



Cabinet Social Wellbeing Committee

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.

Oral Item: Rescinding Compulsory Budgeting Steps for Recipients of Multiple Hardship Grants

Portfolio **Social Development**

On 8 May 2019, the Cabinet Social Wellbeing Committee:

- 1 **noted** that in March 2010, the previous government:
 - 1.1 agreed that a three stage model for delivering one-off grants of hardship assistance have increasing expectations for people as they receive more grants over a twelve month period;
 - 1.2 agreed that the model will:
 - 1.2.1 allow people to make their first two applications for hardship assistance through a contact centre if they have a Work and Income payment card;
 - 1.2.2 require people who have received three or more grants of hardship assistance within 12 months to demonstrate that they have taken reasonable steps to improve their situation before they are able to receive further hardship assistance;
 - 1.2.3 require people who have received three or more grants of hardship assistance within 12 months to complete a compulsory budgeting activity before they are able to receive further hardship assistance;
 - 1.2.4 allow Work and Income to consider whether a compulsory budgeting activity should be waived where such an activity is unlikely to be beneficial, or applied from an earlier grant where it will be beneficial, given the individual's circumstance;

[CAB Min (10) 7/10]
- 2 **noted** the advice of the Associate Minister for Social Development on the Ministry of Social Development's implementation of the requirement set out in paragraph 1.2.3 above, and the recommendation that this requirement be rescinded;
- 3 **invited** the Minister for Social Development to undertake further consultation with colleagues on the requirement, in light of discussion at the meeting, and report to Cabinet on 13 May 2019.

Gerrard Carter
Committee Secretary

Hard-copy distribution: (see over)

Present:

Rt Hon Jacinda Ardern
Rt Hon Winston Peters (part of item)
Hon Kelvin Davis
Hon Dr David Clark
Hon Stuart Nash (part of item)
Hon Tracey Martin (Chair)
Hon Peenie Henare
Hon Willie Jackson (part of item)
Hon Aupito William Sio
Jan Logie MP

Officials present from:

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

Hard-copy distribution:

Minister for Social Development