

22 September 2023

Tēnā koe

On 25 August 2023, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

• Can you please provide written confirmation of which employers/industries would exclude clients from receiving the Transition to Work Grant, if this exclusion exists? Can you please accompany this confirmation with publicly available policy documentation or website information?

Transition to Work (TTW) is a non-taxable, non-recoverable payment that is provided by the Ministry and can be used to help meet additional costs essential for transitioning into employment. The total TTW payable is \$1,500 (Clause 6 Employment and Work readiness (EWRA) Programme) over a 52-week period.

When considering applications for TTW, staff are required to consider:

- any barriers to employment faced by the client
- any other relevant circumstances that have contributed to the client being unemployed
- what is needed to facilitate a transition to work or to retain current employment
- whether the costs are reasonable, actual and essential for the client to transition into work
- whether the employment is deemed to be unsuitable.

Staff guidance states that employment deemed unsuitable includes (but is not limited to) working for inappropriate businesses such as:

- massage parlours
- strip clubs

- sex shops
- premises for sex workers to operate in
- gambling
- high interest money lending (such as private loan companies)
- paramilitary services (a force whose function and organisation are similar to those of a professional military, but which is not considered part of a country's armed forces)
- multi-level marketing enterprises (for example pyramid selling enterprises)
- speculative services.

If the applicant disagrees with the decision made around the amount granted for TTW or any other decision around their application, they have the right to ask for a formal review of the decision. More information about the review process is available here: www.workandincome.govt.nz/about-work-and-income/complaints/review-of-decisions.html.

The Ministry's procedures and policies for TTW, including eligibility, are available on the Ministry's intranet. Please find enclosed in the attached Appendix the intranet pages '*Transition to Work – Eligibility'* that have been identified as being within the scope of your request.

Staff also use the Ministry's Manuals and Procedures (MAP) for information on the TTW, including a guide to the TTW Grant, details on who can receive the grant, and what the grant can be used to pay for. This information is publicly available on MAP at the following link:

www.workandincome.govt.nz/map/employment-and-training/employmentand-work-readiness-assistance/assistance-to-transition-into-employment-01.html.

The principles and purposes of the Official Information Act 1982 under which you made your request are:

- to create greater openness and transparency about the plans, work and activities of the Government,
- to increase the ability of the public to participate in the making and administration of our laws and policies and
- to lead to greater accountability in the conduct of public affairs.

This Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter and attachments on the Ministry's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

If you wish to discuss this response with us, please feel free to contact <u>OIA Requests@msd.govt.nz</u>.

If you are not satisfied with this response regarding Transition to Work, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at <u>www.ombudsman.parliament.nz</u> or 0800 802 602.

Ngā mihi nui

Bridget Saunders

Bridget Saunders Manager Issue Resolution Service Delivery

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Transition to Work (TTW) – Eligibility

Information on the eligibility criteria for Transition to Work (TTW).

On this Page:

Employment and Work Readiness Assistance Programme eligibility

Transition to Work for childcare costs is provided for under clause 9 (Assistance to access child care, or care for people with sickness, injury or disability or elderly people) of the Schedule of the Employment and Work Readiness Assistance Programme. All other costs covered through TTW are provided for under clause 6 (Assistance to transition into employment) of the Schedule of the Employment and Work Readiness Assistance Programme.

This means that to be eligible for TTW, clients must first meet the criteria for assistance under the Employment and Work Readiness Assistance Programme.

Note When processing a TTW application, you don't need to complete an EWRA Client Event Note.

Map - Qualifications [http://doogle/map/employment-and-training/employment-and-work-readiness-assistance/qualifications.html]

<u>Map - Assistance to care for another person [http://doogle/map/employment-and-training/employment-and-work-readiness-assistance/assistance-to-care-for-another-person-01.htm]</u>

Map - Transition to Work Grant tables [http://doogle/map/deskfile/employment-and-training-information/transition-to-work-granttables/index.html]

Transition to Work specific criteria

There may be some situations where a student applies for TTW to commence part-time work that will supplement their income from student allowance or loan while continuing their studies.

To be eligible for TTW a student needs to be applying for a benefit, moving off benefit or (in the case of a student with sickness, injury or disability) reducing their ongoing benefit entitlement. As full-time students are not in receipt of, or applying for, a benefit (except during the vacation periods) they are not eligible for TTW to undertake part-time work. Students receiving JSSH during the long vacation period may be eligible for TTW (but not bridging finance) to enter sustainable employment.

To receive TTW the client must have an essential cost because of their job search, job interview or job offer and meet the following criteria:

have income under the income limit (including partner's income)

have cash assets under the cash assets limit (including partner's cash assets and shared cash assets)

have not received the maximum amount of \$1,500 (in total) in the past 52-weeks

and

be in receipt of a main benefit or

be a student enrolled with Work and Income as a job seeker or registered with Student Job Search (except for bridging finance to enter employment during the summer vacation) or

not be in receipt of a main benefit but meet the qualifications described on this page and be moving into work or facing a short gap between jobs (less than four weeks).

In addition the client must generally:

be seeking paid work for a position of 30 hours or more per week or

have a verified job interview for a position of 30 hours or more per week or

have a verified job offer of 30 hours or more per week (excluding self-employment) to receive job placement or bridging finance payments.

Note TTW cannot be granted for job seeking or job placement outside New Zealand.

Working less than 30 hours

Working less than 30 hours

Generally TTW is paid to people seeking or starting work for 30 hours or more per week. However, TTW may be granted to people seeking or starting work for less than 30 hours per week where it is reasonable and appropriate.

For example, it would generally be appropriate to grant TTW for sole parents seeking or starting work for 20 hours or more per week.

https://doogle.ssi.govt.nz/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-... 1/3

Sole parents who regularly work 20 hours or more per week may qualify for an in-work tax credit as part of the Working for Families Tax Credits. This can make these clients significantly better off financially. Ensure they are aware of this. For more information see <u>Inland Revenue Working for Families [http://www.ird.govt.nz/wff-tax-credits/]</u>.

Students starting work less than 30 hours

There may be some situations where a student applies for TTW to commence part-time work that will supplement their income from student allowance or loan while continuing their studies.

To be eligible for TTW a student needs to be applying for a benefit, moving off benefit or (in the case of a student with sickness, injury or disability) reducing their ongoing benefit entitlement. As full-time students are not in receipt of, or applying for, a benefit (except during the vacation periods) they are not eligible for TTW to undertake part-time work. Students receiving JSSH during the long vacation period may be eligible for TTW (but not bridging finance) to enter sustainable employment.

Map - Income limit [http://doogle/map/employment-and-training/employment-and-work-readiness-assistance/income-limit-01.html]

Map - Asset limit [http://doogle/map/employment-and-training/employment-and-work-readiness-assistance/asset-limit-01.html]

<u>Transition to Work (TTW) – Specific circumstances (eligibility) [http://doogle/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-assistance/transition-to-work/transition-to-work-ttw-specific-circumstances-eligibility.html]</u>

Clients who cannot receive Transition to Work

Clients cannot receive TTW when they are:

entering training, education, work experience, an activity in the community, voluntary work, seminars or programmes entering employment in an unsuitable business

in prison but released each day to attend employment or employment related activities offered employment before applying for TTW (note this is for job search costs only; these clients may still be able to receive TTW for job placement and bridging finance costs)

moving into self-employment (generally). This is because there are other forms of financial assistance available to them which must be accessed first, including Flexi-Wage Self Employment, Self-Employment Start-up, and Business Training and Advice Grant. If a client moving into self-employment is seeking TTW and payment is justifiable, please confirm with your Service Centre Manager before granting the payment

a student seeking or starting part-time work to supplement their income while studying

job seeking or have a job placement in a location outside of New Zealand.

Unsuitable employment

Employment deemed unsuitable includes working for inappropriate businesses such as:

massage parlours

strip clubs

sex shops

premises for sex workers to operate in

gambling

high interest money lending (such as private loan companies)

paramilitary services (a force whose function and organisation are similar to those of a professional military, but which is not considered part of a country's armed forces)

multi-level marketing enterprises (for example pyramid selling enterprises)

speculative services

Note this is not an exhaustive list, if you are unsure contact Helpline.

Deciding to grant

Being eligible for assistance under the Employment and Work Readiness Assistance Programme is not the same as being eligible for TTW assistance.

Before deciding to grant any form of Employment and Work Readiness Assistance, you need to assess and identify your client's needs. For every client you refer, you must show that this particular Employment and Work Readiness Assistance is appropriate. Assistance should be targeted where the potential benefits are the greatest.

<u>Employment and Work Readiness Assistance Programme (EWRA) - Decision making [http://doogle/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-assistance/ewra-decision-making.html]</u>

More information

<u>Transition to Work (TTW) – Costs [http://doogle/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-assistance/transition-to-work/transition-to-work-ttw-costs.html]</u>

<u>Transition to Work (TTW) – Specific circumstances (eligibility) [http://doogle/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-assistance/transition-to-work/transition-to-work-ttw-specific-circumstances-eligibility.html]</u>

<u>Transition to Work (TTW) – Homepage [http://doogle/resources/helping-clients/procedures-manuals/work-and-income/employment-training/employment-and-work-readiness-assistance/transition-to-work-tw.html]</u>

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