



6 March 2023

Tēnā koe

On 9 February 2023, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

I would like to request a copy of the Hardship Assistance Procedures that are listed at the following webpage, albeit without a link to the pages.

<https://www.workandincome.govt.nz/map/income-support/extra-help/advance-payment-of-benefit/hardship-obligations.html>

Please refer to the attached **Appendix** which contains information on the Hardship Assistance procedures.

To expedite a response, information not concerning Hardship Assistance procedures has been redacted as out of scope. Please contact the Ministry if this was not the intent of your request and you would like this information.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter and attachments on the Ministry's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding Hardship Assistance procedures, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Ngā mihi nui

Bridget Saunders

Bridget Saunders
Manager Issue Resolution
Service Delivery

Hardship application process

Clients can apply for hardship assistance online, over the phone or at a service centre appointment. There have been different rules for administering hardship assistance across our channels making it difficult for our clients to access the help they need. Changes made from 18 March 2019 will mean more clients will be able to get hardship help using MyMSD or over the phone.

On this Page:

Clients applying through MyMSD

Clients can start a hardship application in MyMSD when they select a one-off cost that is available online.

This includes assistance with food, emergency dental, school stationery and school uniforms(s). MyMSD does an initial check to confirm the client meets the appropriate residency, income and cash asset criteria and the specific channel criteria for MyMSD to start their hardship application.

If a client doesn't meet the entry criteria, they can't continue their hardship assistance application in MyMSD and will be told to call us or book an appointment, based on their circumstances.

[For more information see the MyMSD criteria and where clients will be directed to](#) Out of scope

If a client meets the criteria to apply for one-off costs through MyMSD, they will be presented with further questions as part of their application. Clients are provided with questions:

to identify their need and
about their reasonable step obligations after their third hardship grant within 12 months.

Once complete, clients are asked to confirm and submit their application details, and are then advised of the result of their online hardship assistance application:

If they have been identified as an exception in the need or obligation sections, they will be directed to call us or book an appointment, including the reason for this. Or

They will be advised of their successful application and to check back for the payment

They will be offered services available to them for extra support via a link to the [Work and Income website](https://www.workandincome.govt.nz/eligibility/living-expenses/managing-your-money.html) [\[https://www.workandincome.govt.nz/eligibility/living-expenses/managing-your-money.html\]](https://www.workandincome.govt.nz/eligibility/living-expenses/managing-your-money.html).

Clients applying through the contact centre

Clients may call the contact centre directly or may do so if they are unable to complete their application in MyMSD. If the client starts their application in MyMSD, then needs to call the contact centre, the application and the client's responses will be captured in CMS.

From 18 March 2019, changes were made to rules around which clients can get help through the contact centre.

Client still need to meet the same criteria for support, but they don't need to visit a service centre when their hardship count is over four

General CSR's are able to approve hardship payments until the client's SNG and/or advance balance is used up. Once a client has used up their balance they should be transferred to Full Assist or referred to their service centre

Contact centre staff need to discuss reasonable step obligations with the client from their third hardship grant in 12 months.

You should still talk to clients about managing their money and other support, but we no longer require clients to do budgeting activities before they can get a grant

If you feel a client needs extra support of a case manager you can book an appointment for them

Note: The hardship payment types dealt with at the contact centres remain the same.

[For more information on the contact centre process for hardship assistance](#) Out of scope

Clients applying through the service centre

When clients apply for hardship assistance at the service centre, this may be following their attempt to apply online, through the contact centre or as part of an appointment.

It's important that we look carefully at a client's situation at every engagement to ensure they are receiving their full and correct entitlement and to talk about support and services which may help them.

[For more information see hardship assistance guidelines and qualifying criteria](#) Out of scope

Content owner: [Work and Income National Office](#) Last updated: 29 November 2020

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Hardship application - complete, approve and decline processes

Once a hardship application is created, it must be finalised by recommending the payment, gaining manager approval to pay the assistance, or declining the payment.

On this Page:

Recommending payment

When the decision is to recommend the application and pay hardship assistance, the payment will either require authentication by Centralised Services first or will be released automatically. Assistance with car repairs will always require a manager's approval.

[For more information see authentication procedures](#) Out of scope

Gaining manager approval

Manager approval is required to pay hardship assistance when:

- exceptional circumstances exist, and/or
- paying Housing Support Products (HSP)
- paying Car Repairs (see below)

The Regional Director's decision is needed to approve or decline hardship assistance for limited licence costs and impounded car fees.

[For more information see limited licence costs and impounded car fees process](#) Out of scope

When the hardship assistance is approved, the payment will either require authentication by Centralised Services first or will be released automatically.

For more information, please see:

[Exceptional circumstances](#) Out of scope

[Approve hardship assistance](#) Out of scope

[Submitting an action for authentication](#) Out of scope

Car Repairs

Car repairs requires a different manager approval process. Managers independently access CMS and complete the approval or decline. Approval cannot be delegated to other staff – it can only be actioned by a Service Manager or Assistant Service Centre Manager.

[For more information see the manager approval process](#) Out of scope

Declining payment

When the decision is to decline the application because the client does not qualify, the outcome must be reflected in the CMS application.

[For more information see decline hardship assistance](#) Out of scope

Content owner: [Work and Income National Office](#) Last updated: 29 November 2020

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Hardship assistance guidelines and qualifying criteria

This page outlines the qualifying criteria and steps to take when clients apply for hardship assistance. If a client requests hardship assistance you must create an application, record the details and the client needs in CMS.

On this Page:

Qualifying criteria

For more information on the qualifying criteria see:

[Special Needs Grant \(MAP\)](#), Out of scope

[Advance Payment of Benefit \(MAP\)](#), Out of scope

[Recoverable Assistance Payment \(MAP\)](#), Out of scope

What is the client's hardship need?

The first step is to determine what the client's hardship need is.

For example:

What has happened?

What have they spent/how much assistance do they require?

Have they had an essential cost that had to be met that left them without money for something else?

Is the client receiving their full and correct entitlement (FACE)?

We must check if the client is receiving their full and correct entitlement. To do this, we:

Confirm the client's circumstances (family situation, regular on-going costs, etc)

Compare their details against their existing supplementary assistance. For example:

Do they receive or qualify for Temporary Additional Support?

Do they have any additional costs (e.g. that are disability related or for childcare)?

Ensure the client's income and asset information is correct

Consider if the client's debt offset/s can be amended

If required, follow the appropriate process:

To update the client's record and/or

For applying for assistance where the client qualifies

Has the client met their hardship obligations?

Clients who apply for hardship assistance are expected to undertake reasonable steps obligations from their third grant in a 12 month period. Reasonable step obligations require clients to take personal responsibility for managing their money and take steps which will:

Reduce their costs or

Increase their income or

Improve their financial management

Clients should be encouraged to check information available about budgeting services to assist them with improving their financial circumstances. This can be done at every hardship application, allowing clients to access these services when they are appropriate. Requiring clients to undertake a budgeting activity should only be done in limited situations.

We should discuss hardship obligations as appropriate (generally after the third hardship grant). Before assigning a budgeting activity as a hardship obligation, it must be likely to benefit the client and improve their financial situation.

Before assigning a budgeting activity obligation, you must also consider:

If the client has been offered budgeting services previously and understands the benefit of the service

If the client has chosen not to take up the services offered

If the client has previously used budgeting (or similar) services

If the client's circumstances have changed substantially since they last accessed this service

Previous hardship applications granted and the reasons for requiring the assistance,

Previous discussions regarding budgeting information and services the client can access, and any related steps the client has taken,

Any special or unusual circumstances the client has.

If you have decided to assign a budgeting activity obligation, you need to:

Complete the service plan to record the budgeting activity

Add a Must View Note to record this for future applications.

Also consider your local knowledge about what is available in your town or city that will assist your client.

[For more information about hardship obligations \(MAP\)](#), Out of scope

Out of scope

[For more information about reasonable steps obligations \(MAP\)](#), Out of scope

Out of scope

Processing standards for Hardship assistance

[For more information on the processing standards see: Hardship evidence](#), Out of scope

Out of scope

Exceptional circumstances

Exceptional circumstances set a client apart from others in a similar situation. Always consider the client's individual circumstances in every case.

[For more information see exceptional circumstances](#), Out of scope

Out of scope

[Extra help - exceptional circumstances](#), Out of scope

Out of scope

Emergency food assistance

MSD has a strategy aimed at reducing the need for clients to go to food banks. We need to ensure that clients are aware of what assistance is available to them before they go to food banks.

[For more information see the emergency food assistance](#), Out of scope

Out of scope

Help for clients affected by an event or emergency

There is a range of services available to people affected by an event or emergency including Special Needs grants and other forms of hardship assistance.

[For more information see help for clients affected by an event or emergency](#), Out of scope

Out of scope

Content owner: [Work and Income National Office](#) Last updated: 03 December 2021

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Hardship assistance overview

This page provides information when clients need hardship assistance for an immediate and essential need, or require a payment for specific circumstances. They can apply online, over the phone or at a service centre appointment.

On this Page:

Introduction

Hardship assistance is paid as a Special Needs Grant (SNG's), Advance Payment of Benefit (Advances), and Recoverable Assistance Payments (RAP's). Clients can access components of these payments via three channels: online using MyMSD, over the phone through the contact centre or in person at a service centre. The specific needs that can be met through a channel differ depending on the business rules in place.

A client doesn't need to be getting a benefit to qualify for hardship assistance. It can be paid to clients who:

- meet the residency qualifications
- meet an income and cash asset test
- have an immediate and essential need
- are not able to meet the need from their own resources
- have met their hardship obligations

Help with one-off costs in MyMSD

Clients can apply for assistance with food, emergency dental, school uniform(s) and/or school stationery using MyMSD.

There is an initial check in MyMSD to confirm the client meets the criteria to apply, and the specific operational criteria for the MyMSD channel to start their hardship application.

If the client doesn't meet the entry criteria to apply online, they are asked to phone the contact centre or to book an appointment based on their circumstances.

[For more information see applications through MyMSD](#) Out of scope

Out of scope

Help with one-off costs through the contact centre

Client can call the contact centre for help with specific categories of hardship assistance.

[For more information see the contact centre process](#) Out of scope

Out of scope

Service centre process for hardship assistance

Clients who can't complete their hardship application in MyMSD or with contact centre staff may be redirected to the service centre for help. Or a need for hardship assistance may come up during an appointment. It's important that we look carefully at a client's situation at every engagement to ensure they are receiving their full and correct entitlement and to talk about support and services which may help them.

[For more information see hardship application process](#) Out of scope

Out of scope

Hardship payment categories

Hardship assistance is paid as Special Needs Grant (SNG's), Advance Payment of Benefit (Advances) or Recoverable Assistance Payments (RAP's). Depending on the payment category, it may count towards a client's overall hardship count. The count determines when clients may be required to meet hardship obligations.

[For more information on what is included in the hardship payment count, see Hardship payment categories - included and excluded](#) Out of scope

Out of scope

[Also refer to MAP](#) Out of scope

Changes made from 18 March 2019

Grants for hardship assistance through MyMSD and the contact centre have increased significantly in recent years, however the majority of all hardship assistance applications are still managed at the service centres. We've changed some hardship processes to make it simpler for clients to get help with urgent and essential costs quickly whether that's online, over the phone or at a service centre.

No wrong door policy

Staff will continue to assist clients with their needs in the channel they present where possible. For example, if a client has an appointment and it is identified they also require and qualify for hardship assistance; this will be managed by the case manager (regardless of whether the assistance could be granted via another channel).

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