Residential Care and Disability Support Services (Annual Adjustment of Applicable Asset Thresholds and Income-from-assets Exemption) Regulations 2021

Patsy Reddy, Governor-General

Order in Council

At Wellington this 24th day of May 2021

Present:
The Right Hon Jacinda Ardern presiding in Council

These regulations are made under sections 74(1)(h) and 75 of the Residential Care and Disability Support Services Act 2018 on the advice and with the consent of the Executive Council.

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Regulations

1 Title

These regulations are the Residential Care and Disability Support Services (Annual Adjustment of Applicable Asset Thresholds and Income-from-assets Exemption) Regulations 2021.

2 Commencement

These regulations come into force on 1 July 2021.

3 Schedule 2 of Residential Care and Disability Support Services Act 2018 amended

Applicable asset thresholds

(1) In Schedule 2, clause 1(2), replace "$236,336" with "$239,930".

(2) In Schedule 2, clause 1(3), replace "$129,423" with "131,391".

Income-from-assets exemption

(3) In Schedule 2, clause 5, definition of **income-from-assets exemption**,—

(a) paragraph (a), replace "$1,027" with "$1,042":

(b) paragraph (b), replace "$2,054" with "$2,083":

(c) paragraph (c), replace "$3,081" with "$3,125".

Michael Webster,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 1 July 2021, amend Schedule 2 of the Residential Care and Disability Support Services Act 2018 (the **Act**) in accordance with section 75 of the Act, which makes it mandatory for certain figures in the schedule to be increased, on 1 July each year, to reflect increases in the relevant New Zealand Consumers Price Index for the previous year.

The amendments—

- adjust the applicable asset thresholds specified in Part 1 of Schedule 2 (which are applied as part of the financial assessment of a person's assets to determine whether the person is financially eligible for a residential care subsidy) by—
  - increasing applicable Threshold A from $236,336 to $239,930 (clause 1(2) of Schedule 2):
  - increasing applicable Threshold B from $129,423 to $131,391 (clause 1(3) of Schedule 2):
- adjust the income-from-assets exemption specified in Part 3 of Schedule 2 (which relates to the amount of income derived from assets that is considered exempt from a person's financial means assessment when determining the contribution the person is required to make towards the cost of their residential care) by increasing it—

- from $1,027 to $1,042 if the person is single:
- from $2,054 to $2,083 if the person's spouse or partner is a resident assessed as requiring care:
- from $3,081 to $3,125 if the person's spouse or partner is not a resident assessed as requiring care.

(*See* the definition of income-from-assets exemption in clause 5 of Schedule 2.)

The adjustments to the applicable asset thresholds reflect the percentage upward movement in the index number of the New Zealand Consumers Price Index (All Groups) for the year ending 31 March 2021 (1.52%).

The adjustments to the income-from-assets exemption reflect the percentage upward movement in the index number of the New Zealand Consumers Price Index (All Groups Excluding Cigarettes and Tobacco Products) for the year ending 31 March 2021 (1.44%).

The adjusted amounts apply for the year beginning on 1 July 2021 and ending on 30 June 2022. On 1 July 2022, the amounts must be increased again to reflect the upward movement (if any) in the relevant index numbers for the year ending on 31 March 2022.

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 27 May 2021.
These regulations are administered by the Ministry of Social Development.

Wellington, New Zealand:
Published under the authority of the New Zealand Government—2021