

Overseas pension testing – guidelines on reasonable steps

Guidelines on 'reasonable steps' under sections 173–176 of the Social Security Act 2018.

On this Page:

Every person who applies for a benefit or pension is expected to take all reasonable steps to obtain any overseas pension they may be entitled to receive.

The term 'reasonable steps' is not defined in New Zealand legislation.

The purpose of this information is to provide guidelines to help Centralised Services Wellington (CSW) officers decide if a person should be asked to apply for an overseas pension or benefit. Each overseas payment or residence record should first be considered on a case by case basis using the information available on the testing criteria page.

Overseas pension direct deduction and testing criteria (<http://doogole/resources/helping-clients/procedures-manuals/seniors/overseas-benefits-pensions/overseas-pension-direct-deduction.html>)

Generally, if a person does not meet these criteria they should not be asked to apply for an overseas pension.

The guidelines below should be used when a client has been asked to apply for an overseas pension, and claims that the steps they would have to take are unreasonable.

CSW officers should submit the applicable memo to their Service Manager for approval before stopping the testing process on the grounds that the steps the client has to take are unreasonable.

Note: This information is for internal purposes only and not intended to be released to clients.

Situations where MSD usually stop or delay testing

Situations where it is very likely to be unreasonable for the client to take steps to obtain an overseas pension

Client has a terminal health condition	Where a client is terminally ill with a life expectancy of less than 2 years. A recent medical certificate or written confirmation from their health practitioner, specialist or hospital is required.
Client is a refugee or applying for refugee status	We would not expect a client to apply for pensions or benefits if they are a refugee from that country. Verification from Immigration New Zealand of their status as a refugee required.
Requirements of the direct deduction list are not satisfied	We may have asked a client to apply for an overseas pension, but later learn they may not meet the criteria for testing stated on the direct deduction list. Assess case by case depending on the evidence.
When a client's assets or income are over the thresholds set by Australia	Verification of assets or income is required to defer testing. Check the latest income and asset thresholds (https://www.humanservices.gov.au/customer/enablers/pension-rates-payable-people-outside-australia) available on the Department of Human Services website. Note: If the client is over the asset threshold, suspend testing for 2 years. If the client is over the income threshold, suspend testing for 1 year.

Situations requiring policy advice

Situations where we may consider it unreasonable to continue testing - refer to Operational Policy for advice

Mental health condition such as dementia	Where a person has some level of mental incapacity we may stop testing if we confirm that they do not have sufficient support to comply; for example a person in care without a partner or agent.
Serious ill-health	Where a person is seriously (but not terminally) ill, testing may be deferred if we confirm that they do not have sufficient support to comply at the time.
Where certain costs associated with applying would be prohibitive	Where the client can demonstrate there are high costs to complete an application we may defer testing. There is no specific threshold for costs, so this must be assessed on a case by case basis.
The person experienced	Usually it is not unreasonable to ask a client to complete an application form. However, if the client advises that applying would be traumatic, we should consider their reasons on a case by case basis.

trauma in the
testing country

Inter-city travel
within New
Zealand

Sometimes a client has to travel to their country's embassy or consulate to complete an application, or a declaration to maintain the payment. Travel within New Zealand alone is not usually considered unreasonable. However, taken into consideration with other factors, such as ill health, it may become unreasonable to expect a client to repeatedly travel to maintain an overseas pension.

Client must
travel to pension
country

Some governments require a person to be in the country to apply for their pensions. It is not reasonable to expect clients to travel overseas to apply. CSW should still ask if they are receiving overseas pensions.

Situations where testing must continue

Situations that are not accepted as unreasonable for the person to apply – continue testing process

Client does not understand
the application forms

If a client can complete an application for a New Zealand benefit, they are capable of completing an overseas pension application. The Ministry has a duty to assist the client and can provide translation and other assistance to complete the application.

When an application goes
missing

If the overseas agency advises that an application was not received, the client must complete another application. CSW should retain a copy in cases where it asks a client to complete a second application.

If client does not respond to
the overseas agency when
further information is
requested

The overseas pension application may be declined and the client may have to complete the application process again. In these cases the client did not meet their obligations and should be required to comply with the overseas agency's requirements.

Client is 85 years old or older

We cannot exempt people from the testing requirements based purely on an arbitrary age. However, consideration should be given to their overall circumstances, including their physical and mental health, as noted above.