



Cabinet Social Wellbeing Committee

Minute of Decision

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The Care in the Community Welfare Response after the Peak of Omicron

Portfolio **Social Development and Employment**

On 6 April 2022, the Cabinet Social Wellbeing Committee:

Background

- 1 **noted** that in November 2021, Cabinet approved an integrated package of \$204.1 million for welfare and community supports to support COVID-19 positive households, and others who are directed to self-isolate [CAB-21-MIN-0493];
- 2 **noted** that in February 2022, Cabinet agreed to \$203.7 million in funding to respond to anticipated demand for community services due to the Omicron outbreak, \$58.1 million of which was put into a tagged contingency [CAB-22-MIN-0039.01];
- 3 **noted** that the model has been strengthened so that only those who most need Care in the Community welfare support are accessing it;

Funding allocated

- 4 **noted** that Cabinet invited the Minister for Social Development and Employment (the Minister) to report back on how the funding allocated to the Care in the Community welfare approach has been allocated to meet costs to support people who are self-isolating under the Framework, including appropriate metrics [CAB-21-MIN-0493, CAB-22-MIN-0007];
- 5 **noted** that as at 30 March 2022, \$349.8 million has been allocated across the Care in the Community welfare approach and \$189.78 million is estimated to have been spent;
- 6 **noted** that, should the current Omicron outbreak continue on its current overall downward trajectory, with some continuing but dropping case numbers and no further major outbreaks, the total estimated cost of maintaining the Care in Community welfare model to June 2023 will be about \$378.4 million, or \$29.0 million less than was estimated in February 2022;
- 7 **noted** that this estimate requires \$29.10 million of the tagged contingency through to June 2023 to ensure there is sufficient funding to meet the continued costs of welfare support to households required to self-isolate;

Transition plan for Care in the Community welfare

- 8 **noted** that on 21 March 2022, in light of the changes to the COVID-19 Protection Framework, Cabinet invited the Minister to report back in April 2022 on a transition plan for Care in the Community welfare support [CAB-22-MIN-0086];

- 9 **noted** that, based on the anticipated continued social and economic impacts of COVID-19 and the high likelihood of further COVID-19 waves and new variants, a sudden exit from Care in the Community welfare support may undermine the objectives of the COVID-19 Protection Framework and community recovery from COVID-19;
- 10 **agreed** to a transition for Care in the Community welfare support so that, as the focus on crisis response reduces over time, services are reoriented to support communities recover from COVID-19 social impacts, with the capacity to shift back if case numbers grow;
- 11 **agreed** to continue to provide Care in the Community welfare support until Cabinet decides to lift the legislative requirement to self-isolate;
- 12 **noted** that the Ministry of Health is reviewing self-isolation requirements monthly to ensure these remain proportionate and balanced against wider societal and system pressures;
- 13 **noted** that the Minister of Health will report back to the Cabinet Social Wellbeing Committee in May 2022 on the transition and evolution of the health system component of the Care in the Community approach;
- 14 **agreed** that, given the uncertainty around when the legislative requirement to self-isolate will be lifted, Ministers keep the decision in paragraph 11 under review, and Ministry of Social Development (MSD) officials will provide advice to the Minister for Social Development and Employment and the Minister of Finance on the future of Care in the Community welfare response if the legislative requirement to self-isolate continues to be in place beyond August 2022;

Locally-led – Community Connectors

- 15 **noted** that 141 Community Connectors were initially introduced in 2020 to provide links to social supports through COVID-19, but reoriented to the Care in the Community model in late 2021;
- 16 **noted** that there are currently 500 Community Connectors in Non-Government Organisations across a broad range of communities until June 2023;
- 17 **agreed** that, as caseloads of self-isolating households allow, Community Connectors re-focus on providing short-term social support, and connecting households to longer-term resilience support;
- 18 **noted** that community connectors can be re-pivoted to support people in self-isolation if required for a new COVID-19 wave, or new variant;
- 19 **agreed** that the discretionary funding allocated to community connectors to meet essential needs of those in self-isolation is also available to support people outside of those in self-isolation, aligned with the re-focus on short-term social support;

Locally-led – Food Secure Communities

- 20 **agreed** to continue funding the Food Secure Communities programme for a transitional period through to June 2023;
- 21 **noted** that a transitional approach will enable community providers to continue to address levels of need and preserve current community infrastructure to address any further waves or variants, while providing the time to develop a well-considered longer-term food security plan;

22 **noted** that the Minister has directed MSD officials to provide advice on a long-term food security strategy beyond June 2023, with a view to exit funding of food banks;

Locally-led: welfare support for disabled people

23 **agreed** to \$5 million to address the welfare needs of disabled people through the post-Omicron peak phase, with specific details on support provided to be developed with the disabled community;

Regionally-enabled - Regional Leadership Groups, Regional Public Service Commissioners and response teams

24 **noted** that there are opportunities, in the context of broader government priorities and the Regional Leadership System Framework, to build on successful, locally-led, regionally-enabled approaches for more enduring collaborations that sustain community resilience;

25 **agreed** to defer the June report back on the Regional Leadership System Framework to August 2022 to allow sufficient time to incorporate analysis from real-time Care in the Community evaluations and ensure it is aligned with public service system changes [GOV-21-MIN-0023];

Financial Recommendations

26 **noted** that no new funding is sought to continue the current Care in the Community welfare response or for the proposed transitional arrangements to 30 June 2023;

27 **noted** that continuing the Care in the Community welfare response and proposed transitional arrangements till 30 June 2023 may create an expectation by stakeholders of ongoing services beyond 30 June 2023, creating a fiscal risk;

28 **noted** that MSD officials will mitigate the risk in paragraph 27 by clearly communicating the transitional nature of this support and working with the community sector on the future of the Community Connection Service, and a transition plan for community food provision to inform advice to the Minister in September 2022;

29 **noted** that on 22 February 2022, Cabinet:

29.1 **agreed** to establish a tagged operating contingency of up to the amounts as follows in Vote Social Development, to provide for additional supports for a Care in Community Omicron response (the tagged contingency):

	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & outyears
Additional supports for a Care in Community Omicron Welfare response – Tagged Operating Contingency	35.000	23.100	-	-	-

- 29.2 authorised the Minister of Finance and the Minister to jointly draw down the tagged operating contingency funding in paragraph above, subject to a report to those Ministers outlining:
- 29.2.1 any updates to the underpinning costing model and assumptions in response to Health setting changes;
 - 29.2.2 any updates to previous, current, and anticipated demand for the Care in the Community welfare response as a result of the COVID-19 Omicron outbreak;
 - 29.2.3 how funding already received has been committed and spent to support those self isolating, thereby demonstrating any need for additional funding
- 30 **noted** that the paper under SWC-22-SUB-0064 forms the report back on the items outlined in paragraph 29.2;
- 31 **agreed** that the tagged contingency can be released;
- 32 **agreed** that \$29.10 million of the tagged contingency funding is provided for food and community connection supports to households directed to self- isolate, including:
- 32.1 \$3.5 million for food banks and other food organisations;
 - 32.2 \$25.60 million for Community Connector discretionary funding to meet essential wellbeing needs of those in self-isolation;
- 33 **agreed** that the remaining \$29.0 million of this tagged contingency funding provides transitional support through to June 2023, including:
- 33.1 \$15.0 million for foodbanks to provide continued funding for the Food Secure Communities programme;
 - 33.2 \$5.0 million for Community Connector discretionary funding to provide social support;
 - 33.3 \$2.0 million for community provider capability;
 - 33.4 \$2.0 million for Personal Protective Equipment for at risk communities and providers delivering services for Care in the Community;
 - 33.5 \$5.0 million to support the wellbeing of disabled people;

34 **approved** the following changes to appropriations to provide for the decision in paragraphs 32 and 33 above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Social Development Minister for Social Development and Employment	\$m – increase/(decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Multi-category Expenses and Capital Expenditure					
Community Support Services MCA					
Non-Departmental Output Expense:					
Community Support and Advice	5.000	-	-	-	-
Non-Departmental Other Expense:					
Community Response to Adverse or Emergency Events	30.000	23.100	-	-	-
Total Operating	35.000	23.100	-	-	-

35 **agreed** that the expenses incurred under paragraph 34 above be charged against the tagged contingency;

36 **agreed** that the changes to appropriations for 2021/22 above be included in the 2021/22 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

37 **noted** this leaves a nil balance in the “Additional supports for a Care in Community Omicron welfare response – Tagged Operating Contingency”.

Rachel Clarke
Committee Secretary

Present:

Rt Hon Jacinda Ardern
Hon Grant Robertson
Hon Kelvin Davis
Hon Dr Megan Woods
Hon Chris Hipkins
Hon Carmel Sepuloni (Chair)
Hon Andrew Little
Hon Poto Williams
Hon Kris Faafoi
Hon Peeni Henare
Hon Willie Jackson
Hon Jan Tinetti
Hon Dr Ayesha Verrall
Hon Priyanca Radhakrishnan
Hon Marama Davidson

Officials present from:

Office of the Prime Minister
Officials Committee for SWC