



**MINISTRY OF SOCIAL
DEVELOPMENT**

TE MANATŪ WHAKAHIATO ORA

23 JUL 2020

Dear

On 18 June 2020, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982, the following information:

- *Could you please tell me how much rent has been unpaid due to the Covid crisis? And how much money has been paid out for Rental Arrears Assistance?*

On 7 July 2020, the Ministry emailed you to suggest refining your request to the following:

- *For the March 2020 and June 2020 quarters, could you please tell me how much rent has been unpaid due to the Covid crisis? And how much money has been paid out for Rental Arrears Assistance?*

On 7 July 2020, you advised the Ministry that you accepted the suggested refinement.

The Ministry is unable to provide you with the total amount of rent which had been unpaid due to COVID-19 as the Ministry does not collect information on every person who has unpaid rent due to COVID-19. The Ministry is only able to provide you with information on the number of payments made towards clients' rent arrears. As such, this section of your request is refused under section 18(g)(ii) as this information is not held.

On 25 March 2020, New Zealand was put into a nationwide lockdown under Alert Level 4. The Alert Level was moved back down to Level 3 on 27 April 2020 and moved to Level 2 on 13 May 2020. Following this, New Zealand moved to Level 1 on 8 June 2020. The data you have requested covers these periods. Although likely, the Ministry is not able to definitively state that the data provided is attributable to COVID-19.

Assistance for rent arrears is generally paid to clients as Advance Payments of Benefit (Advances), Recoverable Assistance Payments (RAPs), or as Rent Arrears Assistance (RAA).

Advances and RAPs provide beneficiaries and people on low incomes with interest-free loans to help them meet an immediate need for essential items, like paying late utility bills or rent arrears, buying essential household appliances, or meeting urgent needs for children. The Ministry grants this assistance to eligible people who meet an income and asset test, and who are not able to meet this cost from their own resources or other sources.

RAA is one of several Housing Support Products available under the Housing Support Assistance Programme specifically to help clients access and retain housing. RAA is a non-taxable, recoverable payment for clients with overdue rent, who are at risk of

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losing their tenancy due to those arrears. Generally, RAA can only be paid once in a 52-week period unless exceptional circumstances apply. A client does not have to be receiving a benefit to receive RAA, however they must meet an income and asset test to qualify.

The impact of COVID-19 has meant that many people have lost their employment or have a reduced income. From 6 July 2020 to 31 December 2020, RAA has been temporarily expanded to support those who have been financially impacted by COVID-19. During this period, the maximum RAA that can be paid has increased from \$2,000 to \$4,000.

Repayment arrangements are agreed with the client, taking their individual circumstances and financial assistance into account to ensure that repayment does not cause undue hardship.

Please find the **table one** overleaf which outlines the number of grants approved for rent arrears for the quarters ending March and June 2020 broken down by amount and type of payment.

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 regarding the number of hardship grants approved for rent arrears from January to July 2020, available to the wider public. 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 about Rent Arrears 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



pp Bridget Saunders
Manager, Issue Resolution, Service Delivery

Table One: Number of grants approved for rent arrears for the quarters ending March 2020 and June 2020, broken down by amount and type of payment.

Quarter ending	ADV		RAA		RAP		Total	
	Number of payments	Amount granted	Number of payments	Amount granted	Number of payments	Amount granted	Number of payments	Amount granted
March 2020	7,637	\$6,022,644.65	490	\$644,591.52	2,659	\$2,496,061.37	10,786	\$9,163,297.54
June 2020	4,891	\$4,451,635.90	223	\$296,769.82	1,697	\$1,694,477.02	6,811	\$6,442,882.74

Notes:

- ADV are Advance Payments of Benefit which are paid to clients who are receiving a benefit.
- RAPs are Recoverable Assistance Payments, which are paid to clients who are not in receipt of a benefit.
- RAA are Rent Arrears Assistance payments. These payments are part of the Housing Support Assistance Programme.
- This is a count of grants, not clients. The same client may have been granted more than once.