

***MSD - services for the future programme*****Initiative Sponsors: Ministry of Social Development****Description:**

*MSD – services for the future programme* is a multi-year transformation programme to ensure MSD delivers for New Zealanders and enable us to focus our resources and investment on the cohorts who need it.

The programme will involve significant changes to underlying systems and introduce simpler processes and redesigned services that put people first. It will transform:

- **Work** - Giving the right level of support to help clients get work-ready, into work, and stay in work.
- **Partnering** - Working better with partners and reducing red tape so they can focus on helping people.
- **Payments** - Making sure people get the right financial help and reducing overpayments.

The programme has been fully funded, however, due to commercial sensitivity only the funding for year three is set out below.

**Financial Impact:**

The impacts for year three are set out in the tables below:

**Vote Social Development Opex:**

(\$m)	2024/25	2025/26	2026/27	2027/28	2028/29 & outyears	Total
Total	-	67.590	-	-	-	67.590

**FAQs and other information**

- The government is investing to support the Ministry of Social Development (MSD) to continue its Transformation programme. MSD is at the end of year two of a nine-year transformation programme.
- The investment will enable MSD to change the way it operates, modernise its technology and business processes to support new and more efficient ways of working, and reduce costs and risk. This will deliver benefits to government via greater efficiencies in one of the largest Votes and improve the effectiveness of services delivered to New Zealanders.

- This investment supports MSD's provision of critical functions including the provision of employment services; income support for people with low or no income, students and superannuitants; housing support; community partnerships and programmes; and social policy and investment advice.
- As we've moved into delivery mode, we've made the decision to change the name to *MSD – services for the future programme*. This is a better descriptor of what we're now delivering. Te Pae Tawhiti remains the name of MSD's organisational strategy and our three shifts – mana manaaki – a positive experience every time, Kotahitanga – partnering for greater impact, and Kia takatū tatou – supporting long term economic and social development – are what the programme is anchored to.
- What will transformation mean?
  - Changes in the way we deliver services, technology and business process changes that enable a sustainable welfare system for the future.
  - More people off benefit and into work and reduced benefit dependence with fewer children in benefit-dependent homes.
  - Improved digital services, a new tiered case management system with improved allocation of resources and funding to target the right services to the right people.
  - Fewer resources needed for transactional processing.
  - Greater client understanding of entitlements and obligations.
  - Working better with partners and reducing red tape so they can focus on helping people.
  - It will significantly reduce the overall risk of system failure.
  - Establish common business processes, payments and case management patterns that could be leveraged by other agencies.