



19 September 2022

Tēnā koe

On 26 July 2022, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- 1. What is the process MSD has in place (if any) for emergency housing providers to claim money from MSD for damages caused to properties or loss caused to the providers by clients receiving emergency housing special needs grants?*
- 2. How much has been paid pursuant to this process, broken down by quarter and region if available?*

I understand MSD clients who cause damages or loss in emergency housing are then charged (sometimes after a security deposit has been paid):

Further questions

- 3. How many security deposits have been paid by MSD to emergency housing providers, broken down by quarter?*
- 4. On how many occasions have those security deposits been utilised by emergency housing providers for damages or loss caused to their property, broken down by quarter, and how much money does that represent in each quarter?*
- 5. How many clients have paid money back to MSD after being charged with the damages/loss (broken down by quarter) and how much does that represent (by quarter)?*
- 6. What is the outstanding debt owed to MSD for damages/loss caused by clients in emergency housing and how many clients is that across?*

On 23 August 2022, in accordance with section 15(1) and 15A of the Act, your request was extended to 20 September 2022. The reason for the extension was that consultations necessary to make a decision on the request were such that a proper response could not reasonably be made within the original time limit.

I will now answer each of your questions in turn.

1. What is the process MSD has in place (if any) for emergency housing providers to claim money from MSD for damages caused to properties or loss caused to the providers by clients receiving emergency housing special needs grants?

Demand for housing across New Zealand is growing and more people are experiencing a severe and immediate need. This demand is generated by a shortage of affordable housing driving up house prices and rents. People on low incomes are most affected by rising housing costs and many seek financial help through the Ministry.

The Emergency Housing Special Needs Grant (EH SNG) is available to people who cannot remain in their usual place of residence, if any, and do not have access to other accommodation which is adequate for them or their family's needs. The Ministry pays EH SNGs directly to the accommodation supplier and assistance is generally granted for up to seven nights but can be extended dependant on individual circumstances.

More information about EH SNGs is available at the following link:
www.workandincome.govt.nz/housing/nowhere-to-stay/emergency-housing.html

Where the Ministry is paying EH SNGs for accommodation, they can also facilitate the cost of a security deposit. However, the majority of clients do not need this payment as they do not cause any damage. The Ministry is aware that damage is sometimes caused in emergency housing, with the vast majority from minor occurrences such as accidental breakages. When the Ministry is provided with evidence of any damages, the Ministry will, with agreement from the client, make payment from the security deposit on behalf of the client. Agreement from the client is not required if the client leaves the emergency housing without checking out. Clients are required to pay this back to the Ministry at a rate that doesn't cause them undue hardship.

The Ministry provides information on its website to property owners, landlords and suppliers of Emergency and Public Housing, here:
www.workandincome.govt.nz/providers/housing-providers/index.html

The Ministry provides a security deposit to housing suppliers and providers that is designed to protect them when there are losses or damages caused by the Ministry's clients (or anyone else staying with them). Security deposits need to be agreed to by the clients and the supplier/provider of the accommodation, and approved by the Ministry, before a client can stay with a provider. More information on how security deposits work is available here:
www.workandincome.govt.nz/providers/housing-providers/security-deposit.html

The security deposit can cover the actual and reasonable costs of:

- breakages or damages caused by the client or anyone staying with them, such as, any breakages or damage to the property whether intentional or accidental
- losses relating to failure of the client to meet their obligations to the supplier/provider under their agreement for stay. This can include replacing items that have been removed from the room, excessive cleaning charges, the room being unavailable due to (excessive) cleaning or belongings left behind and providing replacement keys, and
- unpaid accommodation costs (this covers unpaid contribution for clients staying in Transitional Housing only).

The security deposit does not cover:

- the cost of refurbishing units when tenants move out or the property ceases provision of emergency accommodation
- telephone, internet, or pay-television charges
- utilities
- meal charges
- storage of excessive goods
- laundry services
- car-parking
- general wear and tear.

The Ministry will not pay the security deposit if the costs for loss or damage:

- is more than the amount approved for the security deposit
- if the loss/damage has been discussed with the client and they did not agree that the loss or damage was their responsibility
- is for costs other than loss or damages – for example, other services, such as telephone charges
- if the costs are for general wear and tear, or
- if the security deposit has already been fully used for example, a previous claim by an individual.

If the Ministry will not pay for damages or loss, then the accommodation supplier/provider needs to seek this cost from the client(s) themselves.

2. How much has been paid pursuant to this process, broken down by quarter and region if available?

3. How many security deposits have been paid by MSD to emergency housing providers, broken down by quarter?

4. On how many occasions have those security deposits been utilised by emergency housing providers for damages or loss caused to their property, broken down by quarter, and how much money does that represent in each quarter?

Please see **Appendix A** containing Table One showing the number of Security Deposits Special Needs Grants granted from 1 December 2021 to 30 June 2022, broken down by quarter and Work and Income region. Please note that the amount granted does not necessarily equate to the amount spent. SNGs for Security Deposits were not captured prior to December 2021, therefore the number of grants in that quarter is less than subsequent quarters.

5. How many clients have paid money back to MSD after being charged with the damages/loss (broken down by quarter) and how much does that represent (by quarter)?

6. What is the outstanding debt owed to MSD for damages/loss caused by clients in emergency housing and how many clients is that across?

I am unable to provide you with this information as it is held in notes on individual case files. In order to provide you with this information, Ministry staff would have to manually review thousands of files. As such, I refuse your request under section 18(f) of the Official Information Act. The greater public interest is in the effective and efficient administration of the public service.

I have considered whether the Ministry would be able to respond to your request given extra time, or the ability to charge for the information requested. I have concluded that, in either case, the Ministry's ability to undertake its work would still be prejudiced. 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 attachment 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 OIA_Requests@msd.govt.nz.

If you are not satisfied with this response regarding emergency housing and damages, 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.

Ngā mihi nui

A handwritten signature in blue ink, appearing to be 'K. Hocking'.

Karen Hocking
Group General Manager
Housing