



# Social Security (Temporary Additional Support) Regulations 2005

Silvia Cartwright, Governor-General

## Order in Council

At Wellington this 12th day of December 2005

Present:

The Right Hon Helen Clark presiding in Council

Pursuant to section 132AB of the Social Security Act 1964, Her Excellency the Governor-General, acting on the advice and with the consent of the Executive Council, makes the following regulations.

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## Regulations

### 1 Title

These regulations are the Social Security (Temporary Additional Support) Regulations 2005.

### 2 Commencement

These regulations come into force on 1 April 2006.

### *Preliminary provisions*

### 3 Overview of these regulations

These regulations—

- (a) define the kinds of income, benefits, credits, and receipts that are chargeable income; and
- (b) define the kinds of costs that are allowable costs; and
- (c) prescribe amounts allowed for standard living costs that ought to be met from chargeable income (that is, amounts defined by section 132AB(1)(b) of the Act as standard costs); and
- (d) define the kinds of assets that are cash assets, and prescribe an amount of cash assets that makes an applicant, under section 61G(2)(b) of the Act, ineligible for temporary additional support; and
- (e) prescribe or set out other eligibility criteria for receiving that support, the amount of it, and the period or periods for which it may be granted.

### 4 Interpretation

In these regulations, unless the context otherwise requires,—

**ACC earner levies** means the levies payable under section 219(1) and (2) of the Injury Prevention, Rehabilitation, and Compensation Act 2001

**accommodation costs** has the meaning given to it by section 61E of the Act

**Act** means the Social Security Act 1964

**allowable costs**, in relation to an applicant, and subject to section 68A (special provisions applying to insurance payments) of the Act, has the meaning given to it by Schedule 2

**beneficiary** means a person who is being paid a specified benefit

**cash assets** has the meaning given to it by regulation 8

**chargeable income** has the meaning given to it by Schedule 1

**consumer credit contract** has the meaning given to it by section 11 of the Credit Contracts and Consumer Finance Act 2003

**deficiency** has the meaning given to it by regulation 10(2)

**dependent child**, in relation to a person, does not include a child in respect of whom an orphan's benefit or an unsupported child's benefit is being paid, but otherwise has the meaning given to it by section 3(1) of the Act

**disability costs**—

- (a) means disability-related expenses, being expenses of a kind for which a disability allowance under section 69C of the Act would be payable; but
- (b) despite paragraph (a), does not include any costs for counselling (including the costs of transport to attend counselling) in excess of the amount paid for that purpose by way of a disability allowance under section 69C of the Act

**disability exception amount** has the meaning given to it by regulation 11(1)

**disposable income**, in relation to an applicant, means the remainder (whether a positive or a negative amount) obtained by subtracting the applicant's allowable costs from his or her chargeable income

**family**, in relation to a person, means that person's spouse or partner and the dependent children of the person or the person's spouse or partner

**net rate**, in relation to any benefit,—

- (a) if the benefit is New Zealand superannuation or a veteran's pension, means the appropriate rate set out in Schedule 1 of the New Zealand Superannuation and Retirement Income Act 2001 or, as the case may be, Schedule 11 of the War Pensions Act 1954, after the deduction of standard tax; or
- (b) for any other benefit, means the appropriate rate set out in the appropriate Schedule of the Act

**non-beneficiary** means a person who is not a beneficiary

**revolving credit contract** has the meaning given to it by section 5 of the Credit Contracts and Consumer Finance Act 2003

**specified benefits** means the following:

- (a) an unemployment benefit; and
- (b) a sickness benefit; and
- (c) a widow's benefit; and
- (d) a domestic purposes benefit; and
- (e) an invalid's benefit; and
- (f) an independent youth benefit; and
- (g) an emergency benefit; and
- (h) New Zealand superannuation; and
- (i) a veteran's pension

**standard costs**, as defined by 132AB(1)(b) of the Act, and in relation to an applicant, means the appropriate amount set out in Schedule 3

**standard tax** has the meaning given to it by section 15 of the New Zealand Superannuation and Retirement Income Act 2001 or by section 74C of the War Pensions Act 1954, whichever is applicable

**temporary additional support** means support of that kind under section 61G of the Act

**upper limit** has the meaning given to it by regulation 10(3).

## 5 Status of examples

- (1) An example used in these regulations is only illustrative of the provisions to which it relates. It does not limit those provisions.
- (2) If an example and a provision to which it relates are inconsistent, the provision prevails.

### *Eligibility*

## 6 Who is eligible for support

- (1) A person may apply for temporary additional support—
  - (a) whether or not he or she is receiving any other benefit, pension, or allowance under the Act, the New Zealand Superannuation and Retirement Income Act 2001, or the War Pensions Act 1954; but

- (b) only if he or she is not, under regulation 7, ineligible for that support.
- (2) However, if a person is, under regulation 7(2), ineligible for temporary additional support because a member of the person's family has been granted it, temporary additional support granted to that family member may be reviewed to ensure that his or her allowable costs and chargeable income include the allowable costs, and (if applicable) chargeable income, of the person.

## **7 Who is ineligible for support**

- (1) A child who is a dependent child or a child in respect of whom an orphan's benefit or an unsupported child's benefit is being paid is ineligible for temporary additional support; but neither of the following is ineligible to be granted temporary additional support in respect of the child:
  - (a) the child's principal caregiver; and
  - (b) a spouse or partner of the child's principal caregiver.
- (2) A person is ineligible for temporary additional support if a member of the person's family has applied for and been granted temporary additional support.
- (3) All of the following are also ineligible for temporary additional support:
  - (a) a person who is 15 years old or younger;
  - (b) a person to whom section 80C(1) of the Act applies;
  - (c) a person to whom a special benefit continues to be payable under section 23 of the Social Security (Working for Families) Amendment Act 2004 and that person's spouse or partner;
  - (d) a person who is a full-time student unless—
    - (i) the person is a beneficiary; or
    - (ii) the person, or his or her spouse or partner, is the principal caregiver of 1 or more dependent children; or
    - (iii) the person, or a member of his or her family, has disability costs (as defined in regulation 4)—
      - (A) in respect of which a disability allowance under section 69C of the Act has been granted; but

- (B) that are in excess of the maximum amount of a disability allowance under section 69C of the Act:
- (e) a person whose cash assets together with the cash assets of his or her spouse or partner (if any) exceed in value,—
  - (i) for a single person, the amount in clause 1 of Schedule 31 of the Act; or
  - (ii) for a person who is married or in a civil union, or a sole parent, the amount in clause 2 of that Schedule.

## 8 Cash assets defined

- (1) For the purposes of these regulations and of section 61G of the Act, **cash assets**, in relation to a person, means—
  - (a) the person's cash; and
  - (b) the other assets of the person that can be converted readily into cash.
- (2) In particular, **cash assets** includes all of the following:
  - (a) shares, stocks, debentures, bonus bonds, and other bonds; and
  - (b) bank accounts, including fixed and term deposits with any bank, friendly society, credit union, or building society; and
  - (c) money invested with or lent to any bank or other financial institution or other person, whether on mortgage or other security or unsecured; and
  - (d) the net equity held in property or land not used as the person's home; and
  - (e) building society shares; and
  - (f) bills of exchange or promissory notes; and
  - (g) the person's share in any partnership.
- (3) However, **cash assets** does not include any of the following:
  - (a) if the person is single, the motor vehicle or other vehicle required by the person for his or her personal use; or
  - (b) if the person is married or in a civil union, the motor vehicles or other vehicles (not exceeding 2 in total) required by the person and his or her spouse or partner for their personal use; or
  - (c) a caravan, boat, or other vehicle—
    - (i) in which the net equity is less than \$2,000; or

- (ii) used by the person or a member of his or her family for day-to-day accommodation; or
  - (d) the personal effects of the person.
- (4) Subclause (2) does not limit the generality of subclause (1); but subclause (3) overrides subclauses (1) and (2).

*Application form for, and amount, period, and form of, support*

**9 Application form must be completed**

- (1) Temporary additional support may be granted to an applicant for that support only if an application form for the purpose is completed in writing by or on behalf of the applicant.
- (2) The form must be provided by the chief executive.
- (3) The form must, when completed, set out the information required to allow—
  - (a) the applicant's eligibility for temporary additional support to be assessed; and
  - (b) the rate of any temporary additional support payable to the applicant to be determined.

**10 Prescribed amount of support: general weekly rate**

- (1) The amount of temporary additional support that may be granted per week is the sum of—
  - (a) the lesser of the deficiency and the upper limit; and
  - (b) the disability exception amount (if that amount is available to the applicant under regulation 11).
- (2) The **deficiency** is the amount (if any) by which the applicant's standard costs exceed his or her disposable income (as those terms are defined in regulation 4), but—
  - (a) is nil if the applicant's disposable income exceeds his or her standard costs; and
  - (b) if the applicant's disposable income is a negative amount, is the sum of that income (expressed as a positive amount) and his or her standard costs.
- (3) The **upper limit** is 30% of the total before abatement on account of income or other deduction of the net rate per week—
  - (a) of the 1 or more specified benefits payable to the applicant and his or her spouse or partner (if any); or

- (b) if the applicant and his or her spouse or partner (if any) are non-beneficiaries, of the benefit that would be payable to him or her or them if an unemployment benefit were payable to him or her or them.

## 11 Disability exception amount

### (1) The **disability exception amount**—

- (a) is available to the applicant only if—
  - (i) the deficiency exceeds the upper limit; and
  - (ii) the applicant's allowable costs include an **excess disability costs total** (as defined in sub-clause (2)); and
- (b) if available to the applicant, is 30% of the **excess disability costs total** (as so defined).

### (2) In these regulations,—

**excess disability costs**, in respect of a person, means disability costs (as defined in regulation 4) that—

- (a) are disability costs in respect of which the person has been granted a disability allowance under section 69C of the Act; and
- (b) have been included in the calculation of that disability allowance granted to the person; and
- (c) are in excess of the maximum amount of a disability allowance under section 69C of the Act

**excess disability costs total** means the total of all of the excess disability costs (if any) for any or all of—

- (a) the applicant; and
- (b) a member of the applicant's family; and
- (c) a child for whom an orphan's benefit or an unsupported child's benefit is being paid.

## 12 Amount of support granted must be recalculated after change in chargeable income or allowable costs or both

If an applicant's chargeable income changes, his or her allowable costs change, or both of them change, during the period (*see* regulation 14) for which the applicant has been granted temporary additional support, then despite regulation 10(1)—

- (a) the amount of that support granted to the applicant (whether it results from the original calculation under regulation 10(1) or from an earlier recalculation

required by this paragraph) must, as soon as practicable, be recalculated under regulation 10(1) taking into account all changes—

- (i) in the applicant's chargeable income or allowable costs or both during that period; and
  - (ii) that were not taken into account in the original calculation under regulation 10(1) or in any earlier recalculations required by this paragraph; and
- (b) the amount of that support granted to the applicant for any later weeks of that period (until and subject to any later recalculation required by paragraph (a)) is the amount that results from the recalculation required by paragraph (a).

### 13 Prescribed amount of support: exceptions

- (1) The amount of temporary additional support that may be granted per week—
- (a) is 50% of the weekly rate under regulation 10(1) if temporary additional support is granted to the spouse or partner of a person who is ineligible to be granted temporary additional support under paragraph (b) or paragraph (d) of regulation 7(3); and
  - (b) is nil if the result of the calculation under regulation 10(1) or, as the case may be, paragraph (a) of this subclause, is less than \$1 a week.
- (2) Subclause (1)(b) overrides subclause (1)(a).
- (3) This regulation overrides regulations 10 to 12.

#### **Example 1—single unemployment beneficiary with 2 dependent children**

P is a single unemployment beneficiary with 2 dependent children, both of whom are younger than 13 years of age.

- 1 P's weekly chargeable income is \$495.95, and is made up of—
- |          |   |
|----------|---|
| \$241.47 | net unemployment benefit; and   |
| \$119.00 | family support—a credit of tax under subpart KD of the Income Tax Act 2004; and |
| \$86.00  | accommodation supplement for a resident renting in area 1; and                  |
| \$49.48  | disability allowance (paid at the maximum).                                     |
- 2 P's weekly allowable costs are \$314.48, and are made up of—

- |   |          |  |
|---|----------|--|
|   | \$200.00 | rent in area 1 (deduct \$20.44 loading from accommodation costs); and  |
|   | \$134.92 | disability costs via disability allowance.   |
| 3 |          | P's disposable income is therefore \$181.47, which is the remainder (a positive amount) obtained by subtracting—       |
|   | \$314.48 | P's weekly allowable costs; from   |
|   | \$495.95 | P's weekly chargeable income.  |
| 4 |          | P's standard costs are \$252.33, and are made up of—   |
|   | \$169.03 | 70% of the net unemployment benefit; and   |
|   | \$83.30  | 70% of family support.   |
| 5 |          | P's standard costs, \$252.33, exceed P's disposable income, \$181.47, by \$70.86. The deficiency is therefore \$70.86. |
| 6 |          | The upper limit is \$72.44 (which is 30% of the net unemployment benefit).   |

If P is eligible for temporary additional support under regulations 6 to 8, and an application form for that support is completed as required by regulation 9, then the amount of that support that P may be granted per week, under regulation 10, is \$70.86, which is the lesser of the deficiency, \$70.86, and the upper limit, \$72.44.

**Example 2—married unemployment beneficiary with 3 dependent children**

S is a married unemployment beneficiary with 3 dependent children, all of whom are younger than 13 years of age.

- |   |          |  |
|---|----------|--|
| 1 |          | S's weekly chargeable income is \$545.92, and is made up of—   |
|   | \$280.96 | net unemployment benefit; and  |
|   | \$166.00 | family support—a credit of tax under subpart KD of the Income Tax Act 2004; and                                  |
|   | \$98.96  | disability allowance × 2 (paid at the maximum).  |
| 2 |          | S's weekly allowable costs are \$324.00, and are made up of—   |
|   | \$200.00 | Housing New Zealand rent in area 1 (deduct \$20.44 loading from accommodation costs); and                        |
|   | \$144.44 | disability costs via disability allowance.   |
| 3 |          | S's disposable income is therefore \$221.92, which is the remainder (a positive amount) obtained by subtracting— |
|   | \$324.00 | S's weekly allowable costs; from   |
|   | \$545.92 | S's weekly chargeable income.  |
| 4 |          | S's standard costs are \$312.87, and are made up of—   |
|   | \$196.67 | 70% of the net unemployment benefit; and   |

- \$116.20            70% of family support.
- 5        S's standard costs, \$312.87, exceed S's disposable income, \$221.92, by \$90.95. The deficiency is therefore \$90.95.
- 6        The upper limit is \$84.29 (which is 30% of the net unemployment benefit).
- 7        The disability exception amount is \$13.51 (which is 30% of the excess disability costs total).

If S is eligible for temporary additional support under regulations 6 to 8, and an application form for that support is completed as required by regulation 9, then the amount of that support that S may be granted per week, under regulations 10 and 11, is \$97.80.

That amount, \$97.80, is the sum of—

- (a)        \$84.29, which is the lesser of the deficiency, \$90.95, and the upper limit, \$84.29 (*see* regulation 10(1)(a)); and
- (b)        \$13.51, which is the disability exception amount available to S under regulation 11 (*see* regulation 10(1)(b)).

**Example 3—single unemployment beneficiary with no dependent children**

X is a single unemployment beneficiary who is 26 years of age and has no dependent children.

- 1        X's weekly chargeable income is \$188.59, and is made up of—  
           \$168.59            net unemployment benefit; and  
           \$20.00            disability allowance.
- 2        X's weekly allowable costs are \$160.00, and are made up of—  
           \$130.00            Housing New Zealand rent in area 1 (deduct \$20.44 loading from accommodation costs); and  
           \$20.00            disability costs via disability allowance; and  
           \$30.44            consumer credit contracts.
- 3        X's disposable income is therefore \$28.59, which is the remainder (a positive amount) obtained by subtracting—  
           \$160.00            X's weekly allowable costs; from  
           \$188.59            X's weekly chargeable income.
- 4        X's standard costs are \$118.01 (which is 70% of the net unemployment benefit).
- 5        X's standard costs, \$118.01, exceed X's disposable income, \$28.59, by \$89.42. The deficiency is therefore \$89.42.
- 6        The upper limit is \$50.58 (which is 30% of the net unemployment benefit).

If X is eligible for temporary additional support under regulations 6 to 8, and an application form for that support is completed as required by regulation 9, then the amount of that support that X may be granted per week, under regulation 10, is \$50.58, which is the lesser of the deficiency, \$89.42, and the upper limit, \$50.58. (Although X has disability costs included in his or her allowable costs, the disability exception amount is not available to X under regulation 11, because his or her disability costs are met by his or her disability allowance.)

#### 14 Prescribed period of support

- (1) The period referred to in section 61G(3)(b) of the Act is—
  - (a) the **shorter fixed period** (as defined by subclause (3)), if subclause (2) applies to the applicant; and
  - (b) 13 weeks after temporary additional support commences (the **standard period**), in all other cases.
- (2) This subclause applies to the applicant if, when temporary additional support is granted, the chief executive considers that, on a date (the **non-qualification date**) before the end of the standard period,—
  - (a) the deficiency will reduce to nil; or
  - (b) the applicant will for any reason be ineligible for temporary additional support; or
  - (c) temporary additional support will for any reason not be payable to the applicant.
- (3) The **shorter fixed period** means a period fixed by the chief executive, but that must—
  - (a) start at the same time as, but be shorter than, the standard period; and
  - (b) end on or after the close of the day before the non-qualification date.

#### 15 No lump sums payable

No payment of temporary additional support may be made by way of a lump sum payment.

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## Schedule 1

### Chargeable income

- 1 For the purposes of these regulations and of section 61G of the Act, **chargeable income**, in relation to a person, includes the weekly total of all of the items in clause 3, after deducting the amount (if any) the chief executive estimates or determines is payable (where applicable) for income tax, for ACC earner levies, or for both, on any of those items.
- 2 A reference in this schedule to a person includes a reference to the person's spouse or partner.
- 3 The items referred to in clause 1 are—
  - (a) the net rate of any benefit payable to the person under the Act (other than an orphan's benefit, an unsupported child's benefit, or any childcare assistance payable under section 61GA of the Act);
  - (b) the amount of any credit of tax under subpart KD of the Income Tax Act 2004 that is—
    - (i) paid to the person by instalments in accordance with section KD 6 or section KD 7 of that Act; or
    - (ii) not paid by instalments but is one to which, in the chief executive's opinion, the person is entitled under that subpart:
  - (c) any parental leave payment payable to the person under Part 7A of the Parental Leave and Employment Protection Act 1987;
  - (d) any war pension or allowance payable to the person under the War Pensions Act 1954;
  - (e) the rate of any New Zealand superannuation payable to the person under the New Zealand Superannuation and Retirement Income Act 2001 or any veteran's pension payable to the person under the War Pensions Act 1954;
  - (f) income as defined in section 3(1) of the Act;
  - (g) the amount of any periodical payments (for example, those included by clause 4(a))—

- (i) of special assistance payable to the person under section 124(1)(d) of the Act under any welfare programme; and
    - (ii) that, in the opinion of the chief executive, are for the purpose of replacing lost income or maintaining or supplementing the person's income and not for the purposes of paying or reimbursing specified costs of the person:
  - (h) the amount of any child support payments,—
    - (i) in the case of a non-beneficiary, payable to the person under the Child Support Act 1991; or
    - (ii) in the case of a beneficiary, payable to the person by the Commissioner of Inland Revenue under section 142 or section 143 of that Act:
  - (i) the amount of any accommodation benefit, basic grant, or independent circumstances grant payable to the person under the Student Allowances Regulations 1998:
  - (j) the living-costs component of any student loan payable to the person.
- 4 To avoid doubt, payments under clause 3(g)—
- (a) include, without limitation, any payments payable to the person under the Telephone Costs Payment Programme approved by the Minister under section 124(1)(d) of the Act; but
  - (b) do not include any payments for childcare assistance or any payments made under any of the programmes specified in clause 5.
- 5 The programmes referred to in clause 4(b) are—
- (a) the Away from Home Allowance Programme;
  - (b) the Training Incentive Allowance Programme;
  - (c) the Home Help Programme;
  - (d) the Social Rehabilitation Assistance Programme;
  - (e) the Care Supplement Programme;
  - (f) the Special Transfer Allowance Programme 2000.
- 6 In calculating the amount of a person's chargeable income, the chief executive must disregard any deduction or reduction of the amount of any item of that income made or imposed by or under any statutory power or under any deduction notice or

attachment order or otherwise, on account of any debt, liability, sanction, penalty, child support payment, or student loan repayment.

7 Clause 6 overrides clauses 1 to 5.

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## Schedule 2

### Allowable costs

- 1 For the purposes of these regulations and of section 61G of the Act, **allowable costs**—
- (a) means the regular essential expenses (as defined in clause 2) (if any) of the applicant and his or her family reckoned on a weekly basis; and therefore
  - (b) does not include an expense that is not an essential expense (as so defined).
- 2 In clause 1, **essential expense** means an expense of a kind, and within the relevant limits (if any), specified in clause 3, and that (unless the expense is one referred to in clause 3(b), (c), (e)(i), (h), or (i) and is in respect of an item acquired in accordance with clause 4), in the chief executive's opinion,—
- (a) is essential for a person to pay or incur in order to meet the daily living needs of the person, of members of the person's family, or of both; and
  - (b) could not, when the expense or the liability for the expense was incurred, readily be avoided or varied.
- 3 The kinds of expenses and limits referred to in clause 2 are as follows:
- (a) the person's accommodation costs (as defined in clause 5) less \$20.44;
  - (b) agreed period payments (as defined in clause 6), not exceeding the maximum weekly amount in column 3 of the following table, and made in connection with the acquisition of any of the items in column 1 of that table (within the maximum number of those items in column 2 of that table):

**Payments for essential household items**

Column 1 Essential household item	Column 2 Maximum number of items	Column 3 Maximum weekly amount (\$)
Beds (including mattresses)		24
Combined refrigerator-freezer	1	19

**Payments for essential household items**

<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Essential household item</b>	<b>Maximum number of items</b>	<b>Maximum weekly amount (\$)</b>
<i>or</i>	<i>or</i>	<i>or</i>
separate refrigerator and separate freezer	1 of each if separate items	19 in total if separate items
Dining suite	1	24
Lounge suite	1	24
Portable heaters		13
Washing machine	1	19
Stove	1	19
Television set	1	18

- (c) revolving credit payments (as defined in clause 7) for any of the items in column 1 of the table in paragraph (b) (being items acquired in accordance with clause 4 and within the maximum numbers in column 2 of that table) and not exceeding (in terms of the rate of the payments, and either on a monthly or a weekly basis) the lesser of the maximum monthly payment (as defined in clause 8) and the maximum weekly payment in column 3 of that table:
- (d) costs for laundry or laundrette services, being costs incurred instead of regular payments for a washing machine or within a period during which the applicant could reasonably arrange to have repaired a washing machine available to the applicant, and not exceeding \$19 per week:
- (e) disability costs (as defined in regulation 4),—
- (i) including any disability costs that are payments to which clause 9 or clause 10 applies; but
  - (ii) excluding in all cases any costs of residential care services in respect of which temporary additional support must not be granted under section 61G(4) of the Act:

- (f) for a person who is eligible for assistance under the Telephone Costs Payment Programme approved by the Minister under section 124(1)(d) of the Act, and if paragraph (m) of this clause does not apply, the weekly amount of telephone rental costs (as defined in clause 11) that were, immediately before 1 April 1999,—
  - (i) claimed by the person; and
  - (ii) treated by the chief executive as an additional expense under section 69C(2A)(a) of the Act:
- (g) running costs, at a per kilometre rate set by the chief executive, for a motor vehicle where no suitable public transport is available for the purpose of transporting the applicant and his or her spouse or partner to and from their places of employment and where the vehicle is essential for that purpose:
- (h) agreed period payments (as defined in clause 6) not exceeding \$51.35 a week made in connection with the acquisition of a motor vehicle or other vehicle (for example, a bicycle)—
  - (i) for the applicant and his or her spouse or partner (if any) (whether or not either or both of them are beneficiaries), where no suitable public transport is available for the relevant purpose and the vehicle is essential—
    - (A) for the purpose of transporting the applicant and his or her spouse or partner to and from their places of employment; or
    - (B) for the purpose of transporting the applicant or a member of his or her family who is chronically ill or has a disability; or
  - (ii) for an applicant who is a beneficiary where—
    - (A) there is no public transport reasonably available to the applicant; and
    - (B) the contract or arrangement to acquire the vehicle was entered into before the applicant became a beneficiary:

- (i) revolving credit payments (as defined in clause 7) for a motor vehicle or other vehicle (for example, a bicycle) acquired in accordance with clause 4 and where paragraph (h)(i) or paragraph (h)(ii)(A) applies to the applicant and vehicle, and not exceeding (in terms of the rate of the payments, and either on a monthly or a weekly basis) the lesser of the maximum monthly payment (as defined in clause 8) and \$51.35 per week:
- (j) the costs of public transport of the applicant and his or her spouse or partner to and from their places of employment:
- (k) the net costs of essential childcare (that is, the gross costs of essential childcare, as defined in clause 12, minus any childcare assistance payable under section 61GA of the Act or by way of special assistance under section 124(1)(d) of the Act):
- (l) essential expenses in respect of a child in the care of the applicant or his or her spouse or partner for whom an orphan's benefit or an unsupported child's benefit is paid that are not able to be met from the total of that benefit and any disability allowance payable in respect of the child:
- (m) telephone rental costs (as defined in clause 11) for an applicant for whom, in the opinion of the chief executive, a telephone is a necessity—
  - (i) because of his or her special family circumstances (for example, to enable an applicant living in a rural location to be contacted by the school that his or her children attend); or
  - (ii) to help to ensure his or her personal safety or security (for example, a frail person living on his or her own, or a separated person with a protection order against a spouse or partner); or
  - (iii) because of his or her employment conditions (for example, an electrical worker on call 24 hours per day).

4 An item is acquired in accordance with this clause for the purposes of clauses 2, 3(c) and (i), and 10 if,—

- (a) when the item was acquired, neither the applicant, nor his or her spouse or partner (if any), was a beneficiary (whether or not either of them was a beneficiary, or both of them were beneficiaries, at any time before the item was acquired); and
  - (b) at the time of the application for temporary additional support, the applicant or his or her spouse or partner (if any) is a beneficiary, or both of them are beneficiaries, or neither of them is a beneficiary at that time but one or both of them became a beneficiary after the item was acquired.
- 5 For the purposes of clause 3(a), a person's **accommodation costs** are that person's accommodation costs as defined in regulation 4 but—
  - (a) do not include any costs of residential care services in respect of which temporary additional support must not be granted under section 61G(4) of the Act; and
  - (b) include arrears except any that were incurred while the person or his or her spouse or partner was in receipt of—
    - (i) an accommodation benefit under the Student Allowances Regulations 1998; or
    - (ii) an accommodation supplement, a rent rebate allowance, or a tenure protection allowance under the Act; or
    - (iii) an income-related rent (as defined in section 42(1) of the Housing Restructuring Act 1992).
- 6 **Agreed period payments**, in relation to an item referred to in any of clauses 3(b) and (h) and 9, means payments, during the agreed period, under a consumer credit contract or other arrangement that—
  - (a) is evidenced in writing to the satisfaction of the chief executive; and
  - (b) requires regular payments over an agreed period; and
  - (c) was entered into to acquire the item or to repay debt incurred in acquiring the item; and

- (d) is not a revolving credit contract, an arrangement relating to an advance payment of a benefit under section 82(6) of the Act, or an arrangement relating to a recoverable grant of assistance under section 124(1)(d) of the Act.

7 **Revolving credit payments**, in relation to an item referred to in any of clauses 3(c) and (i) and 10, means payments—

- (a) under a revolving credit contract (for example, a credit card contract) that requires regular payments and that was used to acquire the item; and
- (b) not exceeding (in total) the lesser of the cash price of the item and the amount owing under the contract at the time of the application for temporary additional support; and
- (c) for the period of 20 months after the acquisition of the item, if the amount owing under the contract at the time of the application for temporary additional support is equal to or greater than the cash price of the item; and
- (d) for whichever of the following periods ends first, if the amount owing under the contract at the time of the application for temporary additional support is less than the cash price of the item:
  - (i) the period of 20 months after the acquisition of the item; and
  - (ii) the period in whole months that the chief executive estimates is necessary for that amount owing to be repaid fully at a rate of payment that is the maximum monthly payment (as defined in clause 8).

8 The **maximum monthly payment**, in relation to an item to which clause 3(c) or (i) or clause 10 applies, means 5% of the cash price of the item.

9 The payments (referred to in clause 3(e)(i)) to which this clause applies are agreed period payments (as defined in clause 6) not exceeding \$19 per week made in connection with the acquisition of 1 clothes dryer for a person for whom the costs of acquiring a clothes dryer are additional costs arising from the person's disability.

- 10 The payments (referred to in clause 3(e)(i)) to which this clause applies are revolving credit payments (as defined in clause 7) for 1 clothes dryer, acquired in accordance with clause 4, for a person for whom the costs of acquiring a clothes dryer are additional costs arising from the person's disability, and not exceeding (in terms of the rate of the payments, and either on a monthly or a weekly basis) the lesser of the maximum monthly payment (as defined in clause 8) and \$19 per week.
- 11 In clause 3(f) and (m), **telephone rental costs**—
- (a) means the regular and ongoing costs of renting a basic telephone, or of telephone line rental, or of both, as well as any wiring maintenance charges paid; and therefore
  - (b) does not include toll charges.
- 12 In clause 3(k), **gross costs of essential childcare**, in relation to an applicant for temporary additional support, means the costs, up to a maximum of \$6 per child per hour, of childcare—
- (a) that enables the applicant, or his or her spouse or partner, or both, to take part in employment; or
  - (b) that is required because the applicant is, or his or her spouse or partner is, or both of them are, seriously disabled or seriously ill.
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## Schedule 3

### Standard costs

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#### Part 1

#### Standard costs if Part 2 does not apply

##### **Applicant**

1 Person who is a beneficiary

##### **Standard costs**

70% of the total before any abatement on account of income or other deduction of the net rate per week of—

- (a) the 1 or more specified benefits payable to the person and his or her spouse or partner (if any); and
- (b) any family support credit of tax payable to the person or the person's spouse or partner under subpart KD of the Income Tax Act 2004

2 Person who is a non-beneficiary

The amount in clause 1, calculated as if an unemployment benefit were payable to the person and to his or her spouse or partner (if any)

#### Part 2

#### Standard costs if spouse or partner unlawfully in New Zealand

##### **Applicant**

Person who is married or in a civil union and whose spouse or partner is unlawfully in New Zealand

##### **Standard costs**

The standard costs that would otherwise apply to the applicant if he or she were single

Diane Morcom,  
Clerk of the Executive Council.

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## Explanatory note

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

These regulations come into force on 1 April 2006.

They relate to temporary additional support (which replaces the former special benefit) under the Social Security Act 1964 (the **Act**).

The purpose of temporary additional support, as stated in section 61G(1) of the Act, is to provide temporary financial assistance as a last resort to alleviate the financial hardship of people whose essential costs cannot be met from their chargeable income and other resources, while ensuring that people seeking or granted that assistance take reasonable steps to reduce their costs or increase their chargeable incomes.

An applicant is, under section 61G(2) of the Act, eligible for temporary additional support if—

- his or her chargeable income is less than his or her essential costs; and
- he or she has cash assets of not more than the amount prescribed by these regulations; and
- he or she meets any other criteria prescribed, and any other requirements set out, in these regulations.

An applicant's chargeable income is less than his or her essential costs (that is, the sum of his or her allowable costs and standard costs) if taking 5 specified steps results in a deficiency (which, as defined by *regulation 10(2)*, means the amount (if any) by which his or her standard costs exceed his or her disposable income).

The 5 specified steps are as follows:

- first, identify the applicant's chargeable income; and
- second, identify the applicant's allowable costs; and
- third, identify the applicant's disposable income (if any) by deducting his or her allowable costs from his or her chargeable income; and
- fourth, identify the applicant's standard costs; and
- fifth, determine whether, and if so by how much, the applicant's standard costs exceed his or her disposable income.

In general terms, these regulations—

- define chargeable income; and
- define or prescribe the 2 components of essential costs (namely allowable costs and standard costs); and

- define cash assets, and prescribe an amount of cash assets that makes an applicant, under section 61G(2)(b) of the Act, ineligible for temporary additional support; and
  - prescribe or set out other eligibility criteria for receiving that support, the amount of it, and the period or periods for which it may be granted.
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These regulations are administered in the Ministry of Social Development.

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