



# Cabinet Social Wellbeing Committee

## Minute of Decision

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### Temporary Accommodation Assistance (Canterbury Earthquake) and Transitional Assistance Payment for Budget 2019 Income Support Package

Portfolio                      Social Development

On 11 December 2019, the Cabinet Social Wellbeing Committee:

#### Temporary Accommodation Assistance (Canterbury Earthquake) Programme:

- 1        **noted** that the Temporary Accommodation Assistance Programme (TAA) is due to expire on 31 December 2019;
- 2        **noted** other forms of assistance are available to Canterbury homeowners, including the recently announced \$300 million on-sold home package fund, ex gratia payments made by the Earthquake Commission, and means-tested support from Work and Income;
- 3        **agreed** to preserve TAA entitlements for up to 12 months for current recipients and current eligible applicants as at 31 December 2019;
- 4        **invited** the Minister for Social Development to amend the Temporary Accommodation Assistance (Canterbury Earthquake) Programme to give effect to the decisions referred to in paragraph 3 above;
- 5        **noted** that the expiration of TAA requires funding that cannot be met out of the Ministry of Social Development's baseline;
- 6        **noted** that upon the final closure of the TAA on 31 December 2020, the database containing client records for this programme will need to be securely transferred to Ministry of Social Development from the external vendor;
- 7        **noted** that the detailed costs associated with the secure transfer of the TAA database are currently being sought by the vendor and it is proposed that a contingency of \$500,000 is set up at this time to meet these costs;

- 8 **agreed** to establish tagged operating contingencies of up to the amounts as follows in Vote Social Development, to provide for the secure transfer of the TAA database:

	\$m – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
Secure transfer of Temporary Accommodation Assistance database – Tagged Operating Contingency	-	0.500	-	-	-

- 9 **authorised** the Minister for Social Development and the Minister of Finance jointly to draw down the tagged operating contingency funding in paragraph 8 above, subject to detailed costings being provided to joint Ministers;
- 10 **noted** that the between-Budget contingency established as part of Budget 2019 is already exhausted;
- 11 **agreed** that the tagged operating contingency in paragraph 8 above be charged as a pre-commitment against the Budget 2020 operating allowance;
- 12 **approved** the following changes to appropriations to give effect to the policy decision in paragraph 3 above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Social Development Minister for Social Development	\$m – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
<b>Multi-category Expenses and Capital Expenditure</b>					
Improved Employment and Social Outcomes Support					
<b>Departmental Output Expense:</b>					
Administering Income Support (funded by revenue Crown)	0.070	0.070	-	-	-
<b>Benefits or Related Expenses:</b>					
Hardship Assistance	0.074	0.056	-	-	-
<b>Total Operating</b>	<b>0.144</b>	<b>0.126</b>	-	-	-

- 13 **agreed** that the change to the appropriations for 2019/20 above be included in the 2019/20 Supplementary Estimates and that, in the interim, the increase be met from imprest supply;
- 14 **agreed** that the expenses incurred under paragraph 12 above be charged as a pre-commitment against the Budget 2020 operating allowance;

#### Impacts of the Budget 2019 Income Support Package:

- 15 **noted** that the Budget 2019 Income Support Package (the Package) is estimated to financially advantage 339,000 people, however a small number will be financially disadvantaged [CAB-19-MIN-0174.36];

- 16 **noted** that recipients of Childcare Assistance (CCA) and Temporary Additional Support (TAS) are likely to experience the most significant unintended financial disadvantage;
- 17 **agreed** to implement a Transitional Assistance Payment (TAP), to allow clients to transition to the new payment settings, with the following parameters:
- 17.1 limited to recipients who experience a reduction of CCA or TAS and whose total social assistance payments are less than what they would be immediately prior to the Package’s introduction;
- 17.2 payable until the earlier of:
- 17.2.1 their circumstances changing in a way which results in a positive net effect on their total income; or
- 17.2.2 financial assistance increasing because of other income support initiatives implemented after 1 April 2020 that exceed the amount of transitional assistance being paid; or
- 17.2.3 12 months from the introduction of the TAP;
- 18 **authorised** the Minister for Social Development to establish a Ministerial Welfare Programme to give effect to the decisions in paragraph 17 above;
- 19 **agreed** to exempt TAP payments for the purposes of TAS and Special Benefit to avoid creating an unintended circular flow;
- 20 **invited** the Minister for Social Development to issue drafting instructions to the Parliamentary Counsel Office for amendments to the Social Security Regulations 2018 to give effect to the decision above to exempt TAP payments as income for TAS;
- 21 **authorised** the Minister for Social Development to amend the Ministerial Direction on Special Benefits to exempt TAP payments as income for Special Benefit;
- 22 **approved** the following changes to appropriations to give effect to the policy decision in paragraph 17 above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Social Development Minister for Social Development	\$m – increase/(decrease)				
	2019/20	2020/21	2021/22	2022/23	2023/24 & Outyears
<b>Multi-category Expenses and Capital Expenditure</b>					
Improved Employment and Social Outcomes Support					
<b>Departmental Output Expense:</b>					
Administering Income Support (funded by revenue Crown)	0.064	0.118	-	-	-
<b>Benefits or Related Expenses:</b>					
Hardship Assistance	0.019	0.056	-	-	-
<b>Total Operating</b>	<b>0.083</b>	<b>0.174</b>	-	-	-

- 23 **agreed** that the change to the appropriations for 2019/20 above be included in the 2019/20 Supplementary Estimates and that, in the interim, the increase be met from imprest supply;

- 24 **agreed** that the expenses incurred under paragraph 22 above be charged as a pre-commitment against the Budget 2020 operating allowance;

**Other matters**

- 25 **authorised** the Minister for Social Development to make minor technical and/or administrative decisions consistent with the policy intent in the paper attached under SWC-19-SUB-0201.

Vivien Meek  
Committee Secretary

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**Present:**

Rt Hon Jacinda Ardern  
Hon Kelvin Davis  
Hon Grant Robertson  
Hon Dr Megan Woods  
Hon Andrew Little  
Hon Carmel Sepuloni (Chair)  
Hon Dr David Clark  
Hon Stuart Nash  
Hon Jenny Salesa  
Hon Kris Faafoi  
Hon Tracey Martin  
Hon Willie Jackson  
Hon Aupito William Sio  
Hon Julie Anne Genter

**Officials present from:**

Office of the Prime Minister  
Officials Committee for SWC  
Office of the Chair

**Hard-copy distribution:**

Minister for Social Development