

Social Security (Transitional Protection Supplement) Regulations 2007

Anand Satyanand, Governor-General

Order in Council

At Wellington this 25th day of June 2007

Present:

His Excellency the Governor-General in Council

Pursuant to section 20 of the Social Security Amendment Act 2007, His 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 (Transitional Protection Supplement) Regulations 2007.

2 Commencement

- (1) These regulations come into force on 2 July 2007.
- (2) These regulations have effect on and after 2 July 2007.

3 Expiry

These regulations expire with the close of 30 June 2009.

4 Interpretation

In these regulations, unless the context otherwise requires,—
2007 amendment means an amendment to the principal Act made by the Social Security Amendment Act 2007

benefit payment means an instalment of a benefit payable under section 82(1) of the principal Act

net single benefit reduction means the amount referred to in regulation 6(1)(b)

net combined benefit reduction means the amount referred to in regulation 11(1)(b)

principal Act means the Social Security Act 1964

supplement means a transitional protection supplement granted under regulation 7(1), 12(2), or 12(3)

total benefit increase,—

- (a) in relation to a single person, means the amount referred to in regulation 6(2)(b):
- (b) in relation to a person with a spouse or partner, means the amount referred to in regulation 11(2)(b)

total benefit reduction,—

- (a) in relation to a single person, means the amount referred to in regulation 6(2)(a):
- (b) in relation to a person with a spouse or partner, means the amount referred to in regulation 11(2)(a)

transition day means 2 July 2007 or 24 September 2007.

(2) Terms defined in section 3(1) of the principal Act have the meanings given to them by that subsection.

5 Entitlement to receive benefit

- (1) In these regulations, references to a person's benefits are references to the benefits he or she is entitled to receive.
- (2) For the purposes of these regulations, a person is entitled to receive a benefit immediately before a day, if,—
 - (a) he or she is then receiving a benefit to which he or she is entitled; or
 - (b) application for a benefit has been made by him or her or on his or her behalf before that day, and, as a result,—
 - (i) a benefit to which he or she is entitled is granted on or after that day; or
 - (ii) a benefit to which he or she is entitled is granted before that day but payment is not made until after that day.

Transitional protection supplement for single people

6 Calculation of increases and reductions for single person

- (1) For the purposes of regulations 7 to 10,—
 - (a) 2007 amendments coming into force on a day cause a person a net single benefit reduction on that day if the sum described in subclause (2)(a) is greater than the sum described in subclause (2)(b); and

- (b) the reduction is the amount by which the sum described in subclause (2)(a) is greater than the sum described in subclause (2)(b).
- (2) The amounts referred to in subclause (1) are—
 - (a) the sum of the reductions in the rates or amounts of the benefits that the person was entitled to receive immediately before the day concerned resulting from 2007 amendments coming into force on the day concerned; and
 - (b) the sum of—
 - (i) all increases in the rates or amounts of the benefits that the person was entitled to receive immediately before that day resulting from those amendments; and
 - (ii) the sum of the rates or amounts of any new benefits that the person became entitled to receive on that day as a result of those amendments.

7 Transitional protection supplement for single person

- (1) The chief executive may grant a transitional protection supplement to a single person if—
 - (a) on a transition day the person is single; and
 - (b) 2007 amendments coming into force on that day cause him or her a net single benefit reduction on that day; and
 - (c) the chief executive is satisfied that the reduction has arisen for reasons other than—
 - (i) a change in the person's circumstances that took place on that day; or
 - (ii) the person's ineligibility to receive a benefit or rate of benefit (not being an ineligibility arising from a 2007 amendment); or
 - (iii) a failure or omission of the person that has led to the suspension or cancellation or reduction of a benefit.
- (2) A supplement granted under subclause (1) must be granted for a stated period of not more than 12 months, and expires at the close of the period; but, before 1 July 2009, the chief executive may grant a further supplement to a person whose supplement has expired.

8 Rate of supplement for single person

- (1) The amount of a supplement payable to a single person in relation to a transition day is his or her net single benefit reduction on that day.
- (2) The amount of the supplement payable to a single person must not be increased if, as a result of a change in his or her circumstances (being a change occurring on or after the transition day concerned)—
 - (a) the rate of one or more of the benefits payable to him or her decreases; or
 - (b) he or she is granted a new benefit in substitution for some other benefit, and the rate of the new benefit is less than the rate of the other benefit.
- (3) The amount of the supplement payable to a single person must be decreased (by the amount of the increase in rate concerned) if, as a result of a change in his or her circumstances (being a change occurring on or after the transition day concerned)—
 - (a) the rate of one or more of the benefits payable to him or her increases; or
 - (b) he or she is granted a new benefit in substitution for some other benefit, and the rate of the new benefit is more than the rate of the other benefit.
- (4) Subclause (1) is subject to subclause (3), and to regulation 9(2).

9 Granting of supplement to single person if new or increased benefit payment available but not sought

- (1) This subclause applies to a single person if the chief executive is satisfied that 2007 amendments coming into force on a transition day cause him or her a net single benefit reduction on that day because the person—
 - (a) has not applied for a benefit or a rate of a benefit that became available as a consequence of one of those amendments; or
 - (b) has not supplied any information required to determine entitlement to a benefit or a rate of a benefit that became available as a consequence of one of those amendments.
- (2) If subclause (1) applies to a single person, the chief executive may—
 - (a) refuse to grant a supplement to him or her; or

- (b) grant a supplement to him or her at a reduced rate; or
- (c) reduce the rate of a supplement already granted to him or her; or
- (d) terminate a supplement already granted to him or her.

10 Termination of single person's supplement where benefit entitlement changes

The chief executive must terminate a supplement granted to a person if—

- (a) the person is no longer receiving any of the benefits referred to in the definition in section 61E of the principal Act of **beneficiary**; or
- (b) because the person is no longer entitled to one or more of those benefits, 2007 amendments coming into force on the transition day concerned no longer cause him or her a net single benefit reduction.

Transitional protection supplement for people with spouses or partners

11 Calculation of increases and reductions for person with spouse or partner

- (1) For the purposes of regulations 12 to 14,—
 - (a) 2007 amendments coming into force on a day cause a person with a spouse or partner a net combined benefit reduction on that day if the sum described in subclause (2)(a) is greater than the sum described in subclause (2)(b); and
 - (b) the reduction is the amount by which the sum described in subclause (2)(a) is greater than the sum described in subclause (2)(b).
- (2) The amounts referred to in subclause (1) are—
 - (a) the sum of the reductions in the rates or amounts of the benefits that the person or the person's spouse or partner was entitled to receive immediately before the day concerned resulting from 2007 amendments coming into force on the day concerned; and
 - (b) the sum of—

- (i) all increases in the rates or amounts of the benefits that the person or the person's spouse or partner was entitled to receive immediately before that day resulting from those amendments; and
- (ii) the sum of the rates or amounts of any new benefits that the person or the person's spouse or partner became entitled to receive on that day as a result of those amendments.

12 Transitional protection supplement for person with spouse or partner

- (1) This subclause applies to a person if—
 - (a) on a transition day he or she has a spouse or partner; and
 - (b) 2007 amendments coming into force on that day cause him or her a net combined benefit reduction on that day; and
 - (c) the chief executive is satisfied that the reduction has arisen for reasons other than—
 - a change in the circumstances of the person or his or her spouse or partner (or changes in the circumstances of both) that took place on that day;
 - (ii) the ineligibility of the person, his or her spouse or partner, or both to receive a benefit or rate of benefit (not being an ineligibility arising from a 2007 amendment); or
 - (iii) a failure or omission of the person or his or her spouse or partner that has led to the suspension or cancellation or reduction of a benefit.
- (2) If subclause (1) applies to a person but not his or her spouse or partner, the chief executive may grant a transitional protection supplement to him or her.
- (3) If subclause (1) applies to both a person and his or her spouse or partner, the chief executive may grant transitional protection supplements to each, in amounts that—
 - (a) bear the same proportion to each other as those in which any benefit is paid to them under section 83 of the principal Act; and
 - (b) when added, are the amount referred to in regulation 11.

- (4) A supplement granted under this regulation must be granted for a stated period of not more than 12 months, and expires at the close of the period; but, before 1 July 2009, the chief executive may—
 - (a) grant a further supplement to a person whose supplement has expired; or
 - (b) grant a supplement or further supplement to a person whose spouse or partner's supplement has expired.

13 Rate of supplement for person with spouse or partner

- (1) The amount of a supplement payable for a person who has a spouse or partner in relation to a transition day is his or her net combined benefit reduction on that day.
- (2) The amount of a supplement granted under regulation 12 must not be increased if, as a result of a change in the circumstances of the person to whom it was granted or his or her spouse or partner (being a change occurring on or after the transition day concerned)—
 - (a) the rate of one or more of the benefits payable to the person or his or her spouse or partner decreases; or
 - (b) the person or his or her spouse or partner is granted a new benefit in substitution for some other benefit, and the rate of the new benefit is less than the rate of the other benefit.
- (3) The amount of a supplement granted under regulation 12 must be decreased (by the amount of the increase in rate concerned) if, as a result of a change in the circumstances of the person to whom it was granted or his or her spouse or partner (being a change occurring on or after the transition day concerned)—
 - (a) the rate of one or more of the benefits payable the person or his or her spouse or partner increases; or
 - (b) the person or his or her spouse or partner is granted a new benefit in substitution for some other benefit, and the rate of the new benefit is more than the rate of the other benefit.
- (4) Subclause (1) is subject to subclause (3), and to regulations 12(2) and 14(2).

14 Granting of supplement to person with spouse or partner if new or increased benefit payment available but not sought

- (1) This subclause applies to a person with a spouse or partner if the chief executive is satisfied that 2007 amendments coming into force on a transition day cause him or her a net combined benefit reduction on that day because the person or his or her spouse or partner—
 - (a) has not applied for a benefit or a rate of a benefit that became available as a consequence of one of those amendments; or
 - (b) has not supplied any information required to determine entitlement to a benefit or a rate of a benefit that became available as a consequence of one of those amendments.
- (2) If subclause (1) applies to a person with a spouse or partner, the chief executive may—
 - (a) refuse to grant a supplement to the person, his or her spouse or partner, or both; or
 - (b) grant a supplement to the person, or his or her spouse or partner, at a reduced rate; or
 - (c) both—
 - (i) grant a supplement to the person at a reduced rate; and
 - (ii) grant a supplement to his or her spouse or partner at a reduced rate; or
 - (d) reduce the rate of a supplement already granted to the person or his or her spouse or partner; or
 - (e) both—
 - (i) reduce the rate of a supplement already granted to the person; and
 - (ii) reduce the rate of a supplement already granted to his or her spouse or partner; or
 - (f) terminate a supplement already granted to the person or his or her spouse or partner; or
 - (g) both—
 - (i) terminate a supplement already granted to the person; and
 - (ii) terminate a supplement already granted to his or her spouse or partner.

15 Termination of supplement of person with spouse or partner where benefit entitlement changes

The chief executive must terminate a supplement granted to a person with a spouse or partner if—

- (a) neither the person nor his nor her spouse or partner is any longer receiving any of the benefits referred to in the definition in section 61E of the principal Act of **beneficiary**; or
- (b) because the person or his or her spouse or partner is no longer entitled to one or more of those benefits, 2007 amendments coming into force on the transition day concerned no longer cause the person a net combined benefit reduction.

Commencement and ending of supplements

16 Commencement and ending of supplements

- (1) A supplement or further supplement granted after the expiry of some other supplement commences when the other supplement expires.
- (2) Any other supplement commences on the day on which the person granted it became entitled to receive it.
- (3) If a person to whom a supplement has been granted dies before it expires, it ends—
 - (a) on the day on which he or she dies; or
 - (b) on the earlier of—
 - (i) a day (not later than 4 weeks after the day on which he or she dies) set by the chief executive:
 - (ii) the day on which it would have expired.

Rebecca Kitteridge, for 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 and take effect on 2 July 2007 and expire on 30 June 2009, provide for the granting of

Social Security (Transitional Protection Supplement) Regulations 2007

Explanatory note

transitional protection supplements to beneficiaries financially disadvantaged by amendments to the Social Security Act 1964 made by the Social Security Amendment Act 2007.

Issued under the authority of the Acts and Regulations Publication Act 1989. Date of notification in *Gazette*: 28 June 2007.

These regulations are administered by the Ministry of Social Development

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