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Office of the Minister for Social Development and Employment

Cabinet

SOCIAL SECURITY (TEMPORARY ADDITIONAL SUPPORT—SEVERE WEATHER EVENTS TAA PROGRAMME) AMENDMENT REGULATIONS 2023

Proposal

- 1 This paper seeks authorisation for submission to the Executive Council of the following regulations to ensure that payments made under the Temporary Accommodation Assistance (Severe Weather Events) Programme (SWE TAA Programme) are excluded as chargeable income for the purposes of Temporary Additional Support in the Social Security Regulations 2018. The regulations will also ensure people who receive payments under the SWE TAA Programme cannot also claim their temporary accommodation costs as an allowable cost for Temporary Additional Support:
 - 1.1 Social Security (Temporary Additional Support—Severe Weather Events TAA Programme) Amendment Regulations 2023.

Policy

Homeowners displaced by the Nelson Floods face similar challenges to those displaced by the North Island Weather Events

- 2 On 4 September 2023, the Temporary Accommodation Assistance (North Island Weather Events) Programme (NIWE TAA Programme) came into force. This provides assistance to displaced homeowners affected by the 2023 North Island Weather Events (NIWE): the Auckland Floods and Cyclone Gabrielle.
- 3 In August 2022, some homeowners were displaced by heavy rainfall resulting in floods in the Whakatū/Nelson, Te Taihū-o-te-waka/Marlborough, and Te Tai-o-Aorere/Tasman districts (the Nelson Floods). Like homeowners displaced by the NIWE, some homeowners displaced by the Nelson Floods moved into temporary accommodation in the private rental market and were relying on insurance payments to cover their temporary accommodation costs while they continued to pay costs associated with home ownership. The insurance payments for these households who were displaced by the Nelson Floods have been, or are due to be, exhausted.

Joint Ministers have agreed to extend the NIWE TAA to include homeowners displaced by the Nelson Floods

- 4 The Minister of Finance, Minister for Social Development and Employment, and Minister of Housing (Joint Ministers), under Power to Act authorised by Cabinet [CAB-23-MIN-0312 refers], have agreed that the NIWE TAA Programme and the associated Social Security Regulations be amended to cover not only the 2023 NIWE, but also the 2022 Nelson Floods.

IN CONFIDENCE

- 5 To give effect to this decision, the Temporary Accommodation Assistance (North Island Weather Events) Programme will be amended to:
 - 5.1 rename it to the Temporary Accommodation Assistance (Severe Weather Events) Programme
 - 5.2 define “affected premises” to include the Whakatū/Nelson, Te Taihū-o-te-waka/Marlborough, and Te Tai-o-Aorere/Tasman districts
 - 5.3 rename and define “severe weather events” to include the Nelson Floods
 - 5.4 clarify the definitions of “household” and “temporary accommodation costs”
 - 5.5 make minor editorial changes and add in sections of the Social Security Act 2018 to apply as if assistance under this programme were a benefit, which were inadvertently omitted in the NIWE TAA programme
 - 5.6 make consequential changes required as a result of the above amendments, keeping all other policy settings the same.
- 6 Changes to accommodate these amendments are also required in the Social Security Regulations. The amendment regulations include updated or new definitions for “severe weather events”, “severe weather events-related temporary accommodation costs”, “temporary accommodation costs” and “qualifying tenancy” to align the regulations and the SWE TAA Programme.
- 7 The Ministerial Direction in Relation to Special Benefit will also be amended to ensure SWE TAA Programme payments are exempted as chargeable income for the purposes of the grand-parented Special Benefit.

The SWE TAA payments are not intended to affect eligibility for other MSD assistance

- 8 Cabinet previously agreed to:
 - 8.1 exclude NIWE TAA payments from the definition of ‘chargeable income’ in the Social Security Regulations for the purposes of Temporary Additional Support, and
 - 8.2 ensure people who receive the NIWE TAA cannot also claim their temporary accommodation costs as an allowable cost for Temporary Additional Support [CAB-23-MIN-0312 refers].
- 9 The Social Security (Temporary Additional Support—North Island Weather Events TAA Programme) Amendment Regulations 2023 gave effect to this change.
- 10 Joint Ministers have agreed to further amend the Social Security Regulations to provide for the updated SWE TAA Programme, including amending the necessary definitions in the Regulations to apply the Programme to the Nelson Floods. This will ensure that the SWE TAA payments are not chargeable income for Temporary Additional Support and people who receive the SWE TAA payments cannot also claim their temporary accommodation costs as an allowable cost for Temporary Additional Support. The Social Security (Temporary Additional Support—Severe

IN CONFIDENCE

Weather Events TAA Programme) Amendment Regulations 2023 will give effect to this decision.

- 11 The Minister for Social Development and Employment also previously agreed to exclude NIWE TAA as chargeable income for the grand-parented Special Benefit, given that the payment was not intended to impact on other social assistance entitlements. However, no amendment was made to exclude NIWE TAA payments as an allowable cost for the purposes of Special Benefit. This is because any risk of applicants receiving two sets of support for their temporary accommodation costs was addressed by the NIWE TAA Programme, which prevented an applicant from accessing NIWE TAA payments if they or their spouse were receiving Special Benefit for their temporary accommodation costs.
- 12 The Minister for Social Development and Employment has agreed to exempt the expanded SWE TAA payments as chargeable income for the purposes of the grand-parented Special Benefit. As with the earlier decision around NIWE TAA payments, no changes to exclude SWE TAA payments as an allowable cost are required.

The SWE TAA will be implemented from 25 September 2023

- 13 The SWE TAA will be implemented from 25 September 2023 to include homeowners displaced by the Nelson Floods. Homeowners displaced by the NIWE can continue to apply for the payment from 4 September 2023 onwards.
- 14 SWE TAA continues to be an interim solution, while more enduring solutions are considered.

Timing and 28-day rule

- 15 Joint Ministers, under Power to Act authorised by Cabinet [CAB-23-MIN-0312 refers], have agreed to waive the 28-day rule for these amendments to the Social Security Regulations as the regulatory changes confer only benefits on individuals. This will ensure the exemptions are in place prior to the implementation of the SWE TAA Programme on 25 September 2023.

Compliance

- 16 The regulations (where applicable) comply with:
 - 16.1 the principles of the Treaty of Waitangi;
 - 16.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 or the Human Rights Act 1993;
 - 16.3 the principles and guidelines set out in the Privacy Act 2020;
 - 16.4 relevant international standards and obligations; and
 - 16.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

Regulations Review Committee

- 17 There are no grounds for the Regulations Review Committee to draw the regulations to the attention of the House of Representatives as a Standing Order requirement.

Certification by Parliamentary Counsel

- 18 The draft regulations have been certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

Impact Analysis

- 19 The Joint Ministers have Power to Act relating to extending or expanding the Temporary Accommodation Assistance scheme [CAB-23-MIN-0312 refers]. Therefore, Cabinet's impact analysis requirements do not apply to the decision to extend assistance through the scheme to the Whakatū/Nelson, Te Taihu-o-te-waka/Marlborough, and Te Tai-o-Aorere/Tasman districts following the 2022 Nelson Floods.

Publicity

- 20 The extension of the NIWE TAA to the Nelson Floods has been announced. There are expected to be further announcements about the SWE TAA and the intended commencement date of 25 September 2023.

Proactive release

- 21 The intention is to proactively release this Cabinet paper, subject to any redactions as appropriate under the Official Information Act 1982.

Consultation

- 22 The following government agencies/departments were consulted on the proposals in this paper: The Treasury, the Ministry of Business, Innovation and Employment, the Ministry of Housing and Urban Development, the Inland Revenue Department, Te Puni Kōkiri, the Ministry for Pacific Peoples, the Ministry for Women, the Office for Seniors, Whaikaha – Ministry of Disabled People, National Emergency Management Agency, and the Ministry for Ethnic Communities. The Department of the Prime Minister and Cabinet was informed.

Recommendations

I recommend that Cabinet:

- 1 **note** that the Minister of Finance, Minister for Social Development and Employment, and Minister of Housing (Joint Ministers), under Power to Act authorised by Cabinet [CAB-23-MIN-0312 refers], have agreed that the Temporary Accommodation Assistance (North Island Weather Events) Programme (NIWE TAA Programme) is expanded to cover not only the 2023 North Island severe weather events, but also heavy rainfall in the Whakatū/Nelson, Te Taihu-o-te-waka/Marlborough, and Te Tai-o-Aorere/Tasman districts between 17 and 20 August 2022 (the Nelson Floods)

IN CONFIDENCE

- 2 **note** that to give effect to this decision, the NIWE TAA Programme will be amended to:
 - 2.1 rename it to the Temporary Accommodation Assistance (Severe Weather Events) Programme (SWE TAA Programme)
 - 2.2 define “affected premises” to include the Whakatū/Nelson, Te Taihū-o-te-waka/Marlborough, and Te Tai-o-Aorere/Tasman districts
 - 2.3 rename and define “severe weather events” to include the Nelson Floods
 - 2.4 clarify the definitions of “household” and “temporary accommodation costs”
 - 2.5 make minor editorial changes and add in sections of the Social Security Act 2018 to apply as if assistance under this programme were a benefit, which were inadvertently omitted in the NIWE TAA programme
 - 2.6 make consequential changes required as a result of the above amendments, keeping all other policy settings the same
- 3 **note** that changes to accommodate the amendments in recommendation 2 above are required to the Social Security Regulations 2018, which include updated or new definitions for “severe weather events”, “temporary accommodation costs” and “qualifying tenancy” to align the regulations and the SWE TAA Programme
- 4 **note** that Cabinet previously agreed to amend the Social Security Regulations 2018 to provide that:
 - 4.1 the NIWE TAA is not chargeable income for Temporary Additional Support
 - 4.2 people who receive the NIWE TAA cannot also claim their temporary accommodation costs as an allowable cost for Temporary Additional Support [CAB-23-MIN-0312 refers]
- 5 **note** that the Social Security (Temporary Additional Support—North Island Weather Events TAA Programme) Amendment Regulations 2023 gave effect to the changes in recommendation 4 above
- 6 **note** that Joint Ministers agreed to amend the Social Security Regulations 2018 to provide for the updated SWE TAA Programme and include necessary definitions to apply the TAA to the Nelson Floods, which would ensure:
 - 6.1 the Nelson TAA payments are not chargeable income for Temporary Additional Support
 - 6.2 people who receive the Nelson TAA payments cannot also claim their temporary accommodation costs as an allowable cost for Temporary Additional Support
- 7 **note** that the Social Security (Temporary Additional Support—Severe Weather Events TAA Programme) Amendment Regulations 2023 will give effect to the decision referred to in recommendation 6 above

IN CONFIDENCE

IN CONFIDENCE

- 8 **note** that the Minister for Social Development and Employment previously agreed to amend the Ministerial Direction in relation to Special Benefit to exclude NIWE TAA Programme payments as chargeable income for the grand-parented Special Benefit
- 9 **note** that the Minister for Social Development and Employment has agreed to further amend the Ministerial Direction in relation to Special Benefit to exclude SWE TAA Programme payments as chargeable income for Special Benefit
- 10 **note** that Joint Ministers, under Power to Act authorised by Cabinet [CAB-23-MIN-0312 refers], have agreed to waive the 28-day rule for these amendments to the Social Security Regulations 2018 as the regulatory changes confer only benefits on individuals
- 11 **authorise** the submission to the Executive Council of the:
- 11.1 Social Security (Temporary Additional Support—Severe Weather Events TAA Programme) Amendment Regulations 2023

Authorised for lodgement

Hon Carmel Sepuloni
Minister for Social Development and Employment