it is essential that all primary users of the system have permanent and immediate access, necessitating a computer screen for each of them. Printers will be shared in the ratio of about one to four.

The system has elaborate security safeguards built in which limit certain users to certain tasks based on their training. It logs all the changes that each user makes.

(v) Impact on Clients and the Department

The system will have significant advantages for both clients and the Department.

The Department will be able to deliver its services in far shorter time-frames and the deadlines between actioning paper work and getting a payment to the bank will be considerably reduced.

Clients will be able to conduct their business, and upon leaving the Department have written advice as to the decision made and when they can expect some resulting action to take place. Fewer client visits should result.

The Department can expect far fewer clerical errors and a considerable reduction in the volume of overpayments taking place.

Fewer special needs grants will need to be approved.

Clients will be able to conduct their business at any of the Social Welfare offices with relative ease and the lack of a paper file will no longer be important.

This technology will be visible to clients when they conduct their business with the Department.

(vi) Impact on the Department

The system will result in increased productivity.

Staff will have an improved environment to work in and improved tools of trade.

A greater reliance can be placed on the quality of information that is contained in a single database.

Better quality decisions will result.

Improved training will be available because of the development of Computer Based Training.

Management information will mean that managers will be able to make better judgements about the service they provide and respond in a more timely manner to the community's needs.

The Department will be able to more accurately measure the outputs on which it is required to report to Government.

The Department can be more responsive to policy changes requested by the Government.

(vii) **Development to Date**

A project team was assembled early in 1988. The first task was to decide what the requirements of the new system would be. Advice was sought from independent consultants. Once decisions on the basic specification of the system were made, independent consultants were commissioned to provide cost benefit analysis of the system. They found (based on an estimated timetable and estimated costs) that while over a five year period the total additional expenditure on systems would be \$73 million, over the same period, a conservative estimate of the tangible savings would be \$94 million. These savings will continue to accrue once the system is fully operational. Following further work it was decided that a higher proportion of the system would be implemented in the first phase than was originally planned. This, together with a shift in the exchange rate, resulted in a final approval of \$80 million with cost savings, once fully implemented, of \$22 million.

All District Office equipment meets the Department of Labour code of practice for environmental health and safety. Furniture standards were developed and agreed to in conjunction with the PSA.

(viii) **Implementation**

The first part of the system to be developed was the Family Benefit system. This has been in operation since 6 August 1990.

The system has operated extremely well and while there have been a few "teething problems", they have not been at a level that would normally be expected from a system of this size.

Staff are very satisfied with the system and already the benefits of increased productivity and increased client service are being seen.

Stage II of the installation of equipment will commence during the next few weeks.

(ix) **Ongoing Development**

The Labour Government's Benefit Reform initiatives have necessitated a review of the original implementation plan. With Family Benefit successfully delivered through SWIFFT, the project is now focusing on two developments:

- (a) the new Family Benefit; and
- (b) the Universal Benefit.

The implementation of the new Family Benefit system is well underway and will be available from 1 April 1991.

Universal Benefit will initially be paid out from 1 April 1991 using the existing benefits and pensions data processing systems. Full development of this part of the SWIFTT system is contingent on the final legislation and the development of policy and procedures for the delivery of the benefit.

(b) CHILDRENS AND YOUNG PERSONS INFORMATION SYSTEM (CYPFIS)

The development of the CYPFIS system is a sub-system of SWIFTT, but is under the management of a separate project to ensure appropriate management focus.

The objectives of the CYPFIS system are:

- (a) To provide management with information required by the Department under the CYP&F Act.
- (b) To enable the Department to monitor and advise the Minister on the effect of social policies and social issues.
- (c) Ensure that the cases of children and young persons subject to action under the Act are regularly reviewed to assess the adequacy and appropriateness of that action.
- (d) Provide a recording tool for social workers to replace their current paper-based systems.
- (e) Enable supervisors to monitor individual cases and work loads within each office, thus monitoring staff productivity.

The system will operate on the same sort of computer equipment as that being installed for the SWIFTT system. The system will be networked but provides for distinct separation of each District Office's data within a regional environment. Access to another Office's data is only through the central database, which provides a read only facility to a limited set of information.

The development of the system began in 1989 and has been piloted in a "stand alone" mode in six District Offices since April 1990. It will be implemented in a further District Office in November to fully test the networking of the system.

The District Office compact system will then be progressively introduced between February and April. The final dates for implementation are dependent on the availability of training. (There are a number of demands for training because of the implementation of new policies).

The central system to allow for central collection of national information and access to another office's data will be available in April.

The information of CYPFIS into Districts will change the way in which the administration of procedural work associated with the new CYP&F Act will be undertaken.

The development of the system has therefore also required the development of the procedures relating to the administration of the Act.

3. ONGOING STRATEGIC PLANNING

The installation of the SWIFTT equipment and the redevelopment of the systems provides a platform for the use of technology through to the year 2000.

The final implementation of equipment is due to commence within the next six weeks and will be completed by May. The system development itself has still some way to go before completion.

However, as stated, the equipment provides a platform for future development. Work is commencing to identify additional areas of technology which will improve the efficiency of the Department. Some such areas are:

- artificial intelligence/expert systems;
- optical disk;
- speech recognition; and
- synthesis systems.

16. OFFICE ACCOMMODATION

Introduction

In recent months the Department's management of office accommodation has attracted much media attention.

The Department of Social Welfare is one of the largest state service tenants of office accommodation, with offices located throughout New Zealand.

The Department owns only four office buildings whilst it leases space in 184 more. The Department has budgeted for \$38 million this year to meet its office rental costs. (This represents about a third of the Department's operating costs excluding Personnel).

Background

Until 1986 the Department's office accommodation was acquired, managed and maintained by the Government Office Accommodation Board, (GOAB).

As the largest tenant of office space in the country the Board exercised considerable 'muscle' obtaining office space at competitive prices and resisting terms and conditions disadvantageous to Government. However, the accommodation supplied to the Department by the GOAB was totally inadequate.

The GOAB ceased to exist in 1986. It was replaced by the Government Property Services, an SOE, which had a dual role:

- to manage property with the objective of obtaining a profit on investment and leases;
- to act as an advisor to departments, to manage leases and negotiate new or renewed leases.

These roles were hopelessly at odds. Whilst seeking to gain the highest possible price for their portfolio already leased out to DSW it was also obliged to gain the lowest possible price for DSW as its advocate. Departments had now (with the closure of the GOAB) the choice of using the GPS or some other agency. The Department usually chose some other agency. However, problems remained.

GPS for good commercial reasons had demanded from the outset that it wanted 'net' leases. Under a net lease the lessee's rental covers only the cost of occupying the space. Other services including external maintenance, maintaining lifts, heating and ventilation systems and internal maintenance are an extra charge. It demanded, along with the rest of the industry, a ratchet clause so that rentals could never go down even if the market collapsed, as it subsequently did.

The old GOAB had refused to pay net rentals. At the time the GOAB was disestablished the difference between a gross rental and a net rental was \$3-5 for square foot. While DSW has subsequently, by and large, refused to pay net rents it has been obliged to pay the difference between the gross and net rental to ensure that the landlord retained responsibility for maintenance of building and plant.

Current Situation

As an agent of Government the Department's response to growth and budget announcements must of essence be 'here and now'. Leases for office buildings on the other hand are long term. Prior to the stock market crash and at the height of the Department's growth, landlords were demanding rental terms of 10-15 years for new leases. The Department had little or no choice over extra space - extra staff were to be taken on, extra space had to be taken. It was common for the Department's staff in many districts to be spread over three to four buildings (up to seven in one or two).

Since the demise of the GOAB the Department has replaced approximately 3/4 of its rented accommodation. Since 1986 annual rental charges have increased from \$8 million per annum to \$38 million per annum. While some of this increase is attributable to the growth of the Department and a consequential increase in office space, and the effects of inflation we estimate that the effect of the 'net' rental has been to increase all lease costs by between \$9-15 million dollars.

The Department's business is the delivery of income maintenance and social services. It realises that it does not have the expertise to manage a quite substantial property portfolio. A recent report on the Management of Office Accommodation commissioned by the Department has recommended that it engage an Asset Manager to:

- establish a comprehensive computer data base
- revise policy and guidelines for the ongoing management of assets by regional managers, but operating within the counsel of the Asset Manager.

SECTION TWO: INCOME MAINTENANCE

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SECTION TWO: INCOME MAINTENANCE1. INTRODUCTION

This section outlines the income maintenance programmes which Social Welfare administers. It does not include details of the Universal Benefit (which are contained in the 'Key Issues' document).

The 1 December 1990 changes to unemployment benefit, benefit stand-downs, youth support, and Liable Parent Contributions are detailed.

The section begins with a description of some general features of the benefits - such as rates, then details the various programmes by name.

2. GENERAL BENEFIT MATTERSINCOME TEST

The standard benefit income test which has been in place since October 1986 is as follows:

Income Exemption - The basic income exemption is \$50 pw (or \$60 pw for those with dependent children).

Abatement - Income in excess of the exemption but less than \$80 pw causes the benefit to be reduced by 30 cents for each complete \$1. Income above \$80 pw causes the benefit to be reduced by 70 cents for each complete \$1.

The income test is applied on a weekly basis for sickness and unemployment benefits. It is applied on an annual basis for all other income tested benefits (widows, invalids, domestic purposes, veterans pension; guaranteed retirement income - where one spouse does not qualify in his/her own right). This means that the annual income exemption of \$2,600 (or \$3,120 where there are children) can be earned at any time during the year.

The structure and application of the income test would change with the introduction of the proposed universal benefit in April 1991. Refer to the "Key Issues" section of the Briefing Papers.

TAXATION OF BENEFITS

Income-tested social security benefits and income-tested war pensions are taxable income - but DSW currently only has the ability to apply the standard tax code.

If recipients have other income, that income should be taxed at secondary rates, or using a special tax code provided by Inland Revenue. It is standard departmental practice to refer in publicity to the net benefit rate.

Guaranteed Retirement Income is also taxable but recipients are able to advise special and secondary tax codes where the standard rates are not appropriate.

It is the net rate (at standard tax) of benefits, pensions and guaranteed retirement income which is indexed.

Supplementary provisions such as the accommodation benefit, disability allowance and special benefit are not taxable. Nor are family benefit, and compensatory war pensions.

ADJUSTMENTS TO BENEFITS, PENSIONS AND RETIREMENT INCOMES

From 1973 until 1988 social security benefits were generally increased twice a year in line with Consumers Price Index (CPI) movements. The rate of national superannuation was also increased twice a year, but was set at 80% of the average wage after tax.

From April 1989 social security benefits have been adjusted annually - each April. Benefits continue to be increased in line with the CPI provided that the standard married rate (couple with no children) falls within 65% to 72.5% of the net average wage.

From April 1989 the rate of national superannuation/GRI has been increased by the lower of the movement in the CPI or net average wages. The long-term policy is for this adjustment method to continue only until the rate of GRI converges with the general social security benefit rate. It is anticipated that it will take 10 to 15 years for this to occur. Once the rates are aligned, GRI will be adjusted by the same method as for social security benefits. GRI will therefore not fall below 65% of the net average wage.

PAYING ARRANGEMENTS

Payment of benefits, pensions and GRI is by way of direct credit into accounts at approved financial institutions.

Where a benefit is paid in respect of a couple, half of the entitlement is paid to each spouse. The exceptions are family benefit and family support, which are paid to the caring parent - usually the mother.

GRI in respect of couples comprises payment of two "married person" entitlements - one to each spouse. Provision also exists to pay both entitlements jointly to one spouse where the couple elect this.

REVIEWS AND APPEALS

If a beneficiary or applicant is dissatisfied with a decision that person can apply to have that decision reconsidered. This review function is undertaken by District Review Committees, which comprise a member of the District Executive Committee as well as two departmental officers.

A right to appeal against a review decision made by a District Review Committee exists in the form of an application to the Social Security Appeal Authority. This is a body comprising people independent from the Department and is administered by the Tribunal Division of the Justice Department.

Beneficiaries and applicants are notified of their review and appeal rights.

SUMMARY OF RATES FROM 1 APRIL 1990

SOCIAL SECURITY BENEFITS

Weekly Net Rate
\$Beneficiaries Without Children

Sickness, Invalids, Widows, and Domestic Purposes Benefit

- Married Couple (1/2 each)	270.44
- Single Adult (over 20)	162.26
- Under 18	131.30

Unemployment Benefit

- Married Couple (1/2 each)	223.22
- Single Adult (over 20)	143.57

Beneficiaries with Children

- Married Couple (1/2 each)	255.08
- Sole Parent With One Child	213.14
- Sole Parent With Two or More Children	228.87

Family support is paid in addition at \$36 pw for the first child and \$16 pw for subsequent children, plus \$6 pw family benefit for each child.

Youth Rates (Unmarried)

- 16 to 17 year olds	86.14
- 18 to 19 year olds	114.86
- Independent Circumstances	114.86

GUARANTEED RETIREMENT INCOME AND VETERAN'S PENSION

- Married Couple (1/2 each)	288.10
- Single Person	172.86

3. PARENT BENEFITS

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3. PARENT BENEFITS

A. INVALIDS BENEFIT

Invalids benefit is payable to people aged 15 years or over who are either totally blind, or are permanently and severely restricted in their capacity for work as the result of an accident, illness, or congenital disability.

The standard income test is applied, but there are special exemptions on personal earnings for severely disabled and totally blind persons.

Expenditure 1989/90: \$260,751,000.

Output Class 20: Income Tested benefits

Comment

The number of current invalids' benefits continues to increase steadily each year, by approximately 1,000 beneficiaries. There were approximately 27,800 benefits in force as at 30 June 1990.

Legislative Authority

Social Security Act 1964 (Sections 40 - 46 and 53A).

B. SICKNESS BENEFIT

Sickness benefit is payable to persons over the age of 15 who are temporarily incapacitated for work through sickness or accident, and as a result suffer a loss of earnings. Where the loss of earnings is less than the standard rate of benefit, the rate paid is restricted to the pre-benefit loss of earnings level.

The standard income test is applied, and entitlement can be subject to a waiting period of seven days after the commencement of incapacity. This wait period is to be extended to 2 weeks (and introduced for other benefits) with effect from 1 December 1990.

Expenditure 1989/90: \$229,568,000.

Output Class 20: Income Tested Benefits

Comment

The number of people receiving sickness benefit at 30 June 1990 was approximately 19,500, which represented an increase of about 12% from the previous year and an increase of 37% from June 1988. This growth in numbers reflects the impact of depressed employment on people who have a reduced capacity for work.

Legislative Authority

Social Security Act 1964 (Sections 54 - 57).

C. WIDOWS BENEFIT

Widows benefit is payable to widows with dependent children (including de facto), and to some older widows without children having regard to their age, previous family responsibilities and length of marriage. Applicants must be age 16 or over.

It is subject to the standard income test, but with an additional personal income exemption of up to \$20 per week available where income is used to meet child care costs.

Expenditure 1989/90: \$114,888,000.

Output Class 20: Income Tested Benefits

Comment

The number of current widows benefits has remained constant over recent years. There were approximately 12,700 benefits in force as at 30 June 1990. Most are paid to women who no longer have dependent children.

Legislative Authority

Social Security Act 1964 (Sections 21 - 27).

D. DOMESTIC PURPOSES BENEFIT

This benefit is payable to a parent caring for children without the support of a partner, to a person caring at home for someone who would otherwise be hospitalised, and in some circumstances to an older woman alone. Applicants must be age 16 or over.

It is subject to the standard income test, but with an additional personal income exemption of up to \$20 per week available where income is used to meet child care costs.

Expenditure 1989/90: \$1,136,718,000.

Output Class 20: Income Tested Benefits

Comment

The number of people receiving a domestic purposes benefit continues to increase. There were approximately 94,800 benefits in force as at 30 June 1990, an increase of about 8% over the past year. This increase reflects the number of families subject to separation and dissolution in New Zealand, and the increasing reliance on sole parent benefits because of limited paid work opportunities currently available in New Zealand.

There continue to be only a small proportion of domestic purposes benefits paid to younger sole parents. As at June 1990 about 4,400 (4.6%) of domestic purposes benefits were paid to those aged under 20 years, and fewer than 1% were paid to those under 18 years.

There has been a significant rise in the number of male domestic purposes beneficiaries over recent years, and they now constitute about 9% of the total.

Contributions towards the cost of the benefit for single parents are required from the non-custodial parent, under the Liable Parent Contribution Scheme (outlined under a separate heading). The rate of benefit paid to the single parent can be reduced by \$16 pw if the recipient does not identify the non-custodial parent without sufficient reason.

Legislative Authority

Social Security Act 1964 (Sections 27A - 27H).

E. UNEMPLOYMENT BENEFIT

This is payable to people who are unemployed, are capable and willing to undertake full-time work, and have taken reasonable steps to obtain suitable employment. From 1 December 1990 it will be restricted to those aged 18 or over.

It is subject to the standard income test and a search for work test.

Applications face a "stand down" or waiting period of one to two weeks before entitlement commences. This wait period will become a standard two weeks with effect from 1 December 1990. This period can be extended because of high previous income or voluntary unemployment.

Expenditure 1989/90: \$1,235,056,000.

Output Class 20: Income Tested Benefits

Rate of Unemployment Benefit

The unemployment benefit for adults without dependent children is lower than for other benefits. Where there are dependent children, the rates are the same as for other benefits.

A youth rate of benefit is paid to young people aged 18-19. This is set at 80% of the single adult rate of benefit.

In 1988, it was decided as part of a reform of youth benefits and student and training allowances to introduce a parents' income test for the youth rate of the unemployment benefit. It is planned to introduce this test from 1 April 1991, along with the proposed universal benefit. The new youth regime is described in the Benefit Reform section of the 'Key Issues' document.

Young people who are judged to be in independent circumstances (refer Independent Youth Benefit) may receive 80% of the single adult rate without a parents' income test.

Comment

The number of people receiving an unemployment benefit continues to increase. Unemployment benefits in force at 30 June for each of the last 3 years were:

1990	1989	1988
139,625	129,339	96,036

This represents an increase of about 8% from 1989, and an increase of about 45% since 1988. The slowdown in the increase in unemployment benefit numbers can be attributed to a number of factors:

- an improvement in the employment situation of the economy
- the introduction of a system of youth allowances and the training benefit to encourage people into training and development alternatives
- the introduction of a 6 month wait period for school leavers applying for the unemployment benefit

Legislative Authority

Social Security Act 1964 (Sections 58 - 60).

F. INDEPENDENT YOUTH BENEFIT

This benefit will take effect from 1 December 1990.

To be eligible for independent youth benefit an applicant must not be living with their parents and not be financially supported by their parents or any other person, and cannot reasonably be expected to be financially dependent on their parents or any other person, because:

- (i) there has been a breakdown in their relationship with their parents; or
- (ii) their parents are absent or unable to financially support them; or
- (iii) they have moved away from home to another area where there are better prospects of employment or training; or
- (iv) they have been employed for at least 6 months in the period immediately before applying and have not lived with or been financially supported by their parents during that period.

It is subject to the standard income test and a two week wait period.

Output Class 20: Income Tested Benefits

Comment

This benefit will provide income support to those currently covered by the independent circumstances criteria for 16 and 17 year olds on the unemployment benefit. The same eligibility criteria will be used. In addition a family meeting will be convened when the young person applies for the benefit, unless the Department is satisfied that it would serve no useful purpose.

Coverage extends to 16 and 17 year olds who are in independent circumstances and at secondary schools as a way of encouraging them to complete their education.

As at 30 June 1990 about 2000 16 and 17 year olds were receiving the unemployment or training benefit under the independent circumstances criteria.

Legislative Authority

Social Security Act 1964 (as amended by the Social Security Amendment (No 2) Act 1990) (Sections 60F - 60G).

G. TRAINING BENEFIT

The training benefit was introduced from 1 October 1989. It is payable to people aged 16 years and over who are not full-time students, but are engaged in full-time employment-related training programmes.

It is subject to the standard income test, and from 1 January 1991 it will also be subject to a parental income test.

Training benefit is paid at the same rate as unemployment benefit.

Expenditure 1989/90: \$56,460,000.

Output Class 20: Income Tested Benefits

Comment

To the year ending 30 June 1990 a total of 14,426 training benefits were granted. The number of current training benefits in force as at 30 June 1990 was 9,453 - the vast majority of which were being paid for attendance at ACCESS courses.

Responsibility for the Training Benefit transfers to the Ministry of Education from 1 July 1991. The Department of Social Welfare will continue to pay the benefit as agent for the Ministry of Education.

Legislative Authority

Social Security Act 1964 (Section 60).

H. JOB SEARCH ALLOWANCE

The Job Search Allowance will come into force from 1 December 1990. It is being established in conjunction with raising the age of eligibility to unemployment benefit to 18 years. It will be available to 16 and 17 year olds who are unemployed (and meet the eligibility criteria for unemployment benefit) and have been employed, on a training programme or attending a tertiary education course for a continuous period of at least six months. The benefit is available for a maximum period of 3 months.

Output Class 20: Income Tested Benefits

Legislative Authority

Social Security Act 1964 (as amended by the Social Security Amendment (No 2) Act 1990) (Sections 60D - 60E).

I. EMERGENCY BENEFITS

An emergency benefit may be granted on grounds of hardship to any person who because of age, physical or mental disability, or any other reason is unable to earn a sufficient livelihood and is ineligible for any monetary benefit other than family benefit. The rate of emergency benefit is fixed on a case by case basis, but cannot exceed the rate of the appropriate statutory benefit.

Expenditure

Expenditure on emergency benefits is recorded with the benefit for which applications most closely qualify.

Output Class 20: Income Tested Benefits

Comment

Emergency benefit is one of a number of discretionary "safety net" provisions which recognises that the statutory conditions of the main benefits do not always fit the circumstances of people who are in financial hardship.

About 12,700 emergency benefits were in force as at 30 June 1990, with the majority relating to unemployed people.

Legislative Authority

Social Security Act 1964 (Section 61).

J. MINERS BENEFIT

A miner's benefit is payable to any person who, while working as a miner in New Zealand, contracted an occupational disease and is as a result permanently and seriously incapacitated for work, provided that compensation for the same disability is not being received.

The miner's benefit is not income-tested. A benefit for widows of miners' beneficiaries is also payable.

Expenditure 1989/90: \$68,000

Output Class 21: Non-Income Tested Benefits

Comment

There are very few miner beneficiaries - just 6 as at 30 June 1990. Accident Compensation provisions have superseded this benefit.

Legislative Authority

Social Security Act 1964 (Sections 47 - 53).

4. SUPPLEMENTARY ASSISTANCE

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4. SUPPLEMENTARY ASSISTANCE

A. ACCOMMODATION BENEFIT

Accommodation benefit is available to people whose income and cash assets are limited, and who have high accommodation costs. It is payable to both beneficiaries and low income earners, excluding Housing Corporation clients. It has its own income test and a cash assets test.

The level of benefit is determined according to accommodation costs and housing type - whether rent, board or home ownership (Low income earners are not eligible for assistance with mortgage payments).

The maximum rates: \$41 for a single person; and \$68 for a married couple or sole parent. In addition, a supplement of up to \$20 per week may be paid for people in residential care.

Expenditure 1989/90: Approximate annual expenditure \$121 million. Of this total, approximately \$1.4 million was paid to non-beneficiaries.

Comment

As at June 1990 there were 106,408 accommodation benefits in force (of which 423 were paid to non-beneficiaries). This total represented an increase of 8.4% from June 1989. The largest group of recipients were unemployment beneficiaries (about 53,000) and domestic purposes beneficiaries (about 26,000).

(The proportion of unemployment beneficiaries receiving accommodation benefit has remained relatively constant. The proportion of domestic purposes beneficiaries receiving accommodation benefit has dropped over the past 3 years).

The majority of people receive accommodation benefit for renting costs (50%), followed by board (38%) and home ownership (12%). Accommodation benefit policy was reviewed and restructured in 1986, with effect from June 1987. The 1987 policy reforms are currently undergoing a further review.

Output class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Section 61E 61F

B. ADVANCE PAYMENTS

(1) BENEFIT ADVANCES

Provision exists to pay in advance up to 6 weeks benefit to people in receipt of long-term social security benefits, who require immediate assistance for essential needs.

To the year ending June 1990 a total of 67,451 advances were paid (an increase of about 9% over the previous year).

Output class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Section 82(b)

(ii) MAJOR REPAIRS ADVANCES TO HOMES

An advance of up to \$2,437 may be made to beneficiaries or pensioners owning their own homes for essential repairs and maintenance, or to install essential services or appliances.

To the year ending June 1990 a total of 1906 advances were made, to the value of \$3,034,000.

Legislative Authority: Social Security Act 1964. Section 125

C. DISABILITY ALLOWANCE

This is payable to people with disabilities who receive income-tested benefits, or whose income would not preclude payment of such benefits, to assist with the additional costs associated with disability.

The maximum disability allowance is \$37.50 per week.

Expenditure 1989/90: Approximate annual expenditure \$53 million.

As at June 1990, 45,325 people were receiving a disability allowance, with the largest group of recipients being invalids beneficiaries (16,848) and guaranteed retirement income earners (16,732).

Output class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Section 69C

D. HANDICAPPED CHILDS' ALLOWANCE

This is payable to the parents of seriously physically or mentally handicapped children being cared for at home.

The allowance is a flat rate of \$28 per week and is not income-tested.

Expenditure 1989/90: \$11,267,000

To the year ending 30 June 1990 there were 8,337 allowances paid in respect of 8,699 children. These figures remain constant with previous years.

Output class 21: Non Income Tested Benefits

Legislative Authority: Social Security Act 1964. Sections 39A to 39F

E. LUMP SUM PAYMENTS AFTER DEATH

These payments provide financial assistance to people with limited financial resources facing costs relating to the death of a family member. Payments are subject to either an income or assets test or both.

Categories for which lump sums may be paid include:

- (i) payment in respect of a surviving spouse (\$1,590) and any dependent children (\$795 each)
- (ii) payment on the death of a child (\$795)
- (iii) payment towards the funeral expenses of an unmarried person (\$795)

Expenditure 1989/90: \$5,574,000

To the year ending June 1990 the number of lump sum payments made remained constant, with a total of 6,026.

Output Class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Sections 61D-61DF

F. SPECIAL BENEFIT

Special benefit provides additional support to people who face financial hardship because of special costs.

It is available to beneficiaries and non-beneficiaries, subject to an income and assets test.

Expenditure 1989/90: approximately \$43 million - of this total, about \$3.5 million was paid to non-beneficiaries.

There has been a significant increase in the number of people receiving a special benefit. The number of special benefits in force at 30 June for each of the last 3 years were:

1990	1989	1988
22,540	13,474	6,827

Decisions taken for the 1990 Budget have capped expenditure at \$35 million for the year ending 30 June 1991.

Output class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Section 61G

G. SPECIAL NEEDS GRANT

This is a one-off payment made in an emergency situation where there is financial hardship.

Grants are available to beneficiaries and non-beneficiaries, and can be made recoverable.

Expenditure: An estimate of numbers of special needs grants and expenditure for the year ended 30 June 1990 is:

	Number	Amount
Non-recoverable	102,024	\$17,902,000
Recoverable	127,279	\$42,026,000
TOTAL	229,303	\$59,928,000

Recent Budget decisions have capped expenditure on SNGs at \$9 million for non-recoverable grants, and \$35 million for recoverable grants.

Output class 20: Income Tested Benefits

Legislative Authority: Ministers Welfare Programme under Section 124(1)(d) of the Social Security Act 1964.

H. TELEPHONE SERVICE RENTAL ALLOWANCE

An allowance of \$3.52 towards the cost of telephone rental is available to people in receipt of invalids, domestic purposes and widows benefits and veterans pension.

Expenditure 1989/90: Approximate annual expenditure \$10 million.

As at 30 June 1990 a total of 54,566 concessions were being paid.

Output class 20: Income Tested Benefits

Legislative Authority: Social Security Act 1964. Section 69A

I. TRAINING INCENTIVE ALLOWANCE

This allowance is available to widows, invalids and domestic purposes beneficiaries to help meet costs associated with attending approved training courses.

The current maximum allowance is \$20.50 per week, with provision to pay up to \$50 per week in exceptional circumstances. The payment can be continuing or in a lump sum (eg: to meet fees).

In the year to 30 June 1990 1,777 grants were made - the majority of which were to domestic purposes beneficiaries.

Legislative Authority: Ministers Welfare Programme under Section 124(1)(d) of the Social Security Act 1964.

J. TRANSITION TO WORK ALLOWANCE

This allowance is available to those who have been receiving an income-tested benefit for 12 months or more and who find a full-time job. It ensures that beneficiaries are, for the first 3 months of their employment, at least \$20 a week better off than they were on benefit. There is a maximum payment of \$40 per week.

Expenditure 1989/90: \$16,629

In the year to 30 June 1990, a total of 42 allowances were granted.

Output class 20: Income Tested Benefit

Legislative Authority: Social Security Act 1964. Section 69D

K. RE-ESTABLISHMENT COSTS PROGRAMME

This programme was established with effect from 1 October 1990 to assist:

- long term psychiatric hospital patients who are resettling into community living;
- sole parents who are assisted by Womens' Refuge Centres to relocate following separation;
- refugees who require assistance with re-establishment costs;
- ex-prisoners who require assistance with the costs of re-establishment into the community;

It has been estimated that expenditure on this programme will be \$5 million per annum.

Output class 20: Income Tested Benefit

Legislative Authority: Ministers Welfare Programme under Section 124(1)(d) of the Social Security Act 1964.

L. CHILD CARE SUBSIDY

This programme provides financial assistance to families who are unable to afford the full cost of child care. Assistance is only available in respect of children who are under 5 years.

The subsidy is subject to an income test. However, in special circumstances it can also be accessed through a social work referral, including payment of up to the full cost of child care as a preventive family support measure.

This programme is currently under review.

Expenditure: 1989/90: \$8.9 million

As at March 1990 a total of 6395 subsidies were being paid. Income tested subsidies accounted for 3801, and there were 2555 social work referrals.

Legislative Authority: Ministers Welfare Programme under Section 124(1)(d) of the Social Security Act 1964.

5. GUARANTEED RETIREMENT INCOME

Description

From 1 April 1990 national superannuation was renamed "guaranteed retirement income" (GRI), which is available to people aged 60 years or over.

GRI is not subject to an income test (except where a married couple rate is paid to a couple and one spouse does not qualify in his/her own right). However, it is subject to a tax surcharge at the rate of 20 percent on "other income" above certain income limits.

Expenditure 1989/90: \$4,774,676,000

**Output Class 83: Assessment and Payment of Income Maintenance
for Senior Citizens**

Comment

GRI expenditure is now charged to Vote: Senior Citizens. DSW services this vote.

There were 495,500 recipients as at 30 June 1990 - an increase of about 2% from the previous year.

RECENT REVIEWS AND THE FUTURE

An interdepartmental review of retirement incomes policies was conducted in 1988/89, which focused on developing a policy which would provide adequate income security for older people, and which would be sustainable in the future. The review involved a public discussion paper and a process of public submissions. Decisions on retirement incomes policy and the GRI were announced by Government in the July Budget 1989.

The differences between national superannuation and GRI are not great in the short-term. However, between the years 2006 and 2025 the age of entitlement will gradually rise from 60 to 65 years.

The most significant short-term change is that rates are now adjusted annually in line with the lesser of the annual movement in the Consumer Price Index or average after-tax wages, until they are aligned with other benefit rates. Before 1989 the after-tax rate of national superannuation for a married couple equalled 80% of average after-tax wages. At 1 April 1990 the GRI rate equalled 75.9% of after-tax wages.

In addition, the introduction of a general portability provision now enables guaranteed retirement income earners to receive 50% of the gross rate of GRI while permanently residing overseas (in cases where the person is not residing in a country with which New Zealand has a Social Security Agreement).

Legislative Authority: Social Welfare (Transitional Provisions) Act 1990.
Sections 3 to 7

6. WAR PENSIONS**Description**

The war pensions programme provides pension and rehabilitation assistance for service people, in respect of war service or military service before 1 April 1974. Assistance for service people injured after that date is provided under the Accident Compensation Act 1982.

The war pensions programme comprises:

- Veterans pension (previously war service pension, economic pension, and war veterans allowance) paid at the same rate as guaranteed retirement income, but not income tested or subject to the tax surcharge;
- War disablement pensions to provide compensation for disablement;
- Dependent pensions to provide compensation for death;
- Rehabilitation and resettlement assistance to assist the return to civilian life.

Expenditure 1989/90: \$108,714,000

Output Classes 21: Non Income Tested Benefit (for Veterans Pension).
80: War Pensions Administration.

(The Veterans Pension is funded from Vote: Social Welfare, while the remaining war pensions items are funded through Vote: War Pensions).

Comment

War pensions are increasingly related to the elderly section of the population - most are paid in respect of service in World War I or II. But while the number eligible to receive war pensions decreases, expenditure remains relatively constant because of the increasing affects of ageing on disability and the periodic adjustments to the pensions.

On 1 April 1990 local decision making for war pension claims was introduced. This has improved programme efficiency and has allowed greater client participation.

There is an increasing awareness of the special needs of Vietnam Veterans. This will require major emphasis over the next two years to address these needs.

The Medical Research Trust Fund which is administered by the War Pensions Advisory Board has monies available for research into war related issues. In the past this fund has been under utilised. There are several issues such as hearing, the effects of war disability on later life, and several different Vietnam Veterans issues that would benefit from research.

The current War Pensions Legislation is dated and urgently needs revision. It is currently proposed that a War Pensions and Rehabilitation Bill incorporate compensatory war pensions and Government rehabilitation responsibilities.

Legislative Authority: War Pensions Act 1954 for compensatory war pensions.
Social Welfare (Transitional Provisions) Act 1990 for veterans pension.

7. FAMILY ASSISTANCE

A. FAMILY BENEFIT

This is a non income tested benefit of \$6 a week for each dependent child, paid to the primary carer. It is payable in respect of children aged 15 and under, with provision to continue payment up until the end of the year in which the child turns 18, as long as that child is not in full time employment or in receipt of a social welfare benefit or a student allowance.

The rate of family benefit was last increased in 1979.. The direction of policy in recent years has been towards supplementing family benefit with additional targeted assistance to low and middle income families.

Provision exists to receive payment of this benefit in advance for a set period, to assist with the costs of a first child, the costs of child car restraints, or other post primary school costs - such as school uniforms or cycle helmets.

Expenditure 1989/90: \$284,444,000.

As at 30 June 1990 family benefit was paid in respect of 901,454 children, or 446,373 families. These figures have remained fairly constant in recent years, but there have been increasing numbers of 16 to 18 year olds retaining eligibility.

Output Class 21: Non Income Tested Benefits

Legislative Authority: Social Security Act 1964. (Sections 32 - 39)

B. FAMILY SUPPORT

This is an Inland Revenue Department Programme - but DSW is involved in delivery. Family support is income tested family assistance. It is paid to income-earners through the tax system - but is delivered to beneficiaries and non-earners through the social welfare system.

The income test is such that families with a gross annual income of more than \$17,500 have their family support entitlement reduced by 18 cents for every extra dollar, and by 30 cents for every dollar above \$27,000.

The maximum amount payable is \$36 a week for the first child, and \$16 a week for each subsequent child.

As at 30 June 1990 a total of 126,859 families received family support payments through the Department of Social Welfare, in respect of 223,924 children. This represented an increase from the previous year of about 10,000 families and 18,000 children.

From 1 April 1991 family support will be amalgamated into an enhanced family benefit payment, to be administered by the Department of Social Welfare. Details of this proposal are outlined in the "Key Issues" document.

Legislative Authority: Income Tax Act 1976.

C. ORPHAN'S BENEFIT

From 1 October 1990 this benefit has been payable to a person caring for an orphan where each of the child's parents (natural or adoptive) are dead, cannot be found, or are long term incapacitated so unable to provide care.

The benefit is paid to the principal caregiver, and is age related. The benefit paid is not income tested.

The current rates are:

Children aged 14 years and over	\$81.13 per week
Children aged 10 to 13 years	\$74.37 per week
Children aged 5 to 9 years	\$67.61 per week
Children aged under 5 years	\$54.09 per week

Expenditure 1989/90: \$24,742,000.

Over recent years there has been a significant increase in the number of orphan's benefits payable. The number of orphan's benefits in force for each of the last 4 years is as follows:

30 June 1990	31 March 1989	31 March 1988	31 March 1987
6,239	2,993	1,537	496

A substantial review of the orphan's benefit was undertaken this year because of concern at the increasing expenditure and confusion about eligibility criteria. Changes to the orphan's benefit were announced in the July Budget 1990.

As from 1 October 1990 orphan's benefit has been restructured into two separate benefits. These are orphan's benefit, as outlined above, and unsupported child's benefit (described below).

Output Class 21: Non Income Tested Benefits

Legislative Authority: Social Security Act 1964. (Sections 28 - 31)

D. UNSUPPORTED CHILD'S BENEFIT

The unsupported child's benefit was introduced with effect from 1 October 1990.

The unsupported child's benefit is payable for child/ren living away from their parents (natural, adoptive or step parent) where those parents cannot provide for the full support, care and control of the child/ren. The benefit is only available for permanent situations where the placement is expected to be for more than one year.

Unsupported child's benefit is paid to the principal caregiver and is not income tested.

The rates of benefit are age related and are the same amounts as for orphan's benefit (refer orphan's benefit).

As a pre-requisite to granting the unsupported child's benefit a family meeting is required. Family meetings involve social welfare staff, the caregivers, the parents, and where appropriate, the child.

Liable parent contributions towards the cost of each such benefit sought in terms of section 27 of the Social Security Act 1964 (the Liable Parents Contribution Scheme).

Output Class 21: Non Income Tested Benefits

Legislative Authority: Social Security Act 1964. (Sections 28 - 31)

8. LIABLE PARENT CONTRIBUTION (LPC) SCHEME

The LPC scheme collects contributions from non-custodial parents towards the costs of child support where their children are supported by way of a social security benefit.

An administrative formula determines the level of child support payable by liable parents. This is considered to be an off-set to the child support element within the benefit. The LPC scheme was extended to all statutory benefits paid at the sole parent rate with effect from 25 July 1990.

The LPC assessment formula is set out in the Twentieth Schedule of the Social Security Act 1964. Assessments are subject to challenge by way of objection and review. The minimum contribution payable is \$10 per week.

The average LPC assessment is low, at just over \$30 weekly per family.

Revenue From LPC and Maintenance (\$000) (To year ending March)

	1989/90	1988/89	1987/88
Liabe Parent Contributions	55,387	49,431	38,939
Amount received as a % of amount due	40.7%	44.1%	43.1%
Maintenance Payments	8,251	10,710	13,112
Amount received as a % of amount due	41.4%	47.6%	48.6%

A significant proportion of assessments are "default" assessments at the maximum contribution level, due to the non-return of income details by the liable parent or the whereabouts of the liable parent is unknown. There is no provision to increase the level of contributions with inflation.

LPC is not enforceable overseas because overseas courts take the view that LPC is payable to the Government and not to the custodial parent or child, and is not of the legal nature of maintenance.

Once a sole parent ceases to be on benefit LPC no longer applies and she/he may choose to apply to the courts for a child support order ie: maintenance.

The LPC and child maintenance schemes have recently undergone significant review, and a unified child support scheme is planned for 1992. (see the Key Issues document).

Output Class 40: Collection of Payments from Non Custodial Parents

Legislative Authority: Social Security Act 1964. (Sections 27I - 27ZI)

9. RECIPROCITY AGREEMENTS

New Zealand has Reciprocal Agreements with the United Kingdom and Australia, and agreements are currently being negotiated with several other countries such as the Netherlands, Eire, Canada, Greece and Italy.

AUSTRALIA

There is Reciprocal Agreement between New Zealand and Australia in relation to a wide range of benefits. For the purpose of any application for a benefit, residence in one country is regarded as residence or birth in the other. As well as being qualified on residential grounds, applicants must meet entitlement criteria for a benefit or pension - such as conditions concerning age or medical incapacity.

This agreement was reviewed in 1989. At that stage New Zealand agreed to meet the cost of Australian age, widows and invalids pensions paid to former New Zealand superannuitants, widows and invalids beneficiaries who left New Zealand after 1 April 1989. This is estimated to cost \$6.91 million per annum.

Reciprocal benefits in force for Australians in New Zealand at 30 June 1990 were 885 guaranteed retirement income payments, 13 widows and 67 invalids benefits, making a total of 959 compared with 710 in 1989.

UNITED KINGDOM

Reciprocity exists for a comprehensive range of benefits between New Zealand and the United Kingdom. People migrating from one country to the other will be taken into the social security scheme of the receiving country and paid benefits under the laws and conditions applicable to other residents of that country.

However, male applicants applying for a retirement pension under the agreement, in either country, are not entitled to receive payment until the age of 65. The qualifying age for women is 60 years.

Reciprocal benefits in force for United Kingdom citizens in New Zealand at 30 June 1990 were 10,357 guaranteed retirement income payments, 18 widows benefits, and 86 invalids benefits, making a total of 10,462 (10,939 in 1989).

GENERAL PORTABILITY

From 1 April 1990 people receiving guaranteed retirement income or veterans pension will be able to continue to receive 50% of their pension while living overseas, provided that they are resident in New Zealand at the time of application, intend to be absent for more than 6 months, and are not living in a country with which New Zealand has a social security reciprocal agreement. Rates of payment above 50% will be negotiated in the context of reciprocal agreements.

SECTION THREE: SOCIAL SERVICES

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**1. SOCIAL SERVICES PROVIDED UNDER THE CHILDREN, YOUNG PERSONS
AND THEIR FAMILIES ACT 1989**

The services provided under the Act are described here in four groupings. It is important to note, however, that community services and residential services are descriptions of two distinct types of service which are important elements of care and protection and youth justice services. Funding to community based organisations, for example, helps to provide indirectly many diversion services under youth justice and family preservation services in care and protection.

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All of the above services contribute to Output 50, Social Work Services Case Management.

INTRODUCTION

A comprehensive review of the the former Children and Young Persons Act 1974 resulted, in 1989, in the passing of a new Children, Young Persons and Their Families Act. This Act, which came into force on 1 November 1989, reformed the law relating to children and young persons in need of care or protection, or who offend against the law.

The major changes introduced by the new Act were:

- (a) Separate jurisdictions were established for care and protection matters and offending matters. Issues relating to the protection and care of children and young persons are heard in the Family Court, while offending by young persons is dealt with in a new Youth Court, established as a separate division of the District Court.
- (b) General principles, principles relating to the care and protection of children and young persons, and youth justice principles, were established. They emphasise the rights and responsibilities of family members, while continuing (in cases where principles conflict) to give priority to the welfare of the child.
- (c) The Act provided authority for Family Group Conferences, to give families and whanau the first opportunity to resolve problems concerning children and young persons, before these matters are referred to the Court. It requires the department to give effect to the plans made by Family Group Conferences.
- (d) The Act made a wider range of orders available to the Family Court to support children and young people without separating them from their family groups. The Act also makes a wider range of orders available to the Family Court to deal with issues of custody, guardianship and access. The Court regularly reviews the plans associated with the orders which are made.
- (e) The Act provided for the approval of Iwi Authorities, Cultural Authorities and Child and Family Support Services to act, where appropriate, as custodian or guardian of children and young persons. It emphasises the role of approved community services in providing services to families.
- (f) The Act established new procedures for dealing with young offenders, to facilitate informal solutions to minor offences and to decide on appropriate time-limited sanctions for more serious ones.

A: CARE AND PROTECTION SERVICES

1. DEPARTMENTAL CARE/GUARDIANSHIP SERVICES

Legislative Authority

Children, Young Persons and Their Families Act 1989.

Description

Under the Act, the Director-General may assume or be given custodial and/or guardianship responsibilities for children and young persons who are subject to actions under the Act. This may be by way of agreement with the parents, guardians or usual care-givers, or by Court order. Custodial responsibilities involve the provision of day-to-day care of the child or young person, while the role of guardian is one of major decision-making (in conjunction with other guardians)

Comment

The number of children and young persons in the care or guardianship of the Department has been decreasing steadily in recent years (5,362 in 1985; 4,037 in 1988, and 2,731 in 1989). This has largely been as a result of increasing recognition that too often, departmental guardianship has not facilitated either return home of the child or young person or the establishment of a new family situation. The previous act gave few options other than placing a child or young person in the sole guardianship of the Director-General. The majority of children and young persons were placed either in foster homes in the community or in Departmental Family Homes.

It is anticipated that under the new legislation the number of children and young persons coming into care or guardianship will be considerably less than under the 1974 Act. The new Act places emphasis on support and assistance being provided to families and family groups to care for their own children and young persons, with the Family Group Conference being given the responsibility to resolve matters without Court intervention wherever possible.

Expenditure

In 1989/90, the allocation for payments to foster parents (which met the bulk of the cost for providing for children and young persons in care) was \$18.214 million. With the advent of the new Act, Cabinet approved the allocation being used to provide financial assistance in respect of children and young persons who were subject to actions under the Act i.e. they no longer had to be in the care or guardianship of the Director-General to receive such assistance.

2. FAMILY PRESERVATION SERVICES

Legislative Authority

Children, Young Persons and Their Families Act 1989.

Description

Family Preservation services provide support and assistance to families to enable them to provide a safe, stable and nurturing environment for their children. Family preservation services are offered in two ways:

- (a) through direct services by social workers; and
- (b) through funding of service provision to clients.

In direct service provision the social worker and family/whanau work together to achieve agreed goals in a specified time frame (called a family preservation contract).

Comment

Approximately 20% of family preservation work is currently carried out in direct service to clients by social workers. An increasing proportion of family preservation work involves resourcing families to obtain services in the community that will enable them to provide a suitable environment and care for their children.

Expenditure

In 1989/90, the allocation for payments to foster-parents (which met the bulk of the cost of providing for children and young persons in care) was \$18.214 million. With the advent of the new Act, Cabinet approved the allocation being used to provide financial assistance for children and young persons who were subject to actions under the Act and this includes the funding of Family Preservation contracts. It is not possible at present to isolate the expenditure on Family Preservation contracts.

3. CHILD PROTECTION SERVICES

Legislative Authority

Children, Young Persons and Their Families Act 1989.

Description

Child protection describes all actions in response to actual or suspected child abuse. Child abuse covers several conditions such as deliberate or avoidable physical injury, sexual abuse, emotional damage as well as physical or emotional neglect. An investigation of a report of abuse may result in:

- (a) emergency action to ensure the safety of a child or young person;
- (b) a Family Group Conference to find a safe solution for the child or young person;
- (c) a referral for Family Preservation Services; or
- (d) no further action

The CYP&F Act established the position of Care and Protection Co-ordinator, and the Care and Protection Resource Panel as a new statutory body. These have been established in all districts of the Department. The C&P Co-ordinator carries specific responsibilities for the process of the statutory Family Group Conference in care and protection matters. The role of the Care and Protection Resource Panel is to give advice during the care and protection process, particularly during investigation and assessment. It is a statutory requirement to consult the Panel.

Comment

In recent years the Department has received an average of 6000 reports per annum of abuse of neglect requiring investigation. Of these approximately 250 to 300 proceed to Court for consideration of the care or protection issues. Initial indications are that the number proceeding to Court under the new Act has reduced while a larger number are diverted through the statutory process of Family Group Conference.

Child protection work requires that a fine balance be struck between the risk of harm from abuse and the risk of harm from major family disruption. The Department is subject to strong public censure when it seems that the balance has not been achieved, and interventions considered insufficient or, conversely, excessive or unwarranted.

The Police and Social Welfare policy of joint investigation of child sexual abuse ensures that the child protection needs and the criminal justice needs are considered jointly.

Expenditure

The various activities are not costed separately for child protection. Child protection involves a high percentage of social work time.

4. FAMILY GROUP CONFERENCE SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description

Reports of child abuse and neglect are investigated and assessed by a social worker, Police officer or, in some circumstances, a member of another agency or group. Where the matter is serious and cannot be

resolved safely, (e.g. through Family Preservation services, and the child or young person is considered to be in need of care and protection), the matter is referred to a Care and Protection Co-ordinator who is required to convene a Family Group Conference.

The Family Group Conference brings together the child or young person's family group, the care and protection worker and other agencies. The Co-ordinator is required to ensure that the decisions made will make the child safe and meet the purposes of the Act. Matters not able to be resolved by the Family Group Conference can be referred to the Family Court. The Family Court must be satisfied that a Family Group Conference has been held and may direct any matter back for a further Family Group Conference.

Comment

From 1 November 1989 to 30 June 1990, 1373 Care and Protection Family Group Conferences were held. In the majority the family group and the care and protection services reached agreement. Only 162 record that no agreement was reached. Of the 1373 Family Group Conferences, 732 made decisions which included ongoing service provision by this department to client families.

Expenditure: This is not costed separately from other services under Output 50. The costs for convening FGCs are met from District Office operational budgets, while the costs of resourcing the outcomes of FGCs are a charge against the national funding allocation under the CYP&F Act.

5. FAMILY COURT SERVICES

Legislative Authority

Children, Young Persons and Their Families Act 1989.

Description

The Family Court now has jurisdiction over all matters concerning care and protection, guardianship, and custody and access, of children and young persons, and now has the power to make a wide range of orders with respect to care and protection matters. The Department has significant planning and reporting responsibilities under the Act which are monitored by the Court.

Comment

From the 1st of November 1989 to 30 June 1990 307 matters were referred to the Court under the care and protection provisions of the Act. Of these 129 were applications for a declaration that a child or young person was in need of care and protection.

Expenditure

The major cost is the time spent by social workers and departmental solicitors in the preparation of a range of material to meet the Court's reporting, planning and monitoring requirements. Separate records are not kept of expenditure related directly to Family Court tasks.

B: YOUTH JUSTICE**1. DIVERSION SERVICES**

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description:

Diversion services, are alternatives to formal actions under the youth justice provisions of the Act. They are intended to keep young offenders out of the formal criminal justice system and to reduce the harmful effects which might otherwise occur. Many diversion services occur at the first point at which an offence is detected. Much offending by young people is dealt with by the Police giving informal warnings, or formal warnings and cautions.

In other cases, referrals are made to diversionary programmes, either before or after a Family Group Conference. These may be recreational or may involve community work related activities. Other diversionary services provide alternatives to remand in custody of the Police or the Department.

Comment:

The new procedures appear to be working better. This is illustrated by the reduction in the number of young offenders appearing before the Youth Court. Arrest cases, for example, are down by two thirds.

Expenditure:

This is difficult to determine as the process often involves other service provision simultaneously. Much of the work is done by the Police. Many of the grants under the Youth Services Funding Programme (total allocation \$7,092,000) support community based diversion services.

2. FAMILY GROUP CONFERENCE SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description:

The Family Group Conference is a statutory part of the youth justice system. It is:

- (a) a decision-making body about what should happen after an offence;
- (b) a vehicle for giving advice to the Court on how a young person should be dealt with; and

- (c) an adviser to the Court on the custody of a young person pending an outcome.

Those entitled to attend the conference are the prosecuting authority (usually the Police), the young person, family members, and the victims of the offence. The Conference is convened by a Youth Justice Co-ordinator employed by the department. The department is also responsible for giving effect to the plans of the Conference.

About 500 Youth Justice Family Group Conferences are held each month. In 90% of cases agreement is reached on the best way to deal with the offending. The attendance of victims varies from district to district; on average about half of conferences have a victim in attendance and at many others a report is provided from the victim.

Comment:

The Family Group Conference process is new. It has been well received as an important innovation dealing with offences by young people. The process is designed to divert young offenders from the formal judicial system. It encourages and supports families to exercise responsibility for their young people, especially where it relates to their young people's offending behaviour. It enables young offenders to be confronted with the consequences of their behaviour, and to take responsibility for it.

Expenditure:

As this is a new service, historical figures are not available. The major operational expenditure is social services staff costs. There are 50 designated Youth Justice Co-ordinator positions. Expenditure under this service delivery category will be identified in the new financial information system.

3. YOUTH COURT SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description

The Youth Court is a new court with jurisdiction on Youth Justice matters alone (responsibility for care and protection matters rests with the Family Court.) The Department provides the following services for the Youth Court:

- (a) plans recommending appropriate disposal, and reviews of plans;
- (b) conducting Family Group Conferences if required;
- (c) custody and remand services as required;
- (d) giving effect to court orders including general supervision, community work supervision with activity and supervision with residence.

The Department often arranges for other agencies, individuals or family members to organise general supervision, community work and supervision with activity. On average about 70 matters are referred to the Court each month nationally.

Comment

The Youth Court is dealing with fewer cases of offending than its predecessor, the Children and Young Person's Court. This is a result of lower arrest rates and greater use of diversion. It also reflects the success of Family Group Conferences as a decision-making body (only some 12%-15% of the matters dealt with at FGCs go on to Court). Because of the low numbers it is too early to assess trends in disposals. Research is planned into sentencing patterns.

The new Act has created a wider range of disposals. It gives the Department responsibilities as a broker, rather than as the only direct service provider. Services are funded either on a case by case basis, or through lump sum payments to organisations through the Youth Services Funding Programme.

Expenditure:

Historical figures are not available. The new financial information system will allow current costs to be determined.

4. REMAND/IN-CUSTODY SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description:

Youth justice custody services, in which the young person is placed in the custody of the Director-General, are provided by the Department in two ways:

- (a) through placement within a residence (see also paper on Residential Services)
- or
- (b) through placement with another departmentally approved service provider, or within the family's own extended network.

The services are provided:

- (a) where a child or young person is arrested, or is remanded by the Youth Court, and it is likely that he or she will abscond, fail to appear in Court, commit further offences or interfere with the course of justice; or
- (b) where a supervision with residence order is made (where custody has to be within a departmental residence).

Comment:

Because there is now a greater use being made of diversion services, the need for residential custody or remand services has declined. Most remand cases now see the young person being placed "at large", under either their own recognizance, and/or that of their families, consistent with the youth justice principles of the Act.

Expenditure:

Expenditure on custody services includes that on residences (\$24m in 1989/90), some board payments, and social worker time in arranging placements.

C: COMMUNITY SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989 Pt VIII.

Description:

Community services, in this context, are the services which the Department provides to community based groups which are delivering services under the Act.

- (a) Approvals of organisations such as Child and Family Support Services, Iwi Authorities and Cultural Authorities.

The approvals allow directors of the organisation to enter into agreements with parents to have custody of a child, and to be appointed by the Court as "custodial parent" or additional guardian. Some 50 organisation have been approved as Child and Family Support Services.

- (b) Approvals of services as community services under the Act

Many services have been approved. (The approval is done at district level). Approval is a condition of receiving lump sum funding.

- (c) Funding

The Department has 4 major funding programmes which provide lump sum payments to support community services. It has 2 programmes which fund purchase of services on a case by case basis. There are also a range of smaller and/or more specific programmes.

Comment:

The requirement to approve specific services is new. It is proving difficult to deliver the community services in a way which is satisfactory to the department and to community groups. This has led to criticism from voluntary sector groups and concern within the Department.

Over the past decade there has been a shift to more indirect provision of care and protection and youth justice services. Community services work has therefore grown, and most districts now have a community services team. In metropolitan areas, however, one district deals with funding to avoid community services having to go to several district offices.

Expenditure

The total allocation is \$47,621,000. This is 25% of the total appropriation (inc of GST) for Output 50. Expenditure on payments to organisations has increased in the last 5 years, while expenditure on demand driven programmes has been declining with the falling numbers of children in care.

D: RESIDENTIAL SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.

Description:

Residential services include the provision of remand in custody services for young people who are awaiting a final decision from the Youth Court, and the provision of services for the execution of Supervision with Residence orders that are handed-down by the Youth Court.

The Department currently operates four residences (formally known as institutions) located in Auckland, Wellington, Christchurch and Dunedin. The Dunedin residence is designated solely for use as a Care and Protection resource, whilst the remaining three residences are designated for the provision of Youth Justice services. The Auckland residence also offers a limited Care and Protection service for the Northern region.

All of these residences have a secure (close custody) facility attached to them. The Dunedin secure facility is not for use by children and young people admitted to the facility for Care and Protection reasons - its only use is as a holding facility for any child or young person requiring to be transferred to the Christchurch residence under the Youth Justice provisions.

The residences have a capacity in total of 76 open beds and 42 beds in secure units. Admissions per month have varied between 65 and 146 in this calendar year. This is 50% less than in 1989.

Comment:

Residential services were reviewed earlier this year. As a result of under-utilization, five residences were subsequently closed (Auckland, Hamilton (2), Kohitere, and Dunedin), and a policy decision has been taken to focus the residential services run by the Department on youth justice work. (Most "residential" services for care and protection reasons are provided through departmental family homes, or by community groups).

The performance of the Department in providing secure care within residences has proved contentious in the past because of abuses of that authority. ("Secure care" means containment within a locked room or enclosure with visible physical barriers). It is now tightly circumscribed by statute. The failure of the Department to "contain" some young offenders has also been criticised. The wider issue of appropriate services (including containment) for some young offenders is discussed further in the Key Issues document.

Expenditure

In 1989/90 \$24.5 million was spent on residential services. It is envisaged that this latter figure will be reduced rather more sharply in the 1990/91 Financial Year.

E: RESOURCING OF SERVICES UNDER CYP&F ACT**Introduction**

Those involved interests in services to families and children assert that the success of the legislation is dependent on the level of resourcing, and that the new legislation will only work if it is adequately resourced. This paper sets out the resourcing currently available through the Department and supplements the discussion of funding in the critical issues document.

Allocation of CYP&F Funding Package

The new legislation was resourced by an increase in funding of approximately \$20m for 1989-90 as follows:

- (a) allocations for funding programmes: \$7,829,000
- (b) allocations for district operations: \$8,656,000
- (c) Commissioner for Children: \$548,000
- (d) Special Projects: \$931,000

The increases in funding programmes continue for the 1990-91 year. The balance of the increased appropriation has gone into district operations. The total appropriation (inc of GST) for Output Class 50 is \$191,008,000, and for Output Class 70, \$12,172,000. Services under CYP&F Act are estimated at 80% of Output Class 50 and 50% of Output Class 70, giving a total allocation of approximately \$160 million.

Direct Services Funding

Of this total of \$160 million, approximately 70% is spent on the direct provision of services. Most of this expenditure is on social service worker salaries and related operational expenditure. (There are currently some 1300 social services staff including co-ordinators and residential social workers).

The ninety positions for co-ordinators provided as part of the Act's resourcing package have been filled. Until the review of the impact of the Act is complete no clear picture of the adequacy of this level of resourcing is available. However, statistics for Family Group Conferences show about 45 Youth Justice Co-ordinators are convening about 450 FGCs a month, and Care and Protection Co-ordinators about 200 FGCs a month.

There are difficulties in adequately resourcing the new community services functions, because of lack of staff with the necessary skills.

Indirect Services Funding

Funding allocations to purchase specific services and to support services delivered by community based agencies are as follows:

(a) Programmes used to fund organisations - not demand driven

	\$(000)
Children and Family Support Services	4881
Cultural Enrichment	110
Emergency Houses Co-ordinators	143
Family Services	3576
Homebuilders Family Support	4611
Marriage Guidance	30
Youth Services	7091
(includes Youthlink \$1,294,000)	
Resettlement Grants Foster Parents	42
Glenburn Subsidy	516

(b) Programmes used to fund on a case by case basis - demand driven

Financial assistance under CYP&F Act (formerly Payments to Foster Parents).	20771
Payment to Family Home Foster Parents	5850

The funding for organisations has been increased by \$7,829,000 as a result of the resourcing package for the Act. This is a 20% increase in the funding available prior to the Act. (If payments to foster parents are excluded it amounts to a 100% increase in funding).

Comment

Indirect services funding is being accessed by a much wider range of organisations than in the past and is putting continued pressure on the funds. This has led to established organisations in the voluntary sector gaining the perception that funding is being reduced.

The funding available for purchase of services or financial assistance on a case by case basis has not been increased to the same extent. However, as the number of children in care has fallen in the past two years, so has the demand on allocations for payment of foster parents of children in the Department's care.

Some \$26 million is available this financial year to give effect to Family Group Conference plans and orders of the Court. Expenditure is no longer restricted to board and related payments for children in care. There has been some uncertainty in districts about what can and cannot be paid for, and about how to access the funds allocated. This matter is being resolved.

2. OTHER SOCIAL SERVICES FOR FAMILIES, YOUNG PEOPLE AND CHILDREN

Introduction

The Department also provides services to families, young people and children under legislation other than the CYP&F Act. It is convenient to group the services under four headings.

	PAGE
A <u>Family Violence Prevention</u>	94
1. Funding Programmes (Output 70)	
2. Servicing The Family Violence Prevention Co-ordinating Committee (Output 71)	
B <u>Adoption</u>	97
1. Adult Adoption Information Act Services	
2. In-Country Adoption Services	
3. Inter-Country Adoption Services	
C <u>Family Court Work</u>	101
D <u>Intake Assessment, and Referral Services</u>	102

Services in sections B,C and D all contribute to Output 50, Social Work Services Care Management.

A: FAMILY VIOLENCE PREVENTION

1. FUNDING PROGRAMMES

Legislative Authority: Public Finance Act 1989, and Appropriation Act

Description

There are three programme areas relating to the prevention of family violence and support to services involved. They are administered from Head Office in consultation with national bodies, with some District Office liaison required.

(a) Family Violence Prevention - Men's Groups

An annual allocation of \$179,000 is available as grants to approved community based voluntary organisations which run programmes to rehabilitate men needing help because of incidents of family violence.

In 1989/90 37 groups received funding.

(b) Rape Sexual Abuse Support Services Programme

This programme aims to promote and support community organisations offering counselling and support services to those affected by rape/incest/sexual abuse, together with providing community education/prevention initiatives.

The programme is administered from Head Office in consultation with three national organisations based on cultural groupings, covering all but 10 of the funded groups. Grants to groups are determined by the national organisations based on information provided by the groups.

The programme has an annual allocation of \$1,368 million. In 1989/90 77 groups received funding. The groupings are:

- The National Collective of Rape Crisis and Related Groups of Aotearoa Inc - 39 groups
- Te Kakano o te Whanau - 26 groups
- The Pacific Island Women's Project - 12 groups

The programme also provides funding for approximately 10 groups which are not affiliated to the national collectives as affiliation to a national sector is not mandatory.

(c) Womens Refuge Funding Programme

This programme is administered by Head Office in consultation with the National Collective of Independent Women's Refuges (NCIWR). It applies only to those refuges which are affiliated to the NCIWR. The programme provides an annual allocation of \$2.714 million. Grants to each refuge are determined by the national office and based on information received from refuges. In 1989/90 52 groups received funding.

The Department also funds the payment of fees for counselling of victims of sexual abuse. The programme is administered by ACC as agent for the Department.

Comment

As awareness of family violence has grown, there has been an increase in demand for services. This has resulted in pressure on the grant programmes, and increasing expenditure on the demand driven programme which pays fees for counselling for sexual abuse, which has doubled in the last two years.

The grant funding programmes are centralised, and generally delivered through national organisations. Some local service providers are seeking direct funding from the department. Payment of fees for sexual abuse counselling via ACC is a temporary arrangement.

At present a project team within the Department is developing a 'Family Violence Funding Programme' to co-ordinate Women's Refuge, Rape Crisis/Sexual Abuse and Men's Programmes, along with the relevant findings of the Working Party on the Funding of Sexual Abuse Services which reported to the Ministers of Social Welfare and Women's Affairs in December last year. This project team has consulted with service providers on its preliminary proposal and is to report to the Minister. It is envisaged that any recommendations are to be implemented and up and running by July 1991.

Expenditure

The expenditure in grant programmes is given above.

Expenditure on sexual abuse counselling fees is estimated to be \$2.5 million in 1990/91.

2. SERVICING THE FAMILY VIOLENCE PREVENTION CO-ORDINATING COMMITTEE

Legislative Authority: Public Finance Act 1989, and Appropriation Act

Description

The Family Violence Prevention Co-ordinating Committee (FVPCC) was established in 1986 by the Minister of Social Welfare. (Please refer to separate report). The Department convenes the committee and provides services at Head Office level. The Department's role is to ensure that FVPCC is well serviced; and to ensure that funds are spent in ways consistent with the committee's terms of reference. The funding has been on the basis of specific expenditures approved by the Department's budget manager from the FVPCC internal budget.

Comment

As the work of FVPCC has expanded, and its appropriation has grown, the servicing role has increased. In 1986 the committee was serviced by part of an advisory officer's time; now it has 3 1/2 staff.

FVPCC has become more independent as an advisor to government, as a co-ordinating body, and as a manager of projects. The statutory authority for FVPCC needs to be reviewed, to recognise the greater independence it has attained.

Apart from some small grants from a few departments, the cost of servicing the committee has been fully met by the Department. ACC has provided substantial project funding. The Public Finance Act 1989 has caused some difficulties for the current funding arrangements, which are a mixture of departmental and crown payments. The difficulties can be overcome, but it will require clarification of the status of the Committee.

Expenditure

- (a) Personnel allocation \$138,000
- (b) POBOC appropriation \$476,000
- (c) It is not possible to give an accurate estimate of the cost of "in kind" support.

B: ADOPTION

1. ADULT ADOPTION INFORMATION ACT SERVICES

Legislative Authority: Adult Adoption Information Act 1985.

Description

The Adult Adoption Information Act 1985 is administered by the Department of Justice and implemented jointly by the Register-General's Office and Department of Social Welfare. The Department's responsibilities under the Act are:

- (a) supply of the original birth certificate to the adopted person after counselling (s.5).
- (b) supply of additional information to adult adoptees after they have received an original birth certificate (s.9).
- (c) assistance to birth parent's seeking identifying information about adult adoptees (s.8).
- (d) adult adoptees and birth parents wishing to contact each other may ask a social worker to make an approach on their behalf (s.10). Social workers may decline request for assistance made under this section of the Act.
- (e) provision of medical information to doctors about a patient's "unknown relatives" (s.11).
- (f) advice to the Minister of Social Welfare to approve individuals and organisations as independent counsellors under the Act (s.12).

The Department's direct services are generally delivered by specialist adoption workers.

Comment

Requests for information have remained relatively constant since 1988. There were high numbers immediately after the introduction of the new Act.

After a request from Judy Callingham of the "Missing" television programme the Minister requested that the Department investigate how information could be accessed under the Official Information Act. The Department is investigating this matter, which is complex, but may provide ways to enable siblings and other relatives to obtain information which is denied them under the Adult Adoption Information Act. Such requests are increasing.

Expenditure:

Expenditure on this service is not costed separately. The major cost is in social worker time. There are 31 nominated social workers providing Adult Adoption information throughout NZ, but the proportion of their time spent on AAI work varies.

2. IN-COUNTRY ADOPTION SERVICES

Legislative Authority: Adoption Act 1955.

Description

Although the Adoption Act is administered by the Department of Justice, social workers employed by the Department have statutory responsibilities under the Act to:

- (a) provide approval for a child to be placed in a home for the purpose of adoption (s.6);
- (b) provide the Family Court with a report prior to the granting of an interim order of adoption (s.10);
- (c) provide a report to the Court before a final adoption order is made (s.13).

In fact the Department plays a wider role in adoption services. It receives applications from those wishing to adopt, establishes a pool of prospective adoptive parents, and provides counselling for birth parents.

Where adoptions are by a spouse (e.g. step-parent) and relatives or close friends, departmental involvement is usually only at the approval and report stage.

The number of adoptions for the year ending 31 December 1989 was 639. This comprised:

- stranger adoptions	190
- one parent and spouse	267
- relative or close friend	182

Comment

More childless/infertile couples are seeking to adopt, but far fewer children are available for adoption. Placement with 'strangers' has fallen steadily in the past decade. It was 556 in 1981. Adoption has become an issue of considerable public interest. (See also paper in Critical Issues document).

There is anecdotal evidence that the number of privately arranged adoptions is growing. The Department is often faced with a fait accompli when preparing reports to Court.

Expenditure

It is not possible to report on past expenditure, most of which comprises social worker time. It is estimated that about 3% of social work time is spent on adoption work.

3. INTER-COUNTRY ADOPTION SERVICES

Legislative Authority

Adoption Act 1955; and general provisions of the Social Welfare (Transitional Provisions) Act 1990.

Description

There are two ways in which a child born overseas can be adopted by a New Zealand couple, and be treated as their adopted child under New Zealand legislation. The first is by adoption under New Zealand jurisdiction after the requirements of the country of the child's birth have been satisfied. The second is by adoption under the overseas jurisdiction, where that jurisdiction is recognised under Section 17 of the Adoption Act.

The role of the department in the first circumstance is:

- (a) Assessing initial eligibility of prospective adoptive applicants.
- (b) Preliminary approval of adoptive applicants.
- (c) Completion of the home study.
- (d) Liaison with the overseas agency.
- (e) Approval of adoptive applicants.
- (f) Approval of placement of child in the home.
- (g) Supervision of placement.
- (h) Completion of final report for the Court.

The role of the department in the second circumstance is to provide a homestudy if one is requested by the overseas country and if agreed to as appropriate by government. NOTE: Adoption of children from Romania is following the second route, as do the adoptions from Western Samoa which in fact make up the majority of inter-country adoption cases.

Inter-country adoption services are provided through specialists in designated district offices. Although many enquires are received, the numbers of completed adoptions under the first circumstance is low. Contractors are now being used to compile homestudies.

Last year, 43 inter-country adoptions took place under New Zealand legislation. Less than half of these were adoption by strangers, the circumstance in which the Department is heavily involved.

Comment

A fuller paper is included in the Key Issues document. As the availability of children for in-country adoption has fallen, there has been a greater interest in inter-country adoption. This has, however, coincided with international agreements setting limits on inter-country adoption and controlling the procedures, in order to limit abuse. Government policy on inter-country adoption was reviewed in 1989, and modified earlier this year.

Expenditure

No overall figures are available. Providing a full homestudy costs approximately \$1400 (the major cost is social worker's time). The department has just introduced an element of cost recovery into the preparation of homestudies. A \$50 fee is charged when an application is lodged, and a \$550 fee for proceeding with a full homestudy.

C: FAMILY COURT WORK

Legislative Authority: Primarily the Guardianship Act and the Family Proceedings Act, but there are minor duties under a number of other Acts.

Description

The Department has a number of functions in connection with the Family Court, other than adoption and CYP&F Act work. The most common is to provide a written report on a dispute which families have taken to Court. The Department's policy in custody, guardianship and access disputes is to remain neutral, whilst providing professional assistance to enable optimum decisions to be made concerning the care and welfare of children. Occasionally social workers are asked by the Court to carry out an executive function - e.g. supervise access, or remove children from party "A" and deliver them to party "B".

Except in smaller communities, where there may be no alternative, departmental social workers are involved only when a family dispute has had to be the subject of a full Court hearing after mediation and conciliation have failed.

Comment

The amount of work in this area has been declining as the use of private counsellors and psychologists in providing custody reports to Court has grown.

Consideration is being given to ratification of the Hague Convention on inter-country custody disputes. The proposed administrative structures provide for departmental social workers to assist in locating, negotiating and supervising the return of children. Numbers will be small, (as in in-country disputes in which the Department is involved in such tasks), but each case is time-consuming and taxing.

Expenditure

Separate costs are not available, but the major cost is social work time. It is estimated that less than 1% of social work time is spent on family court work other than adoption and CYP&F Act. Expenditure will be available in the future because it is a specific output.

D: INTAKE, ASSESSMENT AND REFERRAL SERVICES

Legislative Authority: Children, Young Persons and Their Families Act 1989.
Adoption Act 1955.
Adult Adoption Information Act 1985.

Description

Intake, assessment and referral services are provided in response to reports, enquiries and complaints received about a wide range of matters. They:

- (a) determine whether referral to a departmental social service is required (including Care and Protection, Youth Justice, Adoption, Community Services, or Income Support);
- (b) refer clients to other service providers including government departments as well as non-government agencies;
- (c) assess where no further actions is required.

The department also provides an afterhours service in emergency or crisis situations.

In the six month period to 31 December 1989, a total of 17360 enquiries were processed. Of these 11,044 did not require follow-up and 6,316 cases required some form of action by departmental social workers. The categories of service recording the most enquiries or complaints were:

	No further Action	Follow up required
Child abuse, cruelty or ill treatment	163	776
Child's misbehaviour or leaving home	288	609
Child in detrimental environmental/neglect	173	699
Family breakdown	323	228
Enquiries about new adoptions	2,416	386
	No further Action	Follow up required
Post adoption enquiries	1,356	532
Beneficiaries and other adults needing material assistance	728	235
Adult adoption enquiry	743	1,146
Other	2,356	308

Comment

The Department is increasingly acting as a "broker", referring clients to other community services wherever possible. As the agency of "last resort", however, the Department often has to assist families, children and young persons at a point of crisis.

There has been growing recognition of the need to ensure that appropriate preventive and supportive programmes are in place so as to avoid the need for more radical intervention. This has been given particular emphasis by the CYP&F Act which promotes a preventative and family support approach. It is also reflected in the financial assistance made available to voluntary organisations and community groups through funding programmes of various kinds. (e.g. Child and Family Support Services Programme, Family Services Programme, Homebuilder Programme).

Expenditure: These services are not costed separately from other services under Output 50.

SERVICES FOR PEOPLE WITH DISABILITIES

Introduction

The Department of Social Welfare has responsibility for the funding and organisation of services to support people with physical disabilities or intellectual handicaps. The services required to fulfill this responsibility are organised through the following programmes:

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D. Travel and accommodation expenses	110
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F. Community based field work services	111
G. Disabled persons services programme	111
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I. Section 30 fund	113

These services all come under output class 70.

A: COMMUNITY CARE

The objectives of this programme are:

- * to enable people with disabilities to live in their own homes where possible
- * to ensure that people with disabilities who require residential care have access to the facilities and level of care that they need
- * to provide opportunities for people with disabilities currently in hospitals to live in the community

There are two parts to this programme: home support services and residential support services.

1. HOME SUPPORT

(a) Attendant Care

People under age 65 who have serious physical disabilities can be provided with an attendant to assist with personal care for up to 35 hours a week, to enable them to remain in their own homes. This assistance is not means tested, and funding is capped. An increase in funding was announced recently, to allow for an increase in numbers accessing this service, and for increases in the rate of payment to carers and in administration costs. It is intended that the scheme will become demand driven within three years.

Legislative Authority: Section 4 (d) Disabled Persons Community Welfare (DPCW) Act.

Statistics

Persons assisted, year ended 31.3.89: 200

Persons assisted, year ended 31.3.90: 400

Expenditure: Year ended 30.6.90: \$2.068m.
Budget for 1990/91 year: \$2.47m

(b) Home help

This scheme provides assistance to people who are unable to meet the cost of necessary help in the home. Home help is demand driven, but tightly means tested.

Legislative Authority: Section 124 (1) (d) Social Security Act.

Statistics

The total budget for home help services for 1990/91 is \$9.9m. It is expected that about 10 percent of this total will be spent on services for people with physical disabilities or intellectual handicaps.

(c) Aid to Families

The cost of respite care of children or adults with a disability may be met for up to four weeks a year. This scheme supports carers of all people with disabilities, including older people and people with psychiatric disabilities.

Legislative Authority: Section 12 DPCW Act.

Statistics

25,599 grants in year ended 30.6.90

Expenditure: \$12.044m in year to 30.6.90
Budget for 1990/91 year: \$13.15m

Comment

The direction of policy over a number of years has been towards enabling people with disabilities to live at home where they are able to and prefer this option. The move towards funding support for people with disabilities on an individual basis offers the possibility of a more integrated system of funding home support services. At present, eligibility criteria for home help and attendant care are different, and the two schemes provide different but related kinds of support. Work is proceeding towards a more integrated home support service.

2. RESIDENTIAL SUPPORT

Traditionally, support for people with disabilities requiring residential care has been provided from two sources:

- assistance to service providers through capital and staffing subsidies;
- payment of an invalid benefit, with the addition of a disability allowance and accommodation supplement.

This system will now be replaced in stages by a support subsidy equal to the difference between benefit entitlement and the cost of care or support in a residential facility.

Legislative Authority:

Section 124 (1) (d) Social Security Act 1964. It is planned to make provision through regulations under the new Social Welfare Act. (Clause 37 (i) of the Social Welfare Bill).

Cabinet Approval: Cab (90) Seq (90) 21/2

Comment

During 1990/91 pilot programmes will be established in four districts to pilot the support subsidy for people with intellectual disabilities. Under these programmes, community based service providers will be paid a fee for service, linked to a purchase of service contract.

Approximately 2,500 people with intellectual disabilities live in hospitals in New Zealand. It is expected that a considerable number will have chosen to shift into the community by 1996.

A review of services to people with physical disabilities is planned, following which a support subsidy will be used to fund residential care for this group. In the meantime, organisations and agencies providing residential care for people with physical disabilities will receive financial support through the benefit system.

In July 1990 responsibility for care and other services for people with psychiatric disabilities was transferred to the Department of Health. Until July 1991 the Department of Social Welfare will continue to support non-government agencies providing care to people with psychiatric disabilities through the benefit system.

B: VOCATIONAL SUPPORT

The objective of the vocational support programme is to provide each person who has a disability with the opportunity for a vocational lifestyle which encourages integration in the community, promotes maximum independence, and gives choices similar to those available to people who do not have disabilities.

The Department of Social Welfare aims to ensure the provision of quality services for people with disabilities by:

- promoting employment through funding the voluntary sector to provide supported employment services;
- promoting continuing education by providing support to allow people to participate in mainstream education services;
- promoting training for employment and community living skills through funding the voluntary sector to provide training programmes, and through encouraging the use of mainstream training provision;
- providing targeted financial assistance to individuals to assist with costs incurred in training, rehabilitation and employment.

Legislative Authority: Sections 26, 27, 28, DPCW Act.

There are three parts to this programme: Vocational Opportunities Support Programme, assistance to the Rehabilitation League, and assistance to individuals.

1. VOCATIONAL OPPORTUNITIES SUPPORT PROGRAMME (VOSP)

Financial assistance is provided towards the costs of providing sheltered and supported employment, promoting continuing education, and providing training and skills-for-living programmes for people with disabilities. This programme includes financial assistance to IHC vocational services.

Expenditure: \$9.799 m for year to 30.6.90, including \$41.852 m for IHC.
Budget for 1990/91 year: \$24.04m, including \$14m for IHC.

2. REHABILITATION LEAGUE

Financial assistance is provided to the NZ Rehabilitation League to provide employment support, training, placement and work experience for people with disabilities.

Expenditure: \$10.59m for year to 30.6.90.
Budget for 1990/91 year: \$11.6m.

3. ASSISTANCE TO INDIVIDUALS

(a) Self employment loans

A suspensory loan of up to \$5,240 may be provided to a person with a disability who wishes to become self-employed. A self employment loan has no effect on any other benefit or pension which the applicant may be receiving.

Expenditure: Year ended 30.6.90: \$127,000
Budget for 1990/91 year: \$110,000.

(b) Rehabilitation allowance

People undergoing re-training or work experience through an approved agency may receive a rehabilitation allowance of \$20 per week.

Expenditure: for the year to 30.6.90 was \$1.079m.

Comment

Reviews of past policy and programmes have resulted in the establishment of the Vocational Opportunities Support Programme. It is being implemented over a five year period, during which time a number of issues will require resolution. A key issue will be managing the change from traditional large scale workshop type services to services that conform more readily to required principles and standards of service. Another major issue will be establishing a system of funding individuals to receive vocational services, rather than providing block funding to organisations.

The Rehabilitation League (inc) is being restructured to provide a more readily available brokerage and support service to people with disabilities. This entails a change from extensive assessment and training centres in five locations to smaller, more active units in fifteen locations.

C: CAPITAL COSTS AND EQUIPMENT

The purpose of the programme is to help people with disabilities to pay for alterations to homes, to purchase equipment, and in some cases to purchase a vehicle, where these are necessary to enable them to remain in their own home, and participate in employment, training or voluntary work.

There are three parts to this programme: loans for alterations to homes, provision of aids and appliances, and suspensory loans for purchase of vehicles.

1. ALTERATIONS TO HOMES

Suspensory loans are available to people with disabilities to assist with the costs of essential alterations or provision of special features which will enable them to remain independently in their own home or private accommodation.

Legislative Authority: Section 14, DPCW Act.

Statistics

4272 applications granted for year ended 30.6.90

Expenditure: \$5.234m for year ended 30.6.90
Estimated expenditure for 1990/91: \$6m.

2. PROVISION OF AIDS AND APPLIANCES

Financial assistance is available without a means test to enable a person with a disability to purchase a piece of equipment which will enable them to remain in their own home or private accommodation, to obtain or retain employment, or to undertake education. The kind of equipment provided includes equipment for mobility in and around the home, and equipment necessary for communication.

Legislative Authority: Sections 15 and 15A, DPCW Act

Statistics

6,812 applications granted for year to 30.6.90

Expenditure: \$3.514m for year to 30.6.90
Estimated expenditure for 1990/91 year: \$3.34m

3. SUSPENSORY LOANS FOR THE PURCHASE OF MOTOR VEHICLES

A suspensory loan may be provided to assist a person with serious disabilities to purchase a vehicle, where the vehicle will enable that person to obtain or retain employment, to undertake education at a university, polytechnic or business college with a view to future employment, or to engage in voluntary work which will benefit the community.

Legislative Authority: Section 16A DPCW Act

Statistics

155 applications granted for year to 30.6.90

Expenditure: \$1.558m for year to 30.6.90
Estimated expenditure for 1990/91 year: \$2.125m

Comment

As part of the Health/Welfare Interface exercise, an Equipment Working Party has been established to develop a new service delivery model for the provision of equipment to people with physical disabilities.

An accreditation process is being prepared for people who prescribe equipment. Accredited Assessors will be required to demonstrate that they are qualified in their own discipline, and have a knowledge of the relevant legislation and of the equipment available which meets predetermined standards. They will be required to explain all options to clients, and to advise them of their rights and responsibilities.

Included in the new service delivery model will be streamlined and user friendly application procedures, a computer data base to track equipment for re-issue, and an information service for people with disabilities, families, caregivers and service providers.

D: TRAVEL AND ACCOMMODATION EXPENSES

Financial assistance can be provided to assist a person with a disability with the cost of travel and accommodation when that person is required to attend an assessment or to undertake a course of treatment prescribed by an area health board specialist. Assistance is not subject to a means test. If the person is not able to travel alone, the travel costs of an attendant may also be met.

Legislative Authority: Section 13, DPCW Act.

Expenditure: For The Year Ended 30.6.90: \$242,000
Estimated expenditure for 1990/91: \$1.090m.

E: ACCESS PROGRAMME

The objective of the programme is to provide people with disabilities with independent access into buildings, to enable them to live and work in the community.

Legislative Authority: Section 25, DPCW Act

Comment

Section 25 provides for "reasonable and adequate access" for people with disabilities in all new public buildings or major reconstructions of existing buildings. The cost is to be met by the owner of the building.

Implementation of access requirements will become the responsibility of the Building Industry Authority when its new code comes into operation in 1991. The Department of Social Welfare will retain responsibility for some access items currently required but not part of the new building code.

F: COMMUNITY BASED FIELD WORK SERVICES

The objectives of this programme are:

- to assist voluntary welfare organisations to provide field work services to people with disabilities living in the community;
- to ensure that people with disabilities and their families have access to appropriate community support services.

There are two parts to this programme: the Disabled Persons Services Programme and the Support Programme for the Deaf.

G: DISABLED PERSONS SERVICES PROGRAMME

Grants are paid towards the salaries of approved full time field workers and to assist organisations to meet the costs of administration and of co-ordinating volunteers.

Except for funding to a small number of national offices of organisations, funding is provided to approved local community organisations, through district offices of the Department.

Legislative Authority: Section 4 (d), DPCW Act.

Expenditure: for year to 30.6.90: \$2.496m.
Budget for 1990/91: \$2.727m.

2. SUPPORT PROGRAMME FOR THE DEAF

Legislative Authority: Section 4 (d) DPCW Act.

A grant is paid to the NZ Association of the Deaf, towards the cost of salaries of approved field officers and interpreters, and to cover administration and travel costs. Funding is provided for 7 field workers, 3 interpreters, and one national co-ordinator.

Budget for 1990/91: \$463,000

(b) A grant is paid to the NZ Foundation for the Deaf to cover salary, administration and travel costs. The Foundation is the umbrella organisation which co-ordinates the policy, fundraising and activities of all groups assisting people who are deaf.

Budget for 1990/91: \$244,000

(c) A grant is paid to the Federation of Deaf Children, to support the provision of services to deaf children.

Budget for 1990/91: \$30,000

Expenditure

Total expenditure on Welfare Services for the Deaf for the year to 30.6.90 was \$540,000.

Comment

The voluntary organisations funded provide counselling, education, information, advice, and other assistance such as interpreter services for the deaf. Demand for this assistance has increased, because more people with disabilities are living in the community. However funding has not increased proportionately. There is competition for the funds available. Some providers have had to cut back on services, or have been unable to increase services; other potential service providers have not received any funding.

These problems could be alleviated, and consumer choice promoted, by moving to a system of funding individuals who need this type of assistance.

H: GRANTS TO NATIONAL ORGANISATIONS

The purpose of this programme is to provide financial assistance to national organisations which promote the interests of people with disabilities, or co-ordinate the provision of services for people with disabilities.

Legislative Authority: Section 4 and section 17 (2), DPCW Act.

1. DISABLED PERSONS ASSEMBLY

Funding is provided to enable the Disabled Persons Assembly to represent the interests of people with disabilities, and to promote the co-ordination of services.

Expenditure: for the year to 30.6.90 was \$140,000.
Budget for 1990/91: \$140,000

Comment

This assistance enables the DPA to strengthen its role as an advocate for all people with disabilities, and to provide advice and information to the Department on policy and its implementation.

2. ARTIFICIAL LIMB BOARD

A grant to cover administration costs is provided to the Artificial Limb Board, which is responsible for the provision, fitting and maintenance of artificial limbs for amputees. The Board's responsibilities include providing policy information and advice on standards and services for amputees.

Legislative Authority: Part III, Social Welfare (Transitional Provisions) Act, 1990.

Expenditure: for the year to 30.6.90 was \$38,000.
Budget for 1990/91: \$38,000

Comment

The board was recently made an agency of the Crown.

I: SECTION 30 FUND

Under section 30 of the DPCW Act a small fund is available which may be used by the Minister to provide financial assistance to groups undertaking activities which will benefit a wide range of people with disabilities and are not covered under any other legislation.

EXPENDITURE: The amount available for funding disability services will be \$11,000 for the 1990/91 year. For convenience, additional funding is provided through this section of the Act for sexual abuse counselling funded through the Accident Compensation Corporation.

COMMUNITY SERVICES**Introduction**

Community services programmes are all funding programmes, set up following Cabinet approval under Section 124(1)(d) of the Social Security Act 1964. They come under output class 70 and cover payments on behalf of the Crown.

Legislative Authority: Public Finance Act
Appropriation Act

There are four broad programme areas:

- A. Grants to service providers
- B. Grants to national co-ordinating agencies
- C. Contingency fund
- D. Community Organisations Grants Scheme

A: GRANTS TO SERVICE PROVIDERS

- **Community Welfare Initiatives Fund** supports developmental, experimental and co-ordinating activities outside targeted funding programmes. It also supports small scale self help initiatives without existing funding sources. Decisions on grants are made locally and 1990/91 funding is \$905,000.
- **Rural Services Programme** provides assistance for isolated rural communities to develop services. At present the programme is applicable only in Northland, Canterbury and Westland. Decisions on grants are made locally and 1990/91 funding is \$113,000.
- **Telephone Counselling Services Programme** provides funding to telephone based counselling services operated by voluntary sector agencies. Decisions on grants are made locally and 1990/91 funding is \$184,000.
- **Refugee Services Programme** provides funding to enable refugee communities to develop projects and services to meet their social welfare needs and to support welfare organisations assisting refugees. Decisions are made at Head Office and funding is \$240,000 for the 1990/91 year.
- **Budget Services Support Programme** provides assistance to promote and encourage voluntary budgeting services. Funding covers volunteer service and training costs, operating costs and costs of service co-ordination. Decisions on grants are made locally and 1990/91 funding is \$1.097m.
- **Information and Advocacy Fund** provides funding to social service organisations providing information or advocacy services or developing projects in these areas. Decisions are made at Head Office and grants are made to both local and national organisations. Funding for 1990/91 is \$277,000.

Comment

The Community Welfare Initiatives Fund (CWIF) was administered by District Executive Committees until 1 April 1990, when the role of DEC's was changed from decision-making to advisory with respect to grants funding.

It is planned to collapse the Rural Services and Telephone Counselling Programmes into CWIF before the 1991/92 financial year, as part of the rationalisation of funding programmes.

The Budget Services Support Programme is under continuing pressure. The programme is demand driven, and expenditure is forecast to increase by \$200,00 this year.

B: GRANTS TO NATIONAL CO-ORDINATING AGENCIES

- **Fund for Co-ordination of Voluntary Welfare Services** provides funding to improve co-ordination and co-operation of voluntary welfare services at a national level. Decisions on grants are made at Head Office. Funding for 1990/91 is \$358,000.
- **National Council of Women Fund** provides an ongoing yearly grant to the Council for co-ordination of its activities on a national basis. Funding for 1990/91 is \$28,000.
- **NZ Federation of Family Budgeting Services Fund** provides an ongoing annual grant to the Federation towards its operating costs. The Federation provides support and advice to budgeting services around the country. Funding for 1990/91 is \$56,000.
- **Citizens Advice Bureaux Fund** provides ongoing annual funding to the national Citizens Advice Bureau for distribution to branch advice bureaux around the country to assist them in their activities. Funding for 1990/91 from the department is \$82,000. An additional \$56,000 is provided through the department by other Government agencies.

Comment

Before the 1991/92 financial year, it is planned to incorporate funding for the National Council of Women, the N.Z. Federation of Family Budgeting Services, and Citizens Advice Bureaux into the Co-ordination of Voluntary Welfare Organisations Fund.

C: CONTINGENCY FUND

The Contingency Fund is a discretionary fund providing financial assistance to approved voluntary welfare agencies in serious financial difficulties. It also assists organisations which are unable to access funds through targeted funding programmes for maintenance of their activities. All decisions are made by the Minister of Social Welfare. Funding for 1990/91 is \$662,000.

Comment

Expenditure of the Contingency Fund is currently \$219,000 for the year to date, \$73,000 ahead of forecast expenditure. A further \$67,000 is to be transferred to the Department of Health in the Supplementary Estimates as part of the review of the Health/Welfare interface.

D: COMMUNITY ORGANISATIONS GRANTS SCHEME (COGS)

This scheme provides a localised decision making process for the allocation of funds for essential social services. Decisions are made by local distribution committees. Funding allocation for 1990/91 is \$11.332m.

Comment

Cabinet has approved the transfer of this programme to Internal Affairs with effect from 1 October 1990. Social Welfare will continue to provide accommodation to the 19 COGS district staff until June 1991, and will also continue to provide policy advice to the COGS National Advisory Committee and local advice to the 52 COGS distribution committees.

MAATUA WHANGAI PROGRAMME**Introduction**

It is important to recognise that all departmental programmes affect Maori. However, the Maatua Whangai programme is unique in that it is solely for Maori, although its principles can be universally applied.

Legislative Authority: Children, Young Persons and Their Families Act 1989

The objectives of Maatua Whangai are:

- To stem the flow of Maori into state residential institutions for children and young people;
- To ensure that Maori children and young people who come to notice are placed in the care of kin - Whanau, Hapu and Iwi;
- To ensure that children and young people continue to be cared for by kin.

Description

Two specific funding programmes are available to further the above objectives. They are:

1. Whanau Development - Funding is available to tribal authorities to help establish tribal registers and strengthen traditional networks through appropriate Iwi processes. The allocation for 1990/91 is \$550,000.
2. Koha Placement - Under this programme funding is available to Iwi to make koha payments to whanau, where a Maori child or young person is temporarily unable to live with his or her parents. The allocation for 1990/91 is \$1.287m.

Comment

While these are the components of Maatua Whangai from the perspective of the Department of Social Welfare, the term is also used to describe a wider range of activities undertaken by a range of agencies, including the Housing Corporation and Citizens Advice Bureaux.

Expenditure:

Allocations for 1990/91 are given above.