



21 December 2023

Tēnā koe

Official Information Act request

Thank you for your email dated 20 November 2023 in which you requested information regarding the impact of the COVID-19 pandemic upon the Ministry of Social Development (the Ministry).

I have considered your request under the Official Information Act 1982 (the Act). Please find my response to each part of your request set out separately below.

- 1.) How much spending was made for Covid during the years 2020, 2021, 2022, 2023 and how was this made up as? Please include cost spent on equipment, extra staff, health and safety, consultation/advisors etc.**

a.) Additional staffing due to COVID-19 since 2020

During the 2019/20 financial year, the Ministry employed 454 staff with a total cost of \$2.203 million due to COVID-19. Of these, 397 were fixed term with most of these being on a two-year contract. The extra staff were employed to process COVID-19 wage subsidy and leave subsidy payments and to provide financial support services for an increased number of people expected to become unemployed due to COVID-19.

During the 2020/21 financial year, the Ministry received funding for an additional 807 FTEs from Budget 2020 COVID-19 Wave 1 and Wave 2. In Wave 1, time-limited funding of \$18.87 million for 199 FTEs was received to the end of December 2020 - In Wave 2, further funding of \$250 million (over four years) was received for 807 FTEs, which included funding to extend the Wave 1 funded 199 FTEs beyond December 2020.

As of June 2020, the Ministry had hired 454 FTEs with a total cost of \$2.203 million in financial year 2019/20. Of the 454 FTEs, 57 were permanent, the rest were on fixed term contracts. Most of the fixed term staff were on a two-year contract, a smaller number were on 8-month to 12-month contracts. The additional staff were employed to process COVID-19 wage subsidy and leave subsidy payments and to provide

financial support services for an increased number of people expected to become unemployed due to COVID-19.

The Ministry received COVID-19 Response and Recovery Fund (CRRF) funding for an additional 982 funded full-time equivalent (FTE) staff (above baseline) for 2021/22 to respond to the effects of the pandemic, at a total cost of \$119.065 million. Most of this investment was for staff to respond to additional demand for Ministry services and to meet client needs. The additional 982 CRRF funded FTE staff were allocated to the following initiatives:

- 444 FTE for the Employment and Financial Support response to COVID-19
- 450 FTE for additional staff to respond to New Zealanders' Income, Housing and Employment Needs
- 88 FTE for the COVID-19 Short-Term Absence Payment (STAP) Implementation.

The Ministry played a key role in administering government economic supports, including the COVID-19 Wage Subsidy Scheme (WSS), the COVID-19 Leave Support Scheme (LSS), and Short-Term Absence Payments (STAP). The Ministry has not received additional departmental funding for FTE to administer the Care in the Community Welfare Response but has continued to prioritise approximately 71 baseline FTE to support people to safely self-isolate. In addition, approximately 65 FTE were managing delivery of LSS and STAP, with a further 50 FTE on average working overtime on weekends to maintain 24-hour first engagement turnarounds.

Given the time-limited nature of COVID-19 funding, the Ministry is now reducing its workforce accordingly. It is important to note that the additional staff discussed filled roles which supported the Ministry's wider response to COVID-19, not only the health and safety aspects of the response.

b.) Additional expenditure on contractors due to COVID-19 since 2020

Since 2020, the Ministry engaged IT contractors to focus on system changes to support new payments, managing client obligations, enabling remote access to Ministry services and supports and the COVID Protection Framework due to the Ministry's response to COVID-19. The total cost of the IT contractors up until 31 March 2023 was \$3,450,689. In response to the initial COVID-19 Pandemic, 36 IT contractors that were previously engaged to deliver digital services for the Ministry were redeployed to work on these system changes. As at the end of March 2023, 15 contractors, as part of their work for the Ministry, have contributed towards ongoing COVID-19 related work.

The Ministry has also engaged seven other contractors in response to the COVID-19 Pandemic since 2020 for a total cost of \$339,011. Two of these provided indirect administrative support for the COVID-19 response and the other five supported the Ministry with community provider requests and queries, strategic communications advice and development of processes, reporting and surveys.

We have broken down the cost by year below for your information.

During the 2019/2020 financial year, 36 IT contractors were redeployed to COVID-19 related work. The cost of the work these contractors undertook for the 2019/2020 financial year was \$1,351,189. There were two further contractors engaged during 2019/20 at a cost of \$46,460 who were not directly involved in the immediate response to COVID-19 but provided indirect administrative support.

For the 2020/2021 financial year, the Ministry spent an additional \$305,000 on specific COVID-19 related response initiatives undertaken by IT contractors.

During the 2021/22 financial year, work continued on system changes related to COVID-19. The Ministry spent \$1,329,500 on IT contractors for this work.

There were also five contractors engaged during the 2021/22 financial year to support MSD's role in the COVID-19 response including support for dealing with community provider requests and queries, strategic communications advice and development of processes, reporting and surveys. The cost for the full year for these contractors was \$232,551.

During the 2022/23 financial year work continued on system changes related to COVID-19. Fifteen IT contractors worked on these changes related to COVID-19 for a total of \$465,000.

There was also further one contractor that continued to be engaged during the 2022/23 financial year to support the Ministry's role in the COVID-19 response. As of 31 March 2023, \$60,000 was spent for this work.

The contractors discussed above carried out tasks which supported the Ministry's wider response to COVID-19, not only the health and safety aspects of the response.

It is important to note that the Ministry is currently collating information for its Annual Review hearing before the Social Services and Community Select Committee in February 2024, which will capture expenditure for the period ending 30 June 2023.

c.) Additional expenditure due to the technological impacts of the COVID-19 pandemic between June 2020 and June 2022

Please see **Appendix 1** for this information. This information is taken from the Annual Review examination documents made by the Ministry to the Social Services and Community Select Committee between 2020 and 2022.

d.) Health and Safety expenditure related to COVID-19 (excluding personnel) between 2020 and 2023

- **COVID-19 Cleaning**

From 2020 to 2023, MSD spent \$4,382,482.06 on enhanced cleaning for COVID-19. This excludes deep cleans completed for sites. It is important to note that site deep cleans ceased in September 2022. Enhanced cleans of sites ended in September 2022.

- **Installation of Perspex Screens**

The cost of supply and installation of Perspex Screens was \$27,813.77 in 2020, \$27,687.10 in 2021, \$150,885.71 in 2022 and \$29,836.16 in 2023, totalling \$236,222.74.

Table One -Costs from the COVID-19 Project November 2021 to October 2022			
Year	2021-2022	2022-2023	Total
Medical masks	\$251,375.00	\$67,034.00	\$318,409.00
Rapid Antigen tests	\$1,102,638.00		\$1,102,638.00
Delivery charges	\$48,152.00		\$48,152.00
Accommodation for travel	\$262.00	\$279.00	\$541.00
Meetings/ catering		\$201.00	\$201.00
Mobile device charges	\$63.00	\$30.00	\$93.00
Strategic advice		\$3,000.00	\$3,000.00
Miscellaneous	\$530.00		\$530.00
Personnel training		\$3,900.00	\$3,900.00

2.) What was the spending on staff for Health & Safety (MSD covid response) for the period 2020, 2021, 2022, 2023? Were extra staff taken on in the department, if so what role and for how long and at what cost?

Until November 2021, the Ministry's Health, Safety and Security (HSS) team provided all health and safety advice to the Ministry. After November 2021, personnel were redeployed from the HSS team and other units to form a COVID-19 Project team, which was funded from the Ministry's baseline.

Staff from other business units resourced the Managers' Hotline which provided advice which supported managers across New Zealand to respond effectively to COVID-19 exposure events at Ministry sites. There was no additional cost to the Project for this resource.

The Project ended on 30 September 2022, by which time all staff had returned to their substantive roles, except for one Lead Advisor Health and Safety whose position continued to be funded to June 2023 for ongoing work related to COVID-19.

Table Two - Expenditure for Ministry's Health and Safety response to COVID-19 – June 2021 to June 2023	
Period	Cost (\$)
June 2021 to June 2022	420,731
June 2022 to June 2023	216,466
TOTAL	637,197

From June 2023, work related to COVID-19 has been carried out by the HSS team as part of their normal work.

- 3.) **How many employees left during the same above period (2020, 2021, 2022, 2023) due to MSD's covid response policy, please break this down as – did not meet the vaccination policy, paid in lieu of the vaccination policy, medical retirement, etc.**

Table Three - Ministry staff who resigned due to the Ministry's COVID-19 response					
Reason	2020	2021	2022	2023	TOTAL
Medical Retirement – COVID Policy			1		1
Resignation – COVID Policy		1	117	7	125
Retirement – COVID Policy			5		5
TOTAL FOR YEARS BETWEEN 2020 AND 2023					131

- 4.) **How many of those employees have been reemployed/reinstated with MSD?**

The Ministry has reemployed three people who resigned due to the Ministry's COVID-19 Policy.

5.) How many employees received termination notices during the same period – 2020, 2021, 2022, 2023 for not meeting the initial vaccination policy?

The Ministry sent 215 letters including a final decision to terminate to staff in 2022; however, these were all subsequently withdrawn, and staff were advised that the notice periods no longer applied.

6.) How much has been spent on legal costs relating to the covid response at MSD?

This request would require substantial manual collation and research to provide the information requested. On that basis, I refuse your request under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

Information could be stored within WEKA (a requisition system used by the Ministry), legacy accounting systems, and records held by various business units. Invoices will often involve costs for several different matters and do not always provide a summary of costs. This makes it difficult to accurately assign costs to the correct matter.

I have considered whether the Ministry would be able to respond to your request if it were refined, given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be negatively impacted.

You may consider rephrasing future requests for official information about the Ministry's expenditure on legal services due to its COVID-19 response to narrow the scope. You can email the Official Information team at oi_requests@msd.govt.nz if you would like further advice about how you could phrase future requests for information about the Ministry's expenditure on legal costs related to its response to COVID-19.

7.) How many personal grievances were made during the period 2020, 2021, 2022, 2023 relating to covid? How many (if any) are still outstanding?

Seven personal grievances were lodged by Ministry staff in relation to the Ministry's COVID-19 response. One of the grievances, which has now been settled, included several grievants. Of the seven grievances, three are yet to be resolved; however only one of the grievants appears to be actively pursuing their grievance further.

8.) How many mediation meetings during the period 2020, 2021, 2022, 2023 has there been? How many related to the covid response?

The Ministry does not record or report on the number of mediations attended each year. This request would require substantial manual collation to locate and prepare all information within scope. On that basis, I refuse your request under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request if it were refined, given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be negatively impacted.

Although the Ministry does not generally record or report on the number of mediation meetings attended, I can confirm that four mediation meetings were held due to matters relating to COVID-19.

9.) Was there any attendance during the period 2020, 2021, 2022, 2023 with the Employment Relations Authority? If so, how many? How many of these related to the covid response?

The Ministry attended four Employee Relations Authority cases between 2020 and 2023. All these cases fell between 1 Jul 2022 and 30 June 2023. None of these cases related to COVID-19.

10.) How much was spent on legal costs during the years 2020, 2021, 2022, 2023 for covid related issues? Which legal company was this?

11.) How much was spent on legal advisors during the years 2020, 2021, 2022, 2023 for covid related issues, staff issues, which legal company/person was this paid to?

Please note that this is the Ministry's response to both questions 10 and 11 of your request as the information sought within both questions is substantively the same.

For this part of your request, I have interpreted that you are seeking information about the Ministry's expenditure on external legal services due to its COVID-19 response and which firms it contracted to provide those services.

The Ministry requires further time to collate the information it intends to release to you in response to this part of your request. The Ministry will send this information to you no later than 17 January 2024.

12.) Were any employees/staff/advisors granted an “exemption” from having to meet the MSD covid vaccination policy? If so, how many and their job titles?

The Ministry granted no exemptions to staff regarding the Ministry’s Vaccination Policy.

13.) How many staff had a Ministry of Health exemption? What were their job roles?

Two staff advised that they held Ministry of Health exemptions; however, they were able to perform their roles from home. For that reason, they were not exempted from the Ministry’s Vaccination Policy.

One of those staff members was a Customer Service Representative.

In accordance with section 9(2)(a) of the Act, I have decided it is appropriate to withhold the job title (role) of the second staff member. It is likely that releasing this information would lead to that person being identified. Any public interest in releasing this information is outweighed by the need to protect the privacy of natural persons.

14.) Were clients/visitors/contractors expected to meet a vaccination policy during the period 2020, 2021, 2022, 2023?

The Ministry implemented its Vaccination Policy on 16 December 2021. To be compliant with the Policy, staff were required to provide proof that they had received the first dose of a COVID-19 vaccine no later than 10 January 2022 and proof that they had received a second dose no later than 4 February 2022. The Policy applied to contractors and consultants working for the Ministry, including seconded people and those working as volunteers.

Commercial contractors were required to provide evidence of their vaccination status before entering Ministry premises; however, in instances when a contractor or supplier was unvaccinated (or could not supply a vaccinated person to carry out the work), a joint risk assessment would be carried out with the site manager before an unvaccinated contractor could be permitted to enter the site.

Ministry clients and client support people were excluded from any requirement to be vaccinated. Clients and support people did not have to provide evidence of their vaccination status when visiting Ministry sites. The Ministry was legally unable to refuse clients and their support people entry to Ministry sites based on vaccination status.

The Policy was reviewed in June 2022 and the requirement to be vaccinated was removed effective from 1 September 2022. This meant that no person entering Ministry premises have been asked to provide proof of their vaccination status since that date.

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with my decision on your request, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

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Magnus O'Neill
General Manager
Ministerial and Executive Services

APPENDIX 1

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organisation went about its core business? What lessons have been learned as a result? Would, in hindsight, your organisation have done anything differently?

MSD was well-placed to deal with COVID-19 as it routinely responds to civil defence emergencies and economic shocks in regions. MSD's response built on the knowledge from

past crises about what worked and what communities needed. Key components that were delivered as a response to the pandemic also built on tools or structures from previous crises.

Many MSD staff, particularly those in the regions, had completed training in civil defence emergency management. This became a key asset during the COVID-19 response, both in the regions and in the Government's National Crisis Management Centre.

One of the key lessons learned was the importance of enabling MSD operational staff (including case managers, contact centre staff, and processing staff) to work remotely.

Staff were also reprioritised to meet the increased demand for services, and MSD upskilled people in roles from across the organisation to process wage subsidy applications and to support contact centres.

System, process, and policy changes were required to support the administration of new payments, and to enable remote access to MSD services and supports. This required mobilisation of staff both internally and across agencies to work in a coordinated and integrated manner.

124. What specific information technology issues did your organisation experience as a result of COVID-19 and how were these addressed? Did your organisation need to purchase additional IT equipment (eg laptops, printers etc) and was your network able to manage with increased demand for remote access (eg some departments had to limit remote access at certain times) and how did this impact on the way the organisation did its job? What was the total cost for Covid-19 related IT expenses and how does this breakdown?

Following the COVID-19 pandemic there were a number of technological challenges to make sure MSD could continue to deliver services to clients. In particular, with the closure of MSD Service Centres during the lockdown period, clients relied on accessing the majority of services through digital and phone services. MSD also had a number of staff that worked remotely, including from home. Specific technological issues included capacity pressure on MSD's client facing MyMSD and phone systems and the foundational client systems such as CMS and SWIFTT. This extended to additional pressure being placed on the MSD network and storage capabilities with a notable increase in demand on video conferencing and collaborative tools (such as Jabber) for staff. Internally there was increased demand to mobilise our workforce with many staff still having PC's and equipment that was not easy to move and there was limited capacity for staff to access our networks remotely.

To manage these challenges, MSD substantially increased the capacity of MyMSD to handle the increased traffic and pushed through over 70 enhancements to make the system easier for clients to use. The capacity for people using the MSD phone systems was also doubled. The main application for staff supporting clients has had over 40 enhancements made since COVID-19 to help save time for staff that can be better utilised on supporting clients. Access for staff to log on to the MSD system in a secure environment was also increased. Increased provision and capacity for accessing collaborative tools such as Jabber was provided and increased data and voice capacity (internet capacity was increased by 500 percent to help meet this demand).

MSD had intended to move to a more mobile way of working prior to COVID-19 through favouring laptops over desk-based PC's. Due to COVID-19, this work was brought forward with around 2,000 new laptops and associated equipment such as headsets and Bluetooth mouse and keyboards, being installed with priority given to replacing desk-based PC's for client facing staff.

The following table provides a breakdown of the total cost to manage the technological impacts from the COVID-19 pandemic to the end of June 2020. A total of \$5.8 million in operational expenditure and \$4 million in capital costs. The capital costs related to specific projects in response to the pandemic, some of which were planned for future but prioritised in MSD's response.

Operating expenditure	Cost (\$)
Projects:	
Rent Arrears assistance	54,206
Wage Subsidy Scheme	1,066,117
Temporary Income Relief (CIRP)	658,407
Professional services:	
Deloitte Cyber Security Consultant	48,011
IT costs:	
Laptop Adaptors	63,000
Remote Connectivity Laptops (SIM cards)	291,874
Text message 2 factor authentication	84,074
Software Licences (Zoom, BPM, others)	228,938
Additional Laptops lease costs	271,546
Additional Internet bandwidth	72,000
System changes (contractors)	1,642,437
Telephony - variable costs	1,313,337
Total operating expenditure	5,793,948

Capital Expenditure Projects	Cost (\$)
Income Stand Down	88,980
Operational Capacity Changes	846,571
Website Changes	157,026
NZ Residents Stranded Overseas	17,290
Reporting	853,306
Student Report	148,850
Simplifying the Online Application Process ⁵¹	1,848,795

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purchase additional IT equipment (eg laptops, printers etc) and was your network able to manage with increased demand for remote access (eg some departments had to limit remote access at certain times) and how did this impact on the way the organisation did its job? What was the total cost for Covid-19 related IT expenses and how does this breakdown?

Following the COVID-19 pandemic there were a number of technological challenges to make sure MSD could continue to deliver services to clients. In particular, with the closure of MSD Service Centres during the lockdown period, clients relied on accessing the majority of services through digital and phone services. MSD also had a number of staff that worked remotely, including from home. Specific technological issues included capacity pressure on MSD's client facing MyMSD and phone systems and the foundational client systems such as CMS and SWIFTT. This extended to additional pressure being placed on the MSD network and storage capabilities with a notable increase in demand on video conferencing and collaborative tools (such as Jabber) for staff. Internally there was increased demand to mobilise our workforce with many staff still having PC's and equipment that was not easy to move and there was limited capacity for staff to access our networks remotely.

To manage these challenges, MSD substantially increased the capacity of MyMSD to handle the increased traffic and pushed through over 70 enhancements to make the system easier for clients to use. The capacity for people using the MSD phone systems was also doubled. The main application for staff supporting clients has had over 40 enhancements made since COVID-19 to help save time for staff that can be better utilised on supporting clients. Access for staff to log on to the MSD system in a secure environment was also increased. Increased provision and capacity for accessing collaborative tools such as Jabber was

provided and increased data and voice capacity (internet capacity was increased by 500 percent to help meet this demand).

MSD had intended to move to a more mobile way of working prior to COVID-19 through favouring laptops over desk-based PC's. Due to COVID-19, this work was brought forward with around 2,000 new laptops and associated equipment such as headsets and Bluetooth mouse and keyboards, being installed with priority given to replacing desk-based PC's for client facing staff.

MSD has not needed to make any significant changes to its digital, technology and IT to support services during the most recent August 2021 lockdown period. MSD's digital services have been operating effectively with no significant issues.

The following table provides a breakdown of the total cost to manage the technological impacts from the COVID-19 pandemic to the end of June 2020. A total of \$5.8 million in operational expenditure and \$4 million in capital costs. The capital costs related to specific projects in response to the pandemic, some of which were planned for future but prioritised in MSD's response.

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Reporting	853,306
Student Report	148,850
Simplifying the Online Application Process ⁴²	1,848,795

⁴² This was a planned project for the future but advanced due to COVID-19.

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purchase additional IT equipment (e.g. laptops, printers etc) and was your network able to manage with increased demand for remote access (e.g. some departments had to limit remote access at certain times) and how did this impact on the way the organisation did its job? What was the total cost for Covid-19 related IT expenses and how does this breakdown?

During the COVID-19 pandemic there were several technological challenges to make sure MSD could continue to deliver services to clients. With the closure of MSD Service Centres during the lockdown period, clients relied on accessing most services through digital and phone services. MSD also had many staff that worked remotely, including from home. Specific technological issues included capacity pressure on MSD's client facing MyMSD and phone systems and the foundational client systems such as CMS and SWIFTT.

This extended to additional pressure being placed on the MSD network and storage capabilities with a notable increase in demand on video conferencing and collaborative tools (such as Cisco Jabber telephony) for staff. Internally there was increased demand to mobilise our workforce with many staff still having PC's and equipment that was not easy to move and there was limited capacity for staff to access our networks remotely.

To manage these challenges, MSD substantially increased the capacity of MyMSD to handle the increased traffic and pushed through over 70 enhancements to make the system easier for clients to use. The capacity for people using the MSD phone systems was also doubled. The main application for staff supporting clients has had over 40 enhancements made since COVID-19 to help save time for staff that can be better utilised on supporting clients. Access for staff to log on to the MSD system in a secure environment was also increased. Increased provision and capacity for accessing collaborative tools such as Cisco Jabber was provided and increased data and voice capacity (internet capacity was increased by 500 percent to help meet this demand).

MSD had intended to move to a more mobile way of working prior to COVID-19 through favouring laptops over desk-based PC's. Due to COVID-19, this work was brought forward with around 2,000 new laptops and associated equipment such as headsets, mice and keyboards, being installed with priority given to replacing desk-based PC's for client facing staff.

MSD has not needed to make any significant changes to its digital, technology and IT to support services during the most recent August 2021 lockdown and COVID-19 Protection Framework Red periods. MSD's digital services have been operating effectively with no significant issues.

In August 2021, MSD began rolling out Microsoft Teams providing staff with collaboration functionality including audio conferencing, video calling, chat, and instant messaging.

A breakdown of the total cost to manage the technological impacts from the COVID-19 pandemic to the end of June 2020 was provided at MSD's response to [Question 124](#) (page 89) of the 2020/21 annual review. There was a total operational expenditure of \$5.8

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