

# Abatement Threshold Increase (Transitional Assistance) Programme 2021

This welfare programme for special assistance is established and approved under section 101 of the Social Security Act 2018 by the Minister for Social Development and Employment.

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## Programme

### 1 Title

This programme is the Abatement Threshold Increase (Transitional Assistance) Programme 2021.

### 2 Commencement

This programme comes into force on 1 April 2021.

### 3 Purpose

The purpose of this programme is to provide temporary financial assistance for specified people who are financially disadvantaged as an unintended consequence of changes to Income Test 1, Income Test 2, Income Test 3 and Income Test 4 on 1 April 2021.

### 4 Interpretation

- (1) In this programme, unless the context otherwise requires,—

**Act** means the Social Security Act 2018

**annual general adjustment** means the mandatory and discretionary increases on 1 April 2021 to the rate of a specified payment to reflect movements in the New Zealand consumer price index or net average ordinary time weekly wage growth

**applicant** means–

- (a) a person who is receiving a specified payment:
- (b) a person who has applied for or who has been granted transitional assistance under this programme

**change of circumstances**, in relation to an applicant or their spouse or partner (if any)–

- (a) includes (without limitation) –
  - (i) becoming the caregiver of a dependent child or a further dependent child:
  - (ii) the dependent child of the applicant or their spouse or partner (if any) attaining an age that confers entitlement to a higher rate or amount of a specified payment: and
- (b) excludes (without limitation)–
  - (i) a change of hours in respect of which childcare assistance is granted, including but not limited to a temporary change during holiday periods:
  - (ii) a specified payment increasing through the annual general adjustment process where there has been no other change of circumstances:
  - (iii) a specified payment expiring if it is re-granted to the person:
  - (iv) a change of specified payment if there is no change to the rate of financial assistance payable to the applicant or their spouse or partner (if any)

**childcare assistance** means the payment of that name to the applicant and their spouse or partner (if any) under Part 2, Subpart 12 of the Act

**Christchurch Mosques Attack Welfare Programme** means the welfare programme of that name established and approved on 27 May 2019

**net income**, in relation to an applicant, has the same meaning as chargeable income in regulation 69 of the Social Security

Regulations 2018 except that it includes the amount of any temporary additional support and childcare assistance

**net payment** means the sum of all financial assistance payable by MSD to the applicant and their spouse or partner (if any) under a specified enactment but does not include special assistance made under any welfare programme approved and established under section 101 of the Act or saved by clause 21 of Schedule 1 of the Act, except the Christchurch Mosques Attack Welfare Programme

**specified amendment** means the amendment on 1 April 2021 to Income Test 1, Income Test 2, Income Test 3, and Income Test 4 in Schedule 2 of the Act

**specified enactment** means—

- (a) the Act:
- (b) the Social Security Regulations 2018:
- (c) the New Zealand Superannuation and Retirement Income Act 2001:
- (d) the Veterans' Support Act 2014

**specified payment** means any of the following benefits or payments:

- (a) temporary additional support:
- (b) childcare assistance:
- (c) special assistance

**special assistance** means any payment made to the applicant or their spouse or partner (if any) under the Christchurch Mosques Attack Welfare Programme

**temporary additional support** means the payment of that name to the applicant and their spouse or partner (if any) under Part 2, Subpart 16 of the Act

**transitional assistance** means payment of a kind prescribed in clauses 7,8 and 9 that is provided by MSD under this programme

- (1) In this programme, unless the context otherwise requires, terms used and not defined, but listed in Schedule 2 of the Act have the meanings given to them in Schedule 2 of the Act.

## **5 Application of the Social Security Act 2018**

- (1) Sections 8, 19, 110, 111, 112, 113, 114, 197, 202, 203, 204, 205, 217 to 219, 292, 293, 298, 301, 303, 304 to 306, 346, 352, 364, 368, 390 to 417, clauses 2, 9, 11 to 14, 16 of Schedule 3, clause 1 of Schedule 6 of the Act apply to the persons mentioned in subclause (2) as if the transitional assistance under this programme were a benefit under the Act.

- (2) The persons are:
  - (a) an applicant under this programme:
  - (b) the spouse or partner of an applicant under this programme.
- (3) Nothing in clause 5(1) limits the application of any other provision of the Act.

## **6 Ineligibility**

An applicant is not eligible for assistance under clauses 7, 8 and 9 if their spouse or partner (if any) is in receipt of transitional assistance.

## **7 Eligibility for transitional assistance for recipients of temporary additional support**

- (1) MSD may grant transitional assistance to an applicant if–
  - (a) on 1 April 2021, the applicant’s net payment is reduced; and
  - (b) on 1 April 2021, the applicant’s temporary additional support is reduced; and
  - (c) MSD is satisfied that–
    - (i) the reason why the applicant’s temporary additional support is reduced, is or includes the effect of a specified amendment; and
    - (ii) none of the matters specified in subclause (2) contributed to the reduction of that temporary additional support.
- (2) The matters referred to in subclause (1)(c)(ii) are–
  - (a) a change of circumstances that took place on or before 1 April 2021; or
  - (b) the ineligibility of the applicant or their spouse or partner (if any) to receive any temporary additional support or the rate of temporary additional support (other than an ineligibility that arises from a specified amendment); or
  - (c) the suspension, cancellation, or reduction of temporary additional support resulting from a failure or omission of the applicant or their spouse or partner (if any).

## **8 Eligibility for transitional assistance for recipients of childcare assistance**

- (1) MSD may grant transitional assistance to an applicant if–

- (a) on 1 April 2021, the applicant's net payment is reduced; and
- (b) on 1 April 2021, the applicant's childcare assistance is reduced; and
- (c) MSD is satisfied that–
  - (i) the reason why the applicant's childcare assistance is reduced, is or includes the effect of a specified amendment; and
  - (ii) none of the matters specified in subclause (2) contributed to the reduction of that childcare assistance.

(2) The matters referred to in subclause (1)(c)(ii) are–

- (a) a change of circumstances that took place on or before 1 April 2021; or
- (b) the ineligibility of the applicant or their spouse or partner (if any) to receive any childcare assistance or the rate of childcare assistance (other than an ineligibility that arises from a specified amendment); or
- (c) the suspension, cancellation, or reduction of childcare assistance resulting from a failure or omission of the applicant or their spouse or partner (if any).

## **9 Eligibility for transitional assistance for recipients of special assistance under Christchurch Mosques Attack Welfare Programme**

(1) MSD may grant transitional assistance to an applicant if–

- (a) on 1 April 2021, the rate of special assistance payable to the applicant is reduced; and
- (b) MSD is satisfied that–
  - (i) the reason why the applicant's rate of special assistance payable is reduced is or includes the effect of a specified amendment; and
  - (ii) none of the matters specified in subclause (2) contributed to the reduction of that special assistance.

(2) The matters referred to in subclause (1)(b)(ii) are–

- (a) a change of circumstances that took place on or before 1 April 2021; or
- (b) the ineligibility of the applicant or their spouse or partner (if any) to receive any special assistance

(other than an ineligibility that arises from a specified amendment); or

- (c) the suspension, cancellation, or reduction of special assistance resulting from a failure or omission of the person or their spouse or partner (if any).

#### **10 Application for transitional assistance**

An application for transitional assistance is made to MSD if MSD is satisfied that—

- (a) the applicant qualifies for transitional assistance; and
- (b) MSD has received any supporting evidence it reasonably requires.

#### **11 Calculation of the rate of transitional assistance payable**

- (1) The amount of transitional assistance payable is—
  - (a) in the case of transitional assistance payable to an applicant under clause 7, the amount by which the applicant's net payment is reduced, not including any reduction in childcare assistance;
  - (b) in the case of transitional assistance payable to an applicant under clause 8, the amount by which the applicant's net payment is reduced, not including any reduction in temporary additional support; and
  - (c) in the case of transitional assistance payable to an applicant under clause 9, the amount by which the applicant's special assistance is reduced as referred to in that clause.
- (2) MSD may grant assistance under clause 7 and clause 8 if the applicant is eligible under both of those subclauses.
- (3) If, as a result of a change of circumstances, the applicant's net payment decreases, the amount of transitional assistance must not be increased by reason of that change.
- (4) If, as a result of a change of circumstances, the applicant is no longer eligible for a specified payment, MSD may review the amount of transitional assistance payable under clauses 7, 8 and 9 and stop any payment of transitional assistance in respect of that specified payment.

#### **12 Commencement and duration of transitional assistance**

- (1) Transitional assistance commences on 1 April 2021.
- (2) Despite subclause (1), transitional assistance granted under clause 8 may be paid in respect of 29, 30 and 31 March 2021.

- (3) Transitional assistance granted continues until the first of the following events occurs:
- (a) because of a change of circumstances, the net income of the applicant or their spouse or partner (if any) increases;
  - (b) the programme expires; or
  - (c) because of a change of circumstances, the applicant or their spouse or partner (if any) no longer receives—
    - (i) for the purposes of clause 7, temporary additional support;
    - (ii) for the purposes of clause 8, childcare assistance; or
    - (iii) for the purposes of clause 9, special assistance.

**13 Entitlement if new or increased payment available but not sought**

- (1) This clause applies where MSD is satisfied that an applicant's net payment has not increased because the applicant or their spouse or partner (if any) has—
- (a) not applied for;
  - (b) chosen to opt out of receipt of;
  - (c) not supplied information required to determine entitlement to;
- a payment or a rate of a payment under the Act that has become available to the applicant, or to their spouse or partner.
- (2) If this clause applies, MSD may—
- (a) refuse to grant transitional assistance; or
  - (b) stop any transitional assistance already payable.

#### **14 When this programme expires**

This programme expires on the close of 31 March 2022.

At this day of 2021

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Minister for Social Development and Employment

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#### **Explanatory Note**

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

This programme, which comes into effect on 1 April 2021, provides for the grant of temporary financial assistance for a maximum period of 12 months to people who are financially disadvantaged as an unintended consequence of changes to abatement thresholds made on 1 April 2021. Transitional assistance under this programme is available for a reduction of childcare assistance or temporary additional support, or both, or of special assistance under the Christchurch Mosques Attack Welfare Programme, if the reason for that reduction is or includes the effect of an amendment to the abatement thresholds, and no specified matters contributed to that reduction. Payment of transitional assistance under this programme is subject to conditions specified in the programme. Transitional assistance for a reduction of childcare assistance is payable with respect to 29, 30 and 31 March 2021 to reflect that the assessment and payment of this assistance is considered on a weekly basis.