



Report

Date: 17 February 2021

Security Level: IN CONFIDENCE

To: Hon Carmel Sepuloni, Minister for Social Development and Employment

Approval for Temporary Visa Holders to continue to access Emergency Benefits

Purpose of the report

- 1 This report seeks your written approval for the Ministry of Social Development to use section 64 of the Social Security Act 2018 to allow temporary visa holders in hardship to continue to access Emergency Benefits from 1 March 2021 to 31 August 2021.
- 2 This report also outlines operational processes to reassess the eligibility of existing temporary visa holders receiving Emergency Benefits and changes to how Emergency Benefits will be operationalised for temporary visa holders based on potential changes to COVID-19 Alert Levels.

Recommended actions

It is recommended that you:

- 1 **note** that section 64 of the Social Security Act 2018 allows the Ministry of Social Development to pay Emergency Benefits, to any person, regardless of residency status, if there is a domestic epidemic management notice in effect, and for a reasonable period after, and that you have given written approval to use this provision previously
- 2 **note** that the Cabinet Social Wellbeing Committee has agreed to fund the extension of the provision of financial support to temporary visa holders who are in hardship in New Zealand through the continued provision of Emergency Benefits via the Ministry of Social Development from 1 March 2021 to 31 August 2021
- 3 **approve** the Ministry of Social Development to grant Emergency Benefits under section 64 of the Social Security Act 2018, from 1 March 2021 until the close of 31 August 2021, to the following two groups of people in hardship who would not otherwise be entitled to be granted Emergency Benefits under the Social Security Act 2018:
 - 3.1 holders of valid temporary entry class visas which do not include a sponsorship provision imposed under section 48 of the Immigration Act 2009; and
 - 3.2 for the avoidance of doubt, holders of valid Recognised Seasonal Employer limited visas, including those visas granted by special direction under section 61A of the Immigration Act 2009

YES/NO

- 4 **note** that the usual policy settings for Emergency Benefit will continue to apply to temporary visa holders
- 5 **note** that temporary visa holders will continue to be eligible for the Family Tax Credit, Best Start Tax Credit, and, for the time that it is provided, the Winter Energy Payment
- 6 **note** that this paper outlines the operational processes of the extension of Emergency Benefit support to temporary visa holders
- 7 **note** that the Ministry of Social Development will change how Emergency Benefits for temporary visa holders are operationalised based on potential Alert Levels changes, with the primary change being that temporary visa holders applying for Emergency Benefits will be assessed by case managers over the phone rather than in-person at Alert Levels three and four.

Bede Hogan
Policy Manager
Income Support Policy

Date

Hon Carmel Sepuloni
Minister for Social Development and
Employment

Date

The Cabinet Social Wellbeing Committee has agreed to extend the provision of Emergency Benefits to temporary visa holders for six months

- 3 On 26 November 2020, you gave written approval for the Ministry of Social Development (MSD) to use section 64 of the Social Security Act 2018 (the Act) to allow temporary visa holders (TVHs) in hardship to access Emergency Benefit (EB) from 1 December 2020 to 28 February 2021.
- 4 As at 11 February 2021, 452 applications for EB have been received. Of those:
 - 258 TVHs have been granted EB
 - 194 TVHs have had their applications declined.
- 5 As at 5 February 2021, the total cost of the provision of EB is approximately \$0.56 million (\$0.51 million in Emergency Benefit-related expenditure and \$0.05 million for applicable tax credits).¹ This is less than the \$16 million in funding initially sought for the provision of EB to TVHs. The number of total TVH EB applications and grants is also less than the 5,800 expected applicants MSD originally forecast, and less than the 12,794 TVHs supported by the *Assistance for Foreign Nationals Impacted by COVID-19 Programme*.
- 6 Due to COVID-19 still impacting some commercial flight pathways and repatriation options, it was evident that, come 28 February 2021 (when the provision of EBs was due to end), there would still be a group of TVHs in hardship who could not return home or who were still waiting for flights to return home (among other complex situations).
- 7 On 1 February 2021, you agreed to extend support through EB for TVHs in hardship for a period of six months (from 1 March 2021 to 31 August 2021) [REP/21/1/031 refers].
- 8 The Cabinet Social Wellbeing Committee (SWC) has since agreed, with Power to Act, to fund an extension for the provision of EB to TVH from 1 March 2021 to 31 August 2021.

Your written approval is needed to allow temporary visa holders to continue to access Emergency Benefits from 1 March 2021 to 31 August 2021

- 9 With the epidemic management notice being in effect, your written approval is required to allow MSD to continue to use section 64 of the Act to allow TVHs in hardship to continue to access EB from 1 March 2021 to 31 August 2021.

10 s 9(2)(h)

- 11 Section 64 of the Act is a broad provision that allows the granting of EB to people who would not otherwise be entitled, meaning further detail is required to specify who can receive this particular form of EB. Recommendation three in this report specifies the two groups of foreign nationals that will be eligible for EB under section 64 of the Act, these being:

¹ Total spend on the Family Tax Credit and Best Start Tax Credit has been estimated. While data is available for clients who receive tax credits through MSD, there are several clients who receive these payments from Inland Revenue. Data-matching limitations prevent the specific rates for these individuals being known, and therefore prevents the calculation of total actual spend.

11.1 holders of valid temporary entry class visas which do not include a sponsorship provision imposed under section 48 of the Immigration Act 2009; and

11.2 for the avoidance of doubt, holders of valid Recognised Seasonal Employer limited visas, including those visas granted by special direction under section 61A of the Immigration Act 2009.

- 12 These are the same groups of TVHs for whom you have previously provided written approval to receive EB. MSD does not consider there to be grounds for change to these settings [REP/21/1/031 refers].

Officials will begin to administer the extension following its agreement on 17 February 2021

- 13 From 17 February 2021, MSD will update internal and external communications regarding this support and will also begin engaging with existing TVHs receiving EB whose payments are ending. MSD will reassess the eligibility of existing TVHs who are receiving EB in line with existing operational processes and, if eligible, they will be granted further EB payments for the period that they are eligible for, up to 31 August 2021.
- 14 New TVHs' applications for EB received before 1 March 2021, but after the extension announcement date, will be assessed in line with existing operational processes and, if eligible, they will be granted EB for the period that they are eligible for, up to 31 August 2021.

MSD will change how Emergency Benefits for temporary visa holders is operationalised based on potential Alert Levels changes

- 15 To mitigate integrity risks and allow staff to work closely with clients, current operational processes require EB TVH clients to apply in person through a face-to-face appointment at a service centre.
- 16 As of 11:59pm Sunday 14 February 2021, the Auckland region has moved to Alert Level 3 while the rest of New Zealand has moved to Alert Level 2, initially for a period of three days. As Auckland is in Alert Level 3, Auckland's MSD service centres are closed to the public and face-to-face appointments are not possible. Therefore, services have moved to phone and online channels [REP/21/2/087 refers].
- 17 As there is no option to assess TVHs face-to-face at Alert Levels 3 and 4, MSD has developed an approach to assessing eligibility for EB for TVHs at higher Alert Levels. MSD will implement the following operational changes in response to potential Alert Level changes, as required, from now until the end of the six-month extension period on 31 August 2021:
- At Alert Levels 3 and 4:
 - MSD will follow business-as-usual processes, whereby at Alert Levels 3 and 4, MSD services people over the phone (or where possible, online).
 - Where previously TVHs have been assessed through face-to-face appointments, in Alert Levels 3 and 4 MSD case managers will carry out the eligibility assessment for EB over the phone.² TVHs will also be able to inform MSD of any change in circumstances over the phone.
 - The application process and conversations with applicants will remain the same as they are for in-person assessments. However, verification of documents such as identity and visa status will need to be conducted

² This is what also occurs for other MSD clients Alert Level 3 and 4. TVHs will only be assessed over the phone and not online, as generally they do not have access to MyMSD.

through document upload or email rather than physically sighting these documents.

- At Alert Level 2:
 - TVHs will be able to contact MSD via phone to book an appointment with a case manager, rather than requesting an appointment at a service centre in person. However, it is expected that the appointment itself will be face-to-face at the next available opportunity.
- At Alert Level 1:
 - TVHs will be required to apply in person through a face-to face appointment at a service centre. This appointment can be requested in person at the service centre as initially intended.

18 While there are some integrity risks with moving services to the phone for TVHs at higher Alert Levels, these can largely be mitigated. For example, as MSD staff will be able to access Immigration New Zealand's visa verification service, visas will be able to be verified through this mechanism in most cases. MSD can also make grants conditional on people bringing in documents for verification purposes when able to (for example, at a return to Alert Level 1).

Next steps

- 19 On 17 February 2021, MSD will update internal and external communications regarding this support and begin to administer the extension of EB for TVHs. We need your approval to use section 64 of the Act, by signing this report, as soon as possible after SWC agreement to fund the extension, to ensure that the legal authority is in place to enable the extension.
- 20 MSD and Immigration New Zealand officials will continue to monitor the situation regarding the cohort of TVHs in hardship in New Zealand. This includes further work considering more sustainable and suitable longer-term solutions for this cohort.

File ref: REP/21/2/116

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