



Memo

To: George Van Ooyen, Group General Manager, Client Service Support

From: Keriana Edwards, Manager, Client Service Support

Date: 27 October 2021

Security level: IN CONFIDENCE

Declined Wage Subsidies Application

Purpose

We are seeking approval to overturn the declined wage subsidy applications where the applicant applied too early and then did not submit a further application within the same application window.

Issue

The applicant is sent an email to advise them when they can reapply for the next wage subsidy. We have seen applicants apply too early which results in the system declining the application. The applicant is sent the generic decline email which did not include a statement advising the decline could be because of applying too early. Generally, the applicant will submit another application during the application window which is then approved without issue however there have been applicants who have not applied within the application window and therefore have not been paid that subsidy.

We have received reviews of application requests and as we do not have any processes outlined on how to deal with these, and therefore the declines have been upheld.

Cohort group

The cohort group we have identified are applicants who applied too early, who have received the subsequent wage subsidy and:

- have submitted a review of application which remains outstanding; or
- have submitted a review of application and the decline has been upheld; or
- there was delay in processing the first application which resulted in the subsequent application being declined and the application window had closed or
- didn't submit another application within the same application window.

Volumes

The tables below outline the number of applications which were declined because the applicant applied too early. The table also outlines the number of applicants who submitted a review or made a complaint about their application being declined.

Table 1: Employer applications

EMPLOYER APPS	Paid following subsidy			Not paid following subsidy		
	Declined and Received Subsequent Subsidy	RODs Received	Inbox Events Received	Declined and Didn't Received Subsequent Subsidy	RODs Received	Inbox Events Received
Declined #2, Received #1	813	379	26	1025	333	27
Declined #3, Received #2	821	294	23	755	154	12
Declined #4, Received #3	397	118	11	498	108	7
Declined #5, Received #4	0	0	0	1343	181	9
Total	2028	972	69	3621	595	46

Table 2: Sole trader Applications

SOLE TRADER APPS	Paid following subsidy			Not paid following subsidy		
	Declined and Received Subsequent Subsidy	RODs Received	Inbox Events Received	Declined and Received Subsequent Subsidy	RODs Received	Inbox Events Received
Declined #2, Received #1	1130	379	119	1025	268	76
Declined #3, Received #2	1205	263	69	755	138	50
Declined #4, Received #3	570	59	31	498	80	23
Declined #5, Received #4	0	0	0	1343	207	70
Total	2905	908	289	6255	486	149

Advice

A discussion has happened with Legal, Information Group and Policy in relation to this issue. In the meeting held 6 October 2021 there seemed to be agreement the overturning of the decline was the right thing to do but Legal and Information team suggested s9(2)(h) OIA

We do not have the resources to develop a process and system support to implement this suggested approach however we believe by making payments to those applicants who received the subsequent subsidy, this in itself indicates there was an ongoing need for financial support.

We have had a number of media queries in relation to these types of issues and legal advice has been s9(2)(h) OIA

We have implemented a new decline email to help mitigate this issue.

Approach

We will overturn the system declines and pay the applicants who applied too early and received the subsequent wage subsidy payment regardless of whether they applied for a review or made a complaint. This approach is the most equitable approach and will see payment made to 2028 Employers and 2905 Sole Traders.

IT are working on a data fix to overturn the declined applications which ensures there is no impact to our already stretched resources.

As soon as we have your approval and IT have completed the fix we will start and overturn these declines.

Approved: _____ Date: _____

George Van Ooyen, Group General Manager, Client Service Support