



# Meeting of the COVID-19 Ministerial Group

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### COVID-19 Support for Essential Social Sector Services and Communities

The group of Ministers with Power to Act on COVID-19 matters [CAB-20-MIN-0130] convened on 26 March 2020 at 10.30pm and, in accordance with their Power to Act:

1. **noted** that the Ministry of Social Development and Oranga Tamariki have publicly released guidance on what is an essential social service for the purpose of the government's COVID-19 response Alert Level 4;
2. **noted** that non-government organisations and communities provide essential services that will need to continue now the Government has moved to COVID-19 Alert Level 4;
3. **noted** that while Budget 2020 decisions provide significant additional investment to address known (pre-COVID-19) cost pressures experienced by the Ministry of Social Development-funded social services, this funding will not meet immediate additional demand and enable providers to adapt their services to adhere to the government's guidance on Alert Level 4;
4. **agreed** to \$16 million to ensure that essential social sector services continue to operate and can meet increased demand during Alert Level 4;
5. **agreed** to \$6 million to support disability sector providers to change how they deliver essential services during COVID-19 Alert Level 4;
6. **agreed** to \$4.8 million to provide community grants or fund innovative community-led solutions to support local resilience;
7. **note** that the Ministry of Social Development will be working to ensure that any services funded are taking steps to ensure that maximum hygiene protocols are in place for essential workers;
8. **noted** that due to the unprecedented nature of COVID-19 and the uncertainty around its impacts over the coming months it is prudent to create a flexible funding mechanism to support communities;

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9. **agreed** to add the following category to the multi-category appropriation “Community Support Services” to give effect to paragraph 6:

Category title	Category type	Scope
Community Response to Adverse or Emergency Events	Non-Departmental Other Expense	This category is limited to financial support for communities that have been impacted by an adverse or emergency event.

10. **agreed** that any movement of amounts between categories in the above multi-category appropriation must be approved by the Minister for Social Development;
11. **approved** the following changes to appropriations to give effect to paragraphs 4-6 to provide for additional support to communities impacted by COVID-19, with a corresponding impact on the operating balance and net core Crown debt:

Vote Social Development Minister for Social Development	\$m - increase/(decrease)				2023/24 & outyears
	2019/20	2020/21	2021/22	2022/23	
<b>Non-Departmental Output Expenses:</b>					
Community Participation Services	3.000	3.000	-	-	-
<b>Multi-Category Expenses and Capital Expenditure:</b>					
Community Support Services					
<b>Departmental Output Expenses:</b>					
Developing and Managing Community Services (funded by revenue Crown)	0.200	-	-	-	-
<b>Non-Departmental Output Expenses:</b>					
Community Support and Advice	2.65	1.35			
Supporting Victims and Perpetrators of Family and Sexual Violence	7.875	4.125			
<b>Non-Departmental Other Expenses:</b>					
Community Responses Adverse or Emergency Events	3.84	0.960	-	-	-
<b>Total Operating</b>	<b>17.565</b>	<b>9.435</b>	-	-	-

12. **agreed** that the proposed changes to 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;
13. **agreed** that the expenses incurred under paragraph 11 above will be established outside Budget allowances, with a corresponding impact on the operating balance and net core Crown debt;

14. **agreed** that any underspends with the additional support to communities impacted by COVID-19 as at 30 June 2020 be transferred to the 2020/21 financial year to ensure that funding is available for this purpose;
15. **authorised** the Minister of Finance and the Minister for Social Development to jointly agree the final amount to be transferred, following completion of the 2019/20 audited financial statements of the Ministry of Social Development or beforehand if necessary, with no impact on the operating balance and /or net core Crown debt across the forecast period;
16. **noted** that the Ministry of Social Development will report back to the Minister for Social Development with further advice on the Ministry of Health's criteria and how it will be applied to fund disability providers in the coming weeks;
17. **noted** that the Minister for Social Development will work with colleagues and relevant agencies to consider further services or support that may be required for individuals, families, whānau and communities at risk in both the COVID-19 response and recovery period.

Michael Webster  
Secretary of the Cabinet

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**Distribution:**

Rt Hon Jacinda Ardern (Chair)  
Rt Hon Winston Peters  
Hon Kelvin Davis  
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Hon Carmel Sepuloni  
Hon Dr David Clark  
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**Officials:**

Office of the Prime Minister  
Chief Executive, DPMC  
Chief Executive, Ministry of Health  
Commissioner of Police  
All of Government Controller

Copied to officials via email

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Office of the Minister for Social Development

Cabinet

**COVID-19 support for essential social sector services and communities**

**Proposal**

1. This paper seeks your agreement to fund social sector services and local communities to ensure they can continue to provide essential support, while New Zealand is under COVID-19 Alert Level 4.
2. I propose that immediate action is taken to provide:
  - up to \$16 million to bolster existing essential social sector services delivered by non-government organisations (NGOs) so they can continue to support individuals, families, whānau and communities at risk through uncertain circumstances and respond to increased demand;
  - up to \$6 million funding for disability Community Participation providers to put in place appropriate health mitigations for the current group orientated services and provide support for disabled people in lock-down;
  - up to \$4.8 million to provide community grants or fund innovative community-led solutions to support local resilience.
3. I also seek Cabinet's approval for a new emergency support category within the Community Support Services multi category appropriation (MCA) in Vote Social Development. This appropriation will be used to provide more flexible support to communities facing the impacts of COVID-19.

**Relation to Government priorities**

4. The proposals in this paper support the Government's Alert Level 4 response by ensuring that essential social sector services continue to operate effectively during this period.

**Executive summary**

5. As we have now moved to COVID-19 Alert System Level 4, there is a range of social sector services provided by NGOs that will remain essential. The priority is to go to minimal viable workforce, with maximum hygiene protocols in place for essential workers.
6. This includes services that ensure people have access to the food and other goods they need to survive, services that provide and support a place for someone to live, services that support disabled people to maintain critical wellbeing and crisis support for people who are unsafe.

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7. MSD's experience of the Global Financial Crisis (GFC) and early reports from other countries' COVID-19 experiences suggest that there is likely to be significant increases in the demand for essential social sector services. In addition to increased demand, many organisations will need to change the way they work. There may also be a need to fund new services that can respond to emerging community issues.
8. MSD's social sector partners are already reporting impacts on their essential services. Providing immediate support for providers of essential services will be key to mitigate the impacts of COVID-19 on individuals, families, whānau and communities at risk. I therefore recommend that an additional \$16 million is allocated to bolster existing social sector services, along with an additional \$6 million for disability providers to adapt their existing service provision.
9. With the full range of impacts on communities still uncertain, there may be a need for further flexible support for both communities and social sector providers. I therefore propose establishing a flexible fund of \$4.8 million to aid providers and communities as needs arise over the coming weeks.
10. Cabinet is also considering advice on providing financial support through Civil Defence Emergency Management (CDEM) payments to local authorities for costs they incur in providing welfare support to people that are confined at home. This support will predominantly assist individuals that are not eligible for other forms of Government support, rather than supporting already at-risk groups. Therefore, my proposals in this paper will complement the CDEM payments.
11. The funding I am seeking will provide immediate support for our NGO partners and community groups to provide essential services over the next six months. Additional support for vulnerable groups may be required as the COVID-19 impact is further understood. MSD will work with other agencies to consider further services or support that may be required for individuals, families, whānau and communities at risk in the COVID-19 response and recovery period.

### **NGOs and local communities provide a range of social services that will be essential during Alert Level 4**

12. MSD contracts services with a range of NGO partners that deliver essential services to individuals, families, whānau and communities at risk. A number of these services will need to continue throughout the Alert Level 4 period.
13. I recognise that our NGO partners will be changing how they deliver these essential services to reflect the Government guidance on moving to an Alert Level 4. This could include significant changes to operating models or establishing new services.
14. Essential social services for the purpose of our COVID-19 response Alert Level 4 are those that meet one or more of the following four criteria. This is a preliminary list and will be subject to review:

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- i. where the social service is the only way for people accessing food and other goods they need to survive (e.g. money management (but not budget advice), food banks, and other delivery of essential goods).
  - ii. a social service that provides and supports a place for someone to live (e.g. supported accommodation, Housing First, care residences, bail hostels, night shelters, family homes, remand homes, foster carers of children in state care, resettlement services for recent migrants and refugees).
  - iii. a social service that supports disabled people to maintain critical wellbeing (e.g. disability services for those with high needs or very high needs, excluding disability employment services).
  - iv. crisis support for people who are unsafe (e.g. Funded helplines, refuges and family violence services, foster care support services, sexual violence crisis services).
15. Community groups outside of those who we currently contract with also provide important services to at risk people. This can include developing local plans to provide food and supplies for people not able to access these, mobilising volunteer groups or disseminating information to communities where there are language barriers.
  16. Ensuring these essential services continue throughout the period in which the Alert Level 4 is in operation, with maximum hygiene protocols in place for essential workers, will be critical to maintain the resilience of communities and individuals.

### **\$16 million to bolster existing social sector services delivered by NGO partners**

17. MSD's experience of the GFC illustrated that during an economic downturn, there are increased demands on social sector services. During the GFC (between 2009 and 2012), the Government paid out \$78.9 million to providers that had been impacted by the increased demand on services and the reduction in philanthropic funding.
18. Budget 2020 decisions are expected to provide significant additional investment to address known (pre-COVID 19) cost pressures experienced by MSD-funded social services. Funding is predominately targeted at services that have a high proportion of social workers (and equivalent workforce) as well as those impacted by significant underinvestment over a period of time.
19. While Budget 2020 is an important step in MSD's ongoing work with provider sectors to make services more sustainable, I consider additional funding is needed to meet immediate additional demand and to enable providers to adapt their services to adhere to the Government's public health guidance on Alert Level 4.
20. I therefore propose that Cabinet agrees to \$16 million to bolster existing social services that face increases in demand due to COVID-19. In order to manage the risk that this short-term funding creates ongoing funding expectations, communications with our partners will emphasise that this funding is for

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immediate and essential services during COVID-19 Alert Level 4 and the immediate aftermath.

21. This funding will be used for the immediate pressures anticipated and already being experienced by essential services, as well as ensuring they have the funding to operate safely at this time.
22. The essential services which we will direct this funding to are outlined in the paragraphs below and the modelling for this additional funding is set out in Annex One.

### *Funding for family violence and sexual violence crisis services*

23. Additional stress factors around health, wellbeing and employment can cause families to struggle to meet their financial commitments. When stress factors compound, several issues may begin to emerge, one of which can be a rise in the rates of family violence. As such, a significant proportion of this funding would be used to provide additional support to family violence and sexual violence crisis services. Engagement with these service providers confirms that they expect to see increased demand.
24. Officials have modelled that \$12 million will be allocated to family and sexual violence services. For family violence services this will support 200 providers across the sector to meet additional demand, train new staff to manage the phone lines and increase the number of services to at risk people. It will also be used to help women and children access alternative accommodation should refuges be full. In some cases, providers will need to use private motels or other accommodation so they can achieve safety and physical separation at the same time. We have already heard case where refuges are sourcing accommodation for families in motels in order to ensure they are safe and can safely self-isolate.
25. For sexual violence services, funding would enable providers to increase the capacity of IT systems so they can provide remote 24/7 crisis support and access to services, along with funding to train new staff to boost existing phone help lines.
26. Funding will also be provided to keep older New Zealanders safe and minimise the impacts of loneliness and isolation during this time.

### *Funding to manage increased demand for financial management helpline*

27. The \$0.5 million requested would support up to 10 additional FTEs and additional equipment to extend the capacity and hours of the MoneyTalks helpline. This will support people who need immediate assistance to manage household expenses and debt with creditors and utility companies. FinCap and the Commission for Financial Capability are directing people to seek financial advice through Sorted and MoneyTalks so it is essential that they have the capacity to manage this.

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### *Funding for providers that deliver essential tailored support for Māori and Pacific*

28. Providers that support Māori and Pacific peoples such as E Tu Whānau and Pasefika Proud are key to any crisis response and provide essential community services. Both groups have extensive networks and reach into these communities through churches and ethnic specific community groups. They provide support to the most vulnerable members of the community. Many of these groups are in rural areas where the only source of support is their community.
29. Additional funding is necessary for these providers to ensure that key messages regarding the Government's advice are communicated and in some cases translated, along with providing other support such as care packages and pastoral care for vulnerable groups such as older people.
30. Officials have modelled that additional funding of \$3.5 million would enable providers that support Māori and Pacific families to support an additional 2300 families. This is based on a maximum of \$1500 per family.

### *Related COVID-19 social support services*

31. Cabinet is also considering advice to provide financial support through CDEM payments to local authorities for costs they incur in providing welfare support to people that are confined at home. This support would primarily be aimed at supporting individuals who are not eligible for other forms of Government assistance.
32. I consider that providing additional funding to social sector providers and communities to continue delivering essential services will complement the CDEM proposal. MSD's funding will predominantly be used to support already at-risk groups who could face further hardship due to the move to Alert Level 4. Where there is the potential for duplication of support, each CDEM Group has a welfare coordination group that includes MSD as a key partner agency. This will ensure clarity on appropriate roles and funding streams for different purposes.

### **\$6 million for disability providers to modify how they deliver essential services**

33. Disability sector providers will need to modify how they deliver essential services to existing high needs (Community Participation) and very high needs clients to manage self-isolation and social distancing.
34. To support service providers to adapt there will need to be additional funding. This is because all available funding is committed in contracts with providers and there is no allowance for discretionary changes.
35. Additional funding would enable MSD to provide a contribution to the costs of providing support to disabled people while they are self-isolating, so they stay connected to the community to minimise the impacts of loneliness and isolation on their wellbeing. It would also reduce pressure on health funding that could be strained over the coming months.



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36. I propose we provide \$6 million for disability providers to modify how they deliver essential services. This funding will be used to fund the equivalent of 220 additional FTEs (based on \$54,000 per FTE) to support disabled people's wellbeing through the continuation of vocational day services in different formats over the next six months. This assumes that people with disabilities may need to self-isolate for longer than the general population because they are more at-risk.
37. MSD officials are working with Ministry of Health (MoH) officials to create criteria to determine how and who we fund to deliver adapted services. MSD officials will report back to the Minister for Social Development in the coming weeks with further advice on this criteria and how it will be applied, before funding is allocated.

### **\$4.8 million to provide community grants or to fund essential community-led solutions to support local resilience**

38. It is unclear what new essential supports or services may be necessary over the coming weeks due to Alert Level 4. I consider it critical that flexible funding is made available to communities and social sector providers that may face challenges over the coming months.
39. From MSD's previous experience of adverse localised events, local community groups and providers are often best placed to meet the immediate needs of their communities. After the 2011 Christchurch Earthquake, last year's Christchurch Mosque attacks and, more recently, the Whakaari / White Island eruption, MSD put in place targeted yet flexible responses to provide essential services to the local community. In these cases, enabling and supporting such a wide range of effective interventions and activities, in real time, was made possible due to an immediate pipeline of flexible and readily accessible funding.
40. I propose Cabinet agree to an initial \$4.8 million to provide more flexible support to communities. This funding will enable MSD to provide grants of up to \$5000 to any community-based groups or individuals who can provide essential services during the period of COVID Alert Level 4. In addition to community grants, this funding could also be used to support essential community solutions. Officials will ensure that any funded services are taking steps to ensure that maximum hygiene protocols are in place for essential workers.
41. This approach is proven and was the basis of the response adopted in relation to the GFC, in which a Community Response Fund was established to address immediate cost and demand pressures experienced by community-based social services.
42. This is a high trust model that requires limited levels of administration to ensure that funding can be delivered in a responsive manner. If applicants have a charities number they will be asked to provide it to MSD. Where this is not possible MSD will undertake normal due diligence. However, there is still the potential for fraudulent bids. I consider that a \$5000 limit for community

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grants will reduce this risk. Bids for grants of over \$5000 will be considered by exception and will require further evidence and documentation.

43. MSD has established a simplified process for organisations to apply for grants via email. This will ensure that communities and social providers can apply for grants with minimum level of administration. With communities facing immediate impacts due to COVID-19, this model is ready to be implemented in early April. MSD will work with the philanthropic sector and partner with relevant community groups where appropriate. Further detail of how this would be implemented is attached in Annex Two.

**A more flexible appropriation is needed to enable this approach**

44. To ensure that MSD has the flexibility to respond to further needs as they should arise, MSD will require a flexible appropriation mechanism.
45. During previous events such as the Canterbury Earthquake, MSD created new appropriations and categories within existing multi-category appropriations (MCA) to empower communities to act in an appropriate manner.
46. This mechanism will enable a short-term flexible community response to COVID-19, as well as creating a long-term mechanism to respond quickly to future situations in which a community response is required quickly to manage an unforeseen adverse or emergency event.
47. I therefore recommend that Cabinet agrees to add the following category to the multi-category appropriation Community Support Services MCA:

Category title	Category type	Scope
Community Response to Adverse or Emergency Events	Non-Departmental Other Expense	This category is limited to the provision of financial support for communities that have been impacted by an adverse or emergency event.

48. I also acknowledge that social services will be affected by the impacts of COVID and the level 4 lockdown in a number of ways, whether they remain operating or not. To provide some certainty over the next six months, the Ministry of Social Development and Oranga Tamariki have announced that we will treat all NGO partners fairly if their contracted delivery of services is impacted by COVID-19. If affected providers have to reduce services temporarily due to COVID-19, we will seek to maintain current funding levels for the period of the contract.

**MSD will work with other agencies to consider further services or support that may be required for individuals, families, whānau and communities at risk in the COVID-19 response and recovery period**

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49. Additional support for vulnerable groups may be required as the COVID-19 impact is further understood.
50. Officials are also looking at what support individuals and their families, who on the advice of their doctor or health practitioner, need to self-isolate for sustained periods of time, (of up to six months or more), because they or someone they live with is considered a priority population (i.e. over 70s or with a health condition that makes them more vulnerable to COVID). I am aware that some people are already receiving this advice from their doctor.
51. While further work is required, individuals and their families likely need different types of support through a sustained period of self isolation. The type of support could be financial or non-financial, e.g. support to maintain wellbeing and access to necessary health and social services. This will be particularly important for older people who are at heightened risk of serious illness or death and may be required to remove themselves from social situations for longer, particularly as a number of organisations that provide group programmes for older people have stopped these activities. I have requested MSD officials provide me with further advice on this in the coming month.
52. Early work is also being undertaken to consider ways for people who are self-isolating and have no family or support network to access food. While MSD funds providers who run foodbanks, we do not fund foodbanks as a service. Foodbanks have indicated concerns about supply chains and the need for volunteers. MSD is working with food providers and other community agencies to determine suitable options. MSD is also working with the Ministry for the Environment on options to support Food Rescue. One option being considered is the repurposing of the 2020 contestable round of the Waste Minimisation Fund. I will also be seeking further advice on supporting other organisations that provide food to families in need such as Kidscan and Kickstart.
53. I recognise that other Government agencies that support social sector providers will have similar concerns. I will work with my colleagues to continue to develop a co-ordinated response across providers that support individuals, families, whānau and communities at risk. This is particularly important for providers with contracts with Oranga Tamariki and officials are already undertaking work to address this.

### **Legislative implications**

54. No legislation is required.

### **Financial Implications**

55. The recommendations in this paper seek approval for:
  - i. up to \$16 million to bolster existing essential social sector services delivered by non-government organisations (NGOs) so they can

continue to support individuals, families, whānau and communities at risk through uncertain circumstances and respond to increased demand;

- ii. up to \$6 million funding for disability Community Participation providers to put in place appropriate health mitigations for the current group orientated services and provide support for disabled people in lock-down;
- iii. up to \$4.8 million to provide community grants or fund innovative community-led solutions to support local resilience.

### **Impact analysis**

56. A regulatory impact statement is not required for the proposals in this paper.

### **Human Rights**

57. The policy proposals are consistent with the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993. It is also consistent with the Office of the High Commissioner for Human Rights (OHCHR) guidance around measures to reduce the impact of COVID-19.

### **Disability perspective**

58. The response to COVID-19 has significant implications for disabled people and their carers, support staff, families and whānau.
59. Community participation, including day services, is fundamental to the health and wellbeing of disabled people. In some instances, the community activities that disabled people participate in are one of the few social interactions they may have each week.
60. If community participation activities are discontinued in the short to medium term (or for as long as COVID-19 remains a risk), disabled people may experience increased social isolation, stress and its associated negative consequences.
61. There will also be a broader impact on carers, support staff, families and whānau. If services are discontinued, families, whānau and other carers will be required to pick up additional care duties. This may have negative impacts on the mental health and wellbeing of these people as they will no longer have their usual respite and may even be no longer able to work (including from home).
62. Community participation service providers are best placed to provide guidance and communication on health, safety and hygiene during COVID-19 to their disabled clients and associated support staff, carers, families and whānau. This will assist in decision making regarding continued participation or not.
63. Although we are working within a constrained environment, the proposals in this paper makes best endeavours to take into account the principles of flexibility, choice and control, and affording disabled people the dignity and

respect to make their own decisions, in line with the New Zealand Disability Strategy 2016-2026.

### Consultation

64. MoH, the Ministry of Justice, Oranga Tamariki, the Department of Prime Minister and Cabinet and the Treasury have been consulted on this paper.

### Communications

65. We propose to co-ordinate with the Prime Minister's Office in making announcements about the decisions taken as a result of this paper.

### Proactive release

66. This Cabinet paper will be proactively released, with redactions made consistent with the Official Information Act.

### Recommendations

The Minister for Social Development recommends that Cabinet:

1. **Note** that the Ministry of Social Development and Oranga Tamariki have publicly released guidance on what is an essential social service for the purpose of our COVID-19 response Alert Level 4 (see paragraph 13)
2. **Note** that non-government organisations and communities provide essential services that will need to continue now the Government has moved to COVID-19 Alert Level 4
3. **Note** that while Budget 2020 decisions provide significant additional investment to address known (pre-COVID-19) cost pressures experienced by the Ministry of Social Development-funded social services, this funding will not meet immediate additional demand and enable providers to adapt their services to adhere to the Government's guidance on Alert Level 4
4. **Agree** to \$16 million to ensure that essential social sector services continue to operate and can meet increased demand during Alert Level 4
5. **Agree** to \$6 million to support disability sector providers to change how they deliver essential services during COVID-19 Alert Level 4
6. **Agree** to \$4.8 million to provide community grants or fund innovative community-led solutions to support local resilience
7. **Note** that Ministry of Social Development officials will be working to ensure that any services funded are taking steps to ensure that maximum hygiene protocols are in place for essential workers
8. **Note** that due to the unprecedented nature of COVID-19 and the uncertainty around its impacts over the coming months it is prudent to create a flexible funding mechanism to support communities

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9. **Agree** to add the following category to the multi-category appropriation “Community Support Services” to give effect to recommendation 6

Category title	Category type	Scope
Community Response to Adverse or Emergency Events	Non-Departmental Other Expense	This category is limited to financial support for communities that have been impacted by an adverse or emergency event.

10. **Agree** that any movement of amounts between categories in the above multi-category appropriation must be approved by the Minister for Social Development
11. **Approve** the following changes to appropriations to give effect to recommendations 4-6 to provide for additional support to communities impacted by COVID-19, with a corresponding impact on the operating balance and net core Crown debt:

Vote Social Development Minister for Social Development	\$m - increase/(decrease)				2023/24 & outyears
	2019/20	2020/21	2021/22	2022/23	
<b>Non-Departmental Output Expenses:</b>					
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<b>Multi-Category Expenses and Capital Expenditure:</b>					
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Community Support and Advice	2.65	1.35	-	-	-
Supporting Victims and Perpetrators of Family and Sexual Violence	7.875	4.125			
<b>Non-Departmental Other Expenses:</b>					
	3.84	0.960	-	-	-

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Provision for immediate and/or sustained community responses to an adverse event or emergency					
<b>Total Operating</b>	<b>17.565</b>	<b>9.435</b>	-	-	-

12. **Agree** that the proposed changes to 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
13. **Agree** that the expenses incurred under recommendation 10 above will be established outside Budget allowances, with a corresponding impact on the operating balance and net core Crown debt
14. **Agree** that any underspends with the additional support to communities impacted by COVID-19 as at 30 June 2020 be transferred to the 2020/21 financial year to ensure that funding is available for this purpose
15. **Authorise** the Minister of Finance and the Minister for Social Development to jointly agree the final amount to be transferred, following completion of the 2019/20 audited financial statements of the Ministry of Social Development or beforehand if necessary, with no impact on the operating balance and /or net core Crown debt across the forecast period.
16. **Note** that Ministry of Social Development officials will report back to the Minister for Social Development with further advice on the Ministry of Health's criteria and how it will be applied to fund disability providers in the coming weeks
17. **Note** that I will work with my colleagues and relevant agencies to consider further services or support that may be required for individuals, families, whānau and communities at risk in both the COVID-19 response and recovery period

Authorised for lodgement

Hon Carmel Sepuloni

Minister for Social Development

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**Annex 1 – Cost breakdown for additional support**

Service provided	Assumptions	\$m increase/(decrease)	
		2019/20	2020/21 (3months)
<p><b>Family Violence (FV) Services</b></p> <p>Family violence services cover a range of services that support people at risk of family violence. Additional funding would cover:</p> <ul style="list-style-type: none"> <li>• Provision of services for women and children experiencing risk to imminent safety</li> <li>• Supporting crisis workers to be safe and able to respond (includes decontamination plans and personal protective equipment)</li> <li>• Funding for refuges to help women and children access alternative accommodation should refuges be full/in isolation</li> <li>• Additional boost for helplines/crisis lines (including training new workforce)</li> <li>• \$2 million of ongoing funding to help with some additional demand pressures (as the Budget 20 initiative does not cover additional demand)</li> <li>• EXCLUDES the Budget 2020 cost pressure initiative.</li> </ul>	<ul style="list-style-type: none"> <li>• FV rates will increase</li> <li>• All FV services will remain essential and will shift their services during this time to cope with the demand</li> <li>• This is based on our engagement and our knowledge that most of these services are currently operating in crisis</li> <li>• We have based our costings on 200 providers</li> <li>• A core component of this additional money is to ensure we support the sector with the additional funding</li> <li>• There is an additional community flexible fund available.</li> </ul>	<b>4.000</b>	<b>4.000</b>
<p><b>Sexual Violence Services</b></p> <p>Sexual violence services cover a range of services that support people at risk of sexual violence. Additional funding would cover:</p>	<ul style="list-style-type: none"> <li>• All SV crisis services will remain essential during this time</li> <li>• This additional funding will ensure providers are able to increase</li> </ul>	<b>3.875</b>	<b>0.125</b>



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<ul style="list-style-type: none"> <li>• An increase of \$506k to Safe to Talk to manage additional helpline services across 2019/20 and 2020/21</li> <li>• Bringing forwards additional funding from 1 July 2020 that was funded through Budget 2019. We are recommending that we start providing crisis centres with this revised rate of funding from April in order to manage additional demand and to change the way in which they work.</li> </ul>	<p>capacity and capability (including IT functions)</p> <ul style="list-style-type: none"> <li>• Changes to IT functions will support ability to provide remote 24/7 crisis support, and access to services</li> <li>• Additional boost for helplines/crisis lines (including training new workforce)</li> <li>• Due diligence work completed for 2020/21 funding can be used to support decisions around where additional funding will be most beneficial.</li> </ul>		
<p><b>Money Talks Helpline</b></p> <p>MoneyTalks can be ramped up quickly to provide crisis response services to people and then respond after the Alert level 4 period has passed to address anticipated additional demand.</p> <p>These crisis services include:</p> <ul style="list-style-type: none"> <li>• Access to immediate assistance to know how to manage when household income levels have dropped (loss of income, reduced income)</li> <li>• Access to immediate assistance and advocacy to manage household expenses and debt with creditors and utility companies, including third-tier lenders</li> <li>• Continuation of money management services so that people can continue to access their money.</li> </ul>	<ul style="list-style-type: none"> <li>• Demand for immediate assistance to manage expenses and debt with less income will increase (evidence that this is already occurring)</li> <li>• Only the crisis services through the national helpline will be actively scaled-up during this time (base Building Financial Capability services not crisis-focused but critical for recovery)</li> <li>• The crisis-services are focused on immediate assistance to, and advocacy on-behalf of, vulnerable people in the community, but will be available to all</li> <li>• Local BFC services may continue where possible and practical within their current funding</li> </ul>	<p><b>0.250</b></p>	<p><b>0.250</b></p>

**BUDGET SENSITIVE**

<p>Additional funding would cover:</p> <ul style="list-style-type: none"> <li>• Additional equipment</li> <li>• Oversight / management role: linking to Work and Income; overseeing QA of a virtual team: key intelligence hub</li> <li>• Two additional teams to provide additional capacity (up to 10 FTEs to extend capacity and hours).</li> </ul>	<ul style="list-style-type: none"> <li>• This additional funding will ensure MoneyTalks can increase capacity and capability (including IT functions)</li> <li>• Changes to IT functions will support ability to provide remote crisis support</li> <li>• Utilises the skills of experienced Financial Mentors nationwide, working from their adequately equipped homes.</li> </ul>		
<p><b>E Tu Whānau</b> is a key service to ensure we have reach into the most vulnerable members of the Māori community. Additional funding would be provided as a contribution to those that are delivering essential services for additional costs associated with:</p> <ul style="list-style-type: none"> <li>• Strengthening services to communities that are more rurally isolated or harder to reach through conventional Government channels</li> <li>• Food and care packages for more vulnerable members of the community</li> <li>• Distribution of key messages to Māori communities (including in Te reo Māori) via a range of media</li> </ul>		<p><b>1.500</b></p>	<p><b>0.500</b></p>
<p><b>Pasifika Proud</b> is a key service to ensure we have reach into the most vulnerable members of the Pacific community. Additional funding would be provided as a contribution to those that are delivering essential services for additional costs associated with:</p>		<p><b>0.900</b></p>	<p><b>0.600</b></p>

**BUDGET SENSITIVE**

<ul style="list-style-type: none"> <li>Strengthening services to communities that are more rurally isolated or harder to reach through conventional Government channels</li> <li>Food and care packages for more vulnerable members of the community</li> <li>Distribution of key messages to Pacific communities (including in Pacific languages) via a range of media</li> </ul>			
<p><b>Disability Services</b></p> <p>Additional funding would enable MSD to provide a contribution to the costs of:</p> <ul style="list-style-type: none"> <li>Providing support to disabled people who are self-isolating, so they stay connected to the community to minimise the impacts of loneliness and isolation on their wellbeing</li> <li>This includes funding for additional staff to support the wellbeing of disabled people during the lockdown period</li> <li>Examples of other eligible costs includes staff training, staff travel and resources to reduce boredom for those in self-isolation.</li> </ul>	<ul style="list-style-type: none"> <li>Funding will be used for existing high needs (Community Participation) and very high needs clients supported by existing contracted providers</li> <li>\$3m will be used in this financial year to fund the equivalent of 220 additional FTEs until 30 June (based on \$54,000 per FTE) to support the wellbeing of disabled people during the lockdown and relieve pressure on MoH funded services</li> <li>\$3m will be used in the period 1 July 2020 – 31 September 2020 to continue funding FTEs providing services to people in lockdown and to support development and distribution of resources to help support workers work with disabled people while they are in lockdown – assumes disabled people may be required to isolate longer than the general population because they are considered at risk.</li> </ul>	<p><b>3.000</b></p>	<p><b>3.000</b></p>
<p><b>Developing and Managing Community Services</b></p>		<p><b>0.200</b></p>	

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<ul style="list-style-type: none"> <li>Departmental funding for MSD to work on contract variations and to administer the community grant scheme</li> </ul>			
<p><b>Community Grant Scheme</b></p> <ul style="list-style-type: none"> <li>Grants and flexible funding available to community-based groups to apply through the existing MSD online portal for immediate one-off requests that detail how they will support the provision of essential services</li> </ul>		<p align="center"><b>3.840</b></p>	<p align="center"><b>0.960</b></p>
<p><b>Sub total</b></p>		<p align="center"><b>17.565</b></p>	<p align="center"><b>9.435</b></p>
<p><b>Total funding requested over the 2019/20 – 2020/21 period</b></p>		<p align="center"><b>27.000</b></p>	

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## Annex 2: Community Grants – key design features

- Grants will contribute to immediate one-off requests that detail how they will contribute to community wellbeing and support preparedness and awareness activities in relation to the potential impact of COVID -19.
- They will be made available to any community-based groups or individuals who support community wellbeing during the period of Alert Level 4. An overview summary of the grant application is in the table below and further discussion follows.

**Table: Summary of the grant application process**

<b>Application</b>	<ol style="list-style-type: none"> <li>1. An applicant on behalf of a community-based group will apply via email to a centralised inbox. Applications will need to provide a simple explanation of how they will use the grant to contribute to the communities' well-being.</li> <li>2. If applicants have a charities number they will be asked to provide it to MSD. Where this is not possible MSD will undertake normal due diligence .</li> <li>3. Grants will be: <ul style="list-style-type: none"> <li>• up to a maximum of \$5000; OR</li> <li>• anything over the maximum will be considered by exception but will require further documentation.</li> </ul> </li> </ol>
<b>Processing of the application</b>	<ol style="list-style-type: none"> <li>4. Officials will check that the submission meets the criteria.</li> <li>5. Should applications be successful, grants will be approved within five working days.</li> </ol>
<b>Post grant publication and reporting</b>	<ol style="list-style-type: none"> <li>6. The amounts granted and the groups that have received the grants will be published on MSD's website for transparency. At an appropriate time, MSD officials would follow up with communities to monitor how funding was used.</li> </ol>

- Officials will review the application to check that it meets the criteria. If so, the payment will be processed within five working days.
- Groups will not be limited to only being able to apply once however it is unlikely that MSD would establish reoccurring grants as these are specifically to manage through extraordinary circumstances and should not create an expectation of an ongoing funding commitment.
- Some examples of initiatives that could receive grants include:
  - supporting community efforts to establish ways of maintaining links with, and supporting each other in new ways in light of social distancing and other possible requirements;
  - translation services for published information;
  - developing local plans to provide food and supplies for people not able to access these through fear of going out due to self-isolation concerns;

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- preparation of meals to be distributed from a central place like local Marae;
- wider assistance with self-isolation and development of community outreach programmes.

### Who will the grants be for?

- Priority will be weighted to support Māori, Pacific, older people, disabled people, those with current significant health considerations, migrant communities and those who are rurally isolated. Evidence indicates that these groups are the most likely to be impacted by adverse events in similar situations. Grants will also be subject to a set of criteria as to how the funding can be used:
  - Grants will not be provided towards salaries or administration costs, activities that intend to generate profit, the promotion of commercial, political, or religious objectives, or the purchase of alcohol;
  - Grants will not be for wage subsidy or direct financial assistance;
  - Grants will not be for major changes in service demand on current services;
  - Grants are not to be for the sole benefit of one individual.

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