

Special Needs Grants Amendment Programme (No 1) 2020

This instrument is made under section 101(1) of the Social Security Act 2018, by the Minister for Social Development.

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Instrument

1 Title

This instrument is the Special Needs Grants Amendment Programme (No 1) 2020.

2 Commencement

- (1) This instrument, except for clauses 4 – 6, comes into force on 27 March 2020.
- (2) Clauses 4 – 6 come into force on 19 October 2020.

3 Programme amended

This instrument amends the Special Needs Grants Programme as established and made on 18 December 1998.¹

4 Clause 14A replaced (People in need of Emergency Housing)

- (1) Delete clause 14A and insert new clause 14A:

14A People in need of Emergency Housing

14A.1 MSD may make a Grant to an Applicant for the supply of Emergency Housing that MSD considers adequate to meet the needs of the Applicant and their Immediate Family (an **emergency housing grant**) if MSD considers that the Applicant has an immediate emergency housing need, and that not providing the Grant would—

- (a) worsen the Applicant's position; or

¹ New Zealand Gazette, 28 January 1999, page 202.

- (b) increase or create any risk to the life or welfare of the Applicant or the Applicant's Immediate Family; or
- (c) cause serious hardship to the Applicant or the Applicant's Immediate Family.

14A.2 In this clause, an Applicant has an **immediate emergency housing need** if, on the date on which the Application is made or during some or all of the following 7-night period, the Applicant—

- (a) cannot remain in their usual place of residence (if any); and
- (b) will not have access to other accommodation that, in the opinion of MSD, is adequate to meet the needs of the Applicant and the Applicant's Immediate Family.

14A.3 Despite clauses 7.1 and 8.1, MSD may make an emergency housing grant to an Applicant whose income or cash assets exceed the appropriate limit set out in those clauses if MSD considers that the Applicant is in exceptional circumstances.

14A.4 Despite clause 9.1, MSD may make more than one emergency housing grant to an Applicant within a 52-week period.

14A.5 Period of grant

- (1) An emergency housing grant must be for no more than 7 nights of Emergency Housing, unless MSD determines that the criteria under subclauses 14A.5(2) or 14A.5(3) are met.
- (2) MSD may grant the Applicant an emergency housing grant for up to 14 nights if MSD determines that the period of the emergency housing grant is a period of low availability of Emergency Housing in the region.
- (3) MSD may grant the Applicant an emergency housing grant for up to 21 nights if MSD determines that—
 - (a) the Applicant has previously received an emergency housing grant for at least 7 nights, in total, for this emergency housing event; and
 - (b) the Applicant, where applicable, is engaging with an intensive support service that is approved by MSD; and

- (c) the Applicant—
 - (i) is making a reasonable effort in the circumstances to access other sources of housing assistance; and
 - (ii) has not unreasonably contributed to the existence of the immediate emergency housing need; and
- (d) an emergency housing grant of up to 21 nights is appropriate in the Applicant's circumstances.

14A.6 In this clause and clause 14B, an **emergency housing event** is any emergency housing grant or grants made to the Applicant or their partner (if any) which—

- (a) MSD considers relate to the same need for Emergency Housing; and
- (b) were made before, on or after 19 October 2020.

14A.7 The amount of an emergency housing grant must not exceed the actual and reasonable costs of the Emergency Housing, including the amount of any security deposit required by the provider of the Emergency Housing, whether or not that amount exceeds the limits in clause 9.4.

14A.8 Recovery of emergency housing grant

- (1) The whole of an emergency housing grant is recoverable less any emergency housing contribution payable by the Applicant in respect of that emergency housing grant, if —
 - (a) MSD considers that the Applicant has failed to make a reasonable effort in the circumstances to access other sources of housing assistance; or
 - (b) MSD considers that the Applicant has unreasonably contributed to the existence of the immediate emergency housing need; or
 - (c) MSD has been unable to recover from the Applicant an emergency housing contribution for a previous emergency housing grant.
- (2) If clause 14A.8(1) does not apply, an amount equivalent to the emergency housing grant is recoverable to the extent that it is not used by the Applicant for the purpose or for the period

for which the emergency housing grant was made.

- (3) In determining the amount recoverable under clause 14A.8(2), MSD must have regard to any amount of the emergency housing grant refunded to the Applicant by the provider of the Emergency Housing.
- (4) Where an emergency housing grant includes an amount for a security deposit (a **security deposit grant**), the security deposit grant is recoverable.

14A.9 An **emergency housing contribution** is a contribution from the Applicant towards the costs of Emergency Housing, as provided for under clauses 14B and 14C.

14A.10 In this clause, **security deposit** means any sum of money which —

- (a) is required by the provider of the Emergency Housing as security against any loss arising from damage or a failure by the Applicant to observe and perform the Applicant's obligations under the agreement for the provision of the Emergency Housing; and
- (b) is recoverable from the Applicant to the amount of the loss or the amount of the security deposit, whichever is lower.

Definitions MSD Social Security Act 2018, Schedule 2; Emergency Housing clause 3.1; Immediate Family clause 3.1

5 New Clause 14B inserted (Emergency housing contribution)

- (1) After clause 14A.10, insert:

14B Emergency housing contribution

14B.1 An emergency housing grant is conditional on the Applicant making an emergency housing contribution, as provided for under this clause and clause 14C.

14B.2 MSD may refuse to make an emergency housing grant to the Applicant and their partner (if any), for any period for which an emergency housing contribution is required, if in accordance with this clause and clause 14C,—

- (a) the Applicant has refused to make an emergency housing contribution relating to that emergency housing grant; or

- (b) MSD has been unable to recover an emergency housing contribution from the Applicant for a previous emergency housing grant.

14B.3 Date emergency housing contribution applies

- (1) An emergency housing contribution applies from the 8th night of each emergency housing event.
- (2) For the avoidance of doubt, an emergency housing contribution does not apply before 19 October 2020.

14B.4 Recovery of emergency housing contribution

- (1) Despite clauses 21.4 and 21.5, an emergency housing contribution is recoverable in full, by the next available date or dates on or after the date of the emergency housing grant, unless—
 - (a) it has already been paid by the Applicant; or
 - (b) clauses 14B.4(2) or 14B.4(3) apply.
- (2) Despite clause 14B.4(1), any unpaid amount of an emergency housing contribution may be recovered from the Applicant in accordance with the Ministerial Direction on Debt Recovery if—
 - (a) the Applicant is no longer staying in Emergency Housing; or
 - (b) the unpaid amount relates to a previous emergency housing grant or grants, where the emergency housing contribution has not been paid in full by the next available date or dates; and
 - (c) the Applicant is required to make another emergency housing contribution which—
 - (i) relates to their most recent emergency housing grant; and
 - (ii) is recoverable in full by the next available date or dates under clause 14B.4(1).
- (3) An emergency housing contribution must be recovered in accordance with regulation 224 (Protected earnings).

6 New Clause 14C inserted (Calculating emergency housing contribution)

- (1) After new clause 14B, insert:

14C Calculating emergency housing contribution

14C.1 An emergency housing contribution (calculated on a daily basis) is the higher of the following—

- (a) 25% of the Applicant and their partner's (if any) emergency housing income; or
- (b) 25% of the rate of jobseeker support under the Act that would be appropriate if the Applicant and their partner (if any) were beneficiaries.

- 14C.2 **Emergency housing income** for the purposes of this clause includes—
- (a) income as defined in Part 2 of Schedule 3 of the Act; and
 - (b) a main benefit as defined in Schedule 2 of the Act; and
 - (c) New Zealand superannuation under the New Zealand Superannuation and Retirement Income Act 2001 or a veteran’s pension under Part 6 of the Veterans’ Support Act 2014; and
 - (d) amounts received from Accident Compensation Corporation or an insurer under the Accident Compensation Act 2001 as weekly compensation for loss of earnings or potential earning capacity; and does not include—
 - (e) any income tax, which is—
 - (i) actually paid; or
 - (ii) estimated to be payable by MSD; and
 - (f) any premium or levy which is payable in respect of the income of the Applicant or their partner (if any) under section 219 of the Accident Compensation Act 2001, which is—
 - (i) actually paid; or
 - (ii) estimated to be payable by MSD.
- 14C.3 An emergency housing contribution also includes 25% of the family tax credit of the Applicant and their partner (if any).
- 14C.4 For the purposes of this clause, **family tax credit** has the same meaning as under subparts MA to MF and MZ of the Income Tax Act 2007, and is calculated as the lesser of—
- (a) the total of the amounts that the Applicant and their partner (if any) are eligible to receive as family tax credit under those subparts; or
 - (b) the maximum rate of family tax credit payable under those subparts in respect of an eldest dependent child.
- 14C.5 For the purposes of this clause, the emergency housing contribution of an Applicant and their partner (if any) is the amount estimated by MSD—
- (a) for a 7-night period, commencing on the first night of the emergency housing grant; and
 - (b) divided by 7 and rounded to the nearest cent; and
 - (c) multiplied by the number of nights for which the emergency housing grant is made.

14C.6 An emergency housing contribution is the actual cost of the Emergency Housing to which it relates where the amount payable under this clause exceeds the actual cost of the Emergency Housing.

14C.7 MSD may only change the emergency housing contribution amount payable by the Applicant if MSD considers that the Applicant or their partner (if any) have had a change in circumstances that will result in a material difference to the amount payable by the Applicant.

**7 Special Needs Grants Amendment Programme 2020
revoked**

The Special Needs Grants Amendment Programme 2020² is revoked.

Hon CARMEL SEPULONI, Minister for Social Development

At Wellington this day of 2020

Explanatory Note

This note is not part of the instrument, but is intended to indicate its general effect.

This instrument comes into force on 27 March 2020, except for clauses 4 – 6 which come into force on 19 October 2020. Clauses 4 – 6 amend the **Special Needs Grants Programme** to allow MSD to extend the duration of emergency housing grants in specified circumstances and to require an Applicant to pay a contribution of 25% of their and their partner's income³ and Family Tax Credit towards the cost of Emergency Housing. These clauses also make other minor and technical amendments to the structure and wording of clause 14A. Clause 7 revokes the Special Needs Grants Amendment Programme 2020.

² New Zealand Gazette, 27 February 2020, Notice No. 2020-go895.

³ 25% of income or 25% of the rate of jobseeker support under the Social Security Act 2018 that would be appropriate if the Applicant or their partner were a beneficiary.