

## **In Confidence**

Office of the Minister for Social Development and Employment

Chair, Cabinet

## **North Island Weather Events and Nelson Floods Regulations 2023**

### **Proposal**

- 1 This proposal seeks Cabinet approval to submit the North Island Weather Events and Nelson Flood Regulations to the Executive Council, which will exempt insurance pay-outs, donations, land buyouts and Kaupapa Māori Pathway payments for people affected by the North Island Weather Events (NIWE) and Nelson floods of August 2022 from income and cash asset tests for social security assistance.
- 2 To achieve this, I seek authorisation for submission of the attached Amendment Regulations to the Executive Council:
  - 2.1 the Social Security (Cash Assets and Income Exemptions – Severe Weather Events) Amendment Regulations 2023
  - 2.2 the Residential Care and Disability Support Services (Exempt Assets – Severe Weather Events) Amendment Regulations 2023
  - 2.3 the Student Allowances (Income Exemptions – Severe Weather Events) Amendment Regulations 2023.

### **Policy**

- 3 On 18 September 2023, Cabinet Business Committee agreed to amend the Social Security Regulations 2018, the Residential Care and Disability Support Services Regulations 2018, and the Student Allowances Regulations 1998 to exempt payments of insurance pay-outs, donations, land buyouts, and Kaupapa Māori Pathway payments made by Government or Councils in relation to the NIWE and Nelson floods, and any related interest from them, from cash asset and income tests for financial assistance for a period of 12 months from receipt of payment [CBC-23-MIN-0018 refers].
- 4 Cabinet also agreed that for Student Allowances this exemption will apply to personal income, spouse or partner income, and parental income tests [CBC-23-MIN-0018 refers].
- 5 The attached Social Security (Cash Assets and Income Exemptions – Severe Weather Events) Amendment Regulations 2023, Residential Care and Disability Support Services (Exempt Assets – Severe Weather Events) Amendment Regulations 2023, and Student Allowances (Income Exemptions – Severe Weather Events) Amendment Regulations 2023 amend the Social Security Regulations 2018, the Residential Care and Disability Support Services Regulations 2018, and the Student Allowances Regulations 1998.

- 6 These amendments exempt insurance pay-outs, donations, land buyouts and Kaupapa Māori Pathway payments for people subject to income and cash asset tests for social security assistance, if they are affected by the NIWE and Nelson floods, based on the clarified policy settings agreed to by Cabinet.

### **Timing and 28-day rule**

- 7 If approved, the Amendment Regulations will be submitted to the Executive Council for consideration on 2 October 2023, published in the New Zealand Gazette by 5 October 2023 to comply with the 28-day rule, and come into force on 6 November 2023.

### **Compliance**

- 8 The amendments to the Social Security Regulations 2018, the Residential Care and Disability Support Services Regulations 2018, and the Student Allowances Regulations 1998 comply, where applicable, with the following:

- 8.1 the principles of the Treaty of Waitangi;
- 8.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
- 8.3 the principles and guidelines set out in the Privacy Act 2020
- 8.4 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.

### **Regulations Review Committee**

- 9 There are no grounds for the Regulations Review Committee to draw the Amendment Regulations to attention of the House of Representatives under Standing Order 319.

### **Certification by Parliamentary Counsel**

- 10 The Amendment Regulations have been certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

### **Impact Analysis**

- 11 The Treasury's Regulatory Impact Analysis team has determined that the proposal to exempt insurance pay-outs, donations, land buyouts and Kaupapa Māori Pathway payments for people affected by the NIWE and Nelson floods from income and cash asset tests for social security assistance is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor impacts on businesses, individuals, and not-for-profit entities.

### **Publicity**

- 12 Ministry of Social Development officials will work to develop a communications strategy to communicate the changes appropriately.

## Proactive release

13 I intend to proactively release this Cabinet paper within standard timeframes.

## Consultation

14 The Ministry of Education, the Treasury, Inland Revenue, the Ministry of Health, Whaikaha – Ministry of Disabled People, Te Piki Oranga, the Ministry of Business, Innovation and Employment, the Ministry of Housing and Urban Development, the Ministry for Pacific Peoples, the Ministry for Women, the Office for Seniors, the National Emergency Management Agency and the Ministry for Ethnic Communities have been consulted. The Department of the Prime Minister and Cabinet has been informed.

## Recommendations

The Minister for Social Development and Employment recommends that Cabinet:

- 1 **note** that on 18 September 2023 Cabinet Business Committee agreed to exempt insurance pay-outs, donations, land buyouts and Kaupapa Māori Pathway payments for people affected by the North Island Weather Events and Nelson floods of August 2022 from income and cash asset tests for social security assistance for a period of 12 months from receipt of payment [CBC-23-MIN-0018 refers];
- 2 **authorise** the submission of the following Amendment Regulations to the Executive Council to give effect to the decision referred to in recommendation one above:
  - 2.1 the Social Security (Cash Assets and Income Exemptions – Severe Weather Events) Amendment Regulations 2023
  - 2.2 the Residential Care and Disability Support Services (Exempt Assets – Severe Weather Events) Amendment Regulations 2023
  - 2.3 the Student Allowances (Income Exemptions – Severe Weather Events) Amendment Regulations 2023
- 3 **note** that the Amendment Regulations will come into force on 6 November 2023.

Authorised for lodgement

Hon Carmel Sepuloni

Minister for Social Development and Employment