



Appendix 2: Decisions which the retrospective delegated authority to Joint Ministers will apply to

Treating excess income from board payments consistently requires amendments to other assistance beyond housing subsidies

- 1 To implement this initiative, the existing ‘profit from boarders’ calculation used by MSD to recognise excess income received from boarders will be replaced. This change would affect more than just housing subsidies.
- 2 The ‘profit from boarders’ calculation is an operational calculation that MSD currently uses to identify profit received from a third or subsequent boarder. It is also currently used when assessing the amount of income to be charged against other assistance under the Social Security Act 2018 (SSA). In addition to being used for clients receiving a housing subsidy, it is also used when the client is not receiving a housing subsidy.
- 3 This calculation will be replaced, and if the housing contributions from boarders exceed the total allowable accommodation costs for the person receiving the board payment (or their market rent for those in Social Housing), any excess is counted as income for assistance under the SSA, or assistance that uses the SSA definition of income. To ensure consistency, this excess income from boarders’ calculation applies for both when a client is receiving a housing subsidy, when they are receiving other assistance under the SSA, or when they are receiving assistance that uses the SSA definition of income.

To ensure the treatment of payments from boarders and renters is clear, amendments are also required relating to how renters’ payments are treated

- 4 Currently, rent payments are treated similarly to the proposed approach for board payments. s 9(2)(h) 
- 5 s 9(2)(h) 
Where a client is not a boarder for the purposes of the legislation, I propose they are treated as a renter for the purposes of applying this policy to their contributions to accommodation costs.