



14 JAN 2019

Dear [REDACTED]

On 19 October 2018, you contacted the Ministry requesting, under the Official Information Act 1982, the following information:

- *How much gets repaid for hardship assistance for all clients and past clients currently from Work and Income.*
- *How much debt is being written off for this from Work and Income.*

You were contacted on 30 October 2018 to confirm a specific period of time in which you are interested. As the Ministry has not heard back from you, your request has been interpreted to cover the last full financial year, broken down by quarter.

The Ministry of Social Development, through Work and Income, provides recoverable and non-recoverable financial assistance to help people meet an immediate need for essential items such as food, health costs, power and other costs.

These payments are available to any person as long as they meet the income and asset test, and they are unable to meet the cost for an essential need from any other source. Work and Income ensures that people receive their correct entitlement to any other financial assistance as part of the application and assessment process.

Work and Income assists people to manage their costs in the longer term, not just with immediate and urgent assistance. It is important to understand why the client cannot meet these costs, to provide the most appropriate form of assistance, including helping them find other avenues of assistance such as from their District Health Board. The applicant also has an obligation to manage their own finances with the help of Work and Income. This may include seeking financial advice from budgeting services.

Further information about financial assistance and eligibility can be found on the Work and Income website: www.workandincome.govt.nz/individuals/a-z-benefits/index.html.

The Ministry is committed to minimising debt by removing barriers and creating greater incentives for clients to repay. When managing debt recovery from clients, the Ministry will consider their financial situation before establishing a repayment plan. The Ministry uses guidelines to negotiate repayment rates that strike a balance between the need for collection and avoiding contributing to financial hardship.

Where all reasonable and practicable avenues of recovery have been exhausted the Ministry may consider writing off the debt. For example, where the debtor has died and either the estate is insolvent or the estate has been distributed already. Debt write-off will also be considered in other cases, for example where the debtor is insolvent and has been adjudicated bankrupt. Debt can also be written off where an overpayment was made as a result of an error by the Ministry.

Please find attached the following three tables:

- Table one shows the number and value of hardship payments granted in the 2017/2018 financial year, broken down by quarter and recoverable status.
- Table two shows the recoverable hardship assistance that has been repaid, broken down by quarter in the 2017/2018 financial year.
- Table three shows the amount of hardship assistance debt written off in the 2017/2018 financial year.

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 shortly. The Ministry will do this by publishing this letter on the Ministry of Social Development'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 OIA_Requests@msd.govt.nz.

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

Yours sincerely



Cassandra Wise
Manager, Issue Resolution, Service Delivery

Table One: Number and value of Hardship Payments granted in the 2017/2018 financial year broken down by quarter and recoverable status

Quarter ending	Recoverable Indicator				Total	
	No		Yes		Number of Grants	Amount Granted
	Number of Grants	Amount Granted	Number of Grants	Amount Granted		
September 2017	156,992	\$27,531,207	133,690	\$51,901,214	290,682	\$79,432,420
December 2017	166,021	\$27,060,662	124,049	\$48,924,000	290,070	\$75,984,662
March 2018	169,787	\$26,161,741	149,970	\$54,660,194	319,757	\$80,821,935
June 2018	168,717	\$30,046,241	152,527	\$58,082,867	321,244	\$88,129,108
Total	661,517	\$110,799,851	560,236	\$213,568,275	1,221,753	\$324,368,125

Notes:

- This is a count of grants, not clients. The same client may have been granted hardship assistance more than once.
- Hardship assistance includes Special Needs Grants, Benefit Advance Payments and Recoverable Assistance Payments.
- Recoverable Indicator displays if the grant is to be repaid by the client.
- The amount granted for hardship assistance may not be total amount spent by the client.

Table Two: Recoverable hardship assistance repaid in the 2017/2018 financial year broken down by quarter

Quarter ending	Amount repaid
September 2017	\$34,606,120
December 2017	\$34,108,640
March 2018	\$33,866,075
June 2018	\$35,995,134
Total	\$138,575,969

Notes:

- Data includes current client debt and non-current client debt.

Table Three: Amount of hardship assistance debt written off in the 2017/2018 financial year

Quarter ending	Amount written off
September 2017	\$1,231,525
December 2017	\$1,438,485
March 2018	\$820,207
June 2018	\$1,301,298
Total	\$4,791,515

Notes:

- Data includes current client debt and non-current client debt.