



## AIDE MEMOIRE

### Extending eligibility to student support to people who were affected by the Christchurch mosques terror attack

<b>Date:</b>	10 March 2020	<b>Priority:</b>	High
<b>To:</b>	Hon Chris Hipkins, Minister of Education	<b>METIS No:</b>	1222646
<b>From:</b>	Andy Jackson, Group Manager Tertiary Education, Ministry of Education	<b>Security Level:</b>	In Confidence

#### Purpose

This aide memoire provides you with talking points to support a discussion on your paper *Extending eligibility to student support to people who were affected by the Christchurch mosques terror attack* at Cabinet Social Wellbeing Committee on Wednesday, 11 March 2020 at 9.30am.

#### Recommendations

It is recommended that you:

**Agree** to proactively release this Aide Memoire once related decisions have been made, with any redactions in line with the provision of the Official Information Act 1982.

**Agree / Disagree**

Hon Chris Hipkins  
**Minister of Education**

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**We get the job done** Ka oti i a mātou ngā mahi

**We are respectful, we listen, we learn** He rōpū manaaki, he rōpū whakarongo, he rōpū ako mātou

**We back ourselves and others to win** Ka manawanui ki a mātou me ētahi ake kia wikitoria

**We work together for maximum impact** Ka mahi ngātahi mō te tukinga nui tonu

**Great results are our bottom line** Ko ngā huanga tino pai ā mātou whāinga mutunga

## **Talking points to support your discussion on *Extending eligibility to student support to people who were affected by the Christchurch mosques terror attack* – Cabinet Paper**

### **Summary**

Today, I am seeking your approval to **waive the residence stand-down period applicable to student loans, student allowances and Fees Free payments for the following two groups**, to be consistent with the approach taken for income support. [6, 24-26]

- a. people with a Christchurch Response (2019) Permanent Resident Visa (Christchurch Response Visa); and
- b. people who would have been eligible for a Christchurch Response Visa, but were already holding another residence visa.

I also propose **excluding financial gifts or donations** made to a person affected by the Christchurch mosques terror attack **from the student allowances income tests**. [8, 28-33]

The Tertiary Education Commission will communicate this change, with respect to Fees Free, and extend access to this group of newly eligible students **once Cabinet approval is provided**. Changes to the student loans and allowance residence settings will be **implemented and take effect from 1 June 2020**. In the meantime, these students may be eligible to receive income support for living costs, and for fees, can access Fees Free payments (or apply for exceptional circumstances if they have prior study). [37-42]

The timeframe for implementing the student loans and allowance residence settings includes an **agreement to waive the 28-day rule**. This will enable students to benefit from these changes as soon as possible. Without a waiver of the 28-day rule, the changes would not come into force until 11 June 2020. [40]

### **Managing costs**

The **costs** incurred through these changes will be **small and their impact time-limited**, as this eligibility change is limited to a very small group of people, who would most likely be eligible for this support after three years. The upper-bound estimate is **30 additional students per year** over 2020-2022 who will benefit from these policy changes. [9, 45-47, 56]

The impact on Fees Free payments can be **met within existing baselines** within Vote Tertiary Education. [10, 55, *recommendation 16*]

The impact on student loans and allowances costs could be **met one of two ways**:

- a. *Your preferred option*: The impact on costs would not be significant enough to revise the forecast parameters for student support. Therefore, any student support costs could be **picked up through the standard forecast process**. This is also in line with the Honourable Carmel Sepuloni's recent paper on social security income and cash-asset testing. [11, 56-57, *recommendation 10*]
- b. *Treasury recommended option*: The operating costs associated with student loans and student allowances between 2020 and 2022 could be **met from the between-Budget contingency**, and the student loan capital costs could be **charged as a pre-commitment against the Multi-Year Capital Allowance**. [*Noting SWC agreed with the equivalent option in the Honourable Carmel Sepuloni's recent paper; 12, 58, recommendations 11-14*]

### **Background information**

In May 2019, the Government **waived the two-year residence stand-down period applicable to the main benefits** for the two groups of residents outlined above. [2, 18]

Currently, a **residence stand-down period of three years applies** for people with a resident visa before they become eligible for **student loans and allowances as well as Fees Free payments**. This means, if these residents accessed tertiary education, they would be eligible for domestic tuition subsidies and pay domestic fees, but could not have any fees met through the Fees Free policy, or fees and living costs met through student loans or allowances. [4-5, 20-21]

Waiving this residency stand-down period will provide further targeted support for those most affected by the terror attack. It recognises that they need both an immediate compassionate response to their income support needs, and **a longer term compassionate response to their tertiary education and career needs and goals**. [6-7, 27]

Excluding financial gifts and donations from student allowance income tests will provide **certainty that this type of financial support will not affect their entitlement to student support financial assistance**. This is also in alignment with a similar exemption that exists for social security income and cash asset testing. [8, 28-33]