

The Treasury

Advice on COVID-19 Response - Tranche Three Information Release

September 2022

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No information has been withheld.

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Cabinet

Minute of Decision

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Further Funding for the COVID-19 Support Payment February 2022 Schemes

Portfolio Finance

On 28 March 2022, Cabinet:

Increase to the CSPFEB22

- 1 **noted** that in March 2022, Cabinet:
 - 1.1 agreed to appropriate \$830 million for the COVID-19 Support Payment February 2022 (CSPFEB22);
 - 1.2 authorised the Minister of Finance and the Minister of Revenue to increase the COVID-19 Support Payment appropriation by up to an additional \$100 million, as a further charge against the COVID-19 Recovery and Response Fund (CRRF), to meet the costs generated by CSPFEB22;

 [CAB-22-MIN-0056]
- 2 **noted** that delegated Ministers have drawn down a further \$100 million as authorised by Cabinet;
- 3 **noted** that there has been higher-than-expected demand for CSPFEB22, which means there is anticipated to be a shortfall of funding;
- 4 **noted** that, based on current uptake of the CSPFEB22, the appropriation may be exhausted by 1 April 2022;

- 5 **approved** the following changes to the COVID-19 Support Payment appropriation to meet the higher-than-expected demand, with a corresponding impact on the operating balance and net core Crown debt:

Vote Revenue Minister of Revenue	\$m – increase / (decrease)				
	2021/22	2022/23	2023/24	2024/25	2025/26 & Outyears
Non-departmental operating expense: <i>COVID-19 Support Payment</i>	600.000	-	-	-	-

- 6 **agreed** that the change to the appropriation for 2021/22 in paragraph 5 be included in the 2021/22 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;
- 7 **agreed** that the expenses incurred in paragraph 5 above be charged against the COVID-19 Response and Recovery Fund established as part of Budget 2020;

Technical amendments to the Order in Council for newly acquired businesses

- 8 **noted** the inconsistency between businesses acquired before and after 16 January 2022, and the comparator periods they can use to demonstrate a 40 percent revenue decline;
- 9 **agreed** to allow businesses acquired between 16 February 2021 and 16 January 2022 to use either the 2021 or 2022 comparator periods;
- 10 **noted** that these businesses will also have to meet the other requirements of the newly acquired business test for them to use the 2021 comparator period (primarily, that the nature and character of the business has not substantially changed between the comparator period and the affected revenue period);
- 11 **noted** the amendment in paragraph 9 does not have a fiscal cost;
- 12 **authorised** the submission of the COVID-19 Support Payments Scheme (Omicron Outbreak 2022) Amendment Order (No 2) 2022 [PCO 24686/3.0] to the Executive Council;
- 13 **noted** that a waiver of the 28-day rule is sought so that the Order in Council can come into force by 28 March, on the grounds that the scheme should be amended as soon as possible to allow a further payment to help businesses directly impacted by the Omicron outbreak.
- 14 **agreed** to waive the 28-day rule so that the Order in Council can come into force by 28 March 2022.

Michael Webster
Secretary of the Cabinet