

8 MAR 2019

Dear

On 21 December 2018, you emailed the Ministry requesting, under the Official Information Act 1982 (the Act), information regarding the eviction of Ministry clients from Housing New Zealand (HNZ) properties.

The Ministry is working as fast as we can to do the right thing for people who have been affected by their HNZ tenancies ending because of meth contamination. The Ministry understands that our clients who may still have debts owing to us want the issue resolved as soon as possible. The task of working out how much some clients may owe us is a really complex one.

We're taking the following steps:

- Working with HNZ to share information so they can locate tenants to pay discretionary assistance and we can check which tenants are our clients (we will have to review individual cases to confirm details in a number of instances)
- Providing advice to government regarding how to not treat HNZ discretionary assistance payments to clients as income (so client benefits will be unaffected)
- Identifying which recoverable assistance payments to clients were for emergency accommodation and which payments were for other reasons (we will have to review each individual case to confirm details)
- Assessing how many clients (primary tenants and other household members) we are dealing with and the estimated total amount of recoverable assistance they may have received as a result of their tenancy ending (we will have to review individual cases to confirm details in some instances).

The Ministry's next step is to review individual case files from our starting point of 598 clients at 30 September 2018 going back to November 2013.

Since the previous response to you on 18 November 2018, the Ministry has been working to better understand the impact of the ending of these tenancies on clients.

Work on how best to respond to the situation and meet the needs of clients continues, however as a result of this work, we are now in a position to provide more information than was previously available.

For the sake of clarity, I have numbered your questions and will respond to each of them in turn.

1. How many MSD clients were evicted from HNZ properties due to methamphetamine contamination?

As per the Ministry's response to you on 20 November 2018, the Ministry has been provided with a list of 782 primary signatories on tenancies which were ended due to methamphetamine contamination. Please note that this number does not include any other occupants that may have been residing at the properties.

Of these 782 individuals, 598 were clients of the Ministry as at the end of September 2018. This may include individuals who were not clients of the Ministry at the time their tenancy was ended, and does not include individuals who were clients at the time the tenancy was ended but who were not receiving assistance as at 30 September 2018. This number also includes people who were not in receipt of a main benefit but were receiving a form of non-beneficiary assistance, such as the Disability Allowance or the Accommodation Supplement.

The Ministry is currently manually working through a list of approximately 1,300 further tenants in order to identify whether they received support from the Ministry and the nature of this support. These tenants are being individually cross-checked with Ministry records. This is a very large on-going piece of work. As such, your request for information regarding clients evicted by HNZ properties who are not primary signatories is refused under section 18(f) of the Official Information Act. Substantial manual collation is required to produce this information.

2. How many MSD clients evicted from HNZ properties due to methamphetamine contamination stayed in emergency accommodation provided by MSD (motels, hotels etc., following the eviction)?

196 of the primary signatories identified by HNZ received an Emergency Housing Special Needs Grant between the date of their tenancy ending, or 1 October 2016 if their tenancy was ended before this date, and 30 September 2018. This is the total number of these clients who received an Emergency Housing Special Needs Grant during this period. This grant may not be related to the ending of their HNZ tenancy, and a client may have found and left other stable accommodation during this period.

Prior to the 2016 December quarter, emergency housing grants were coded in the Ministry's IT system as 'other emergency grants', which includes hardship grants for various other emergency reasons. The Ministry cannot disaggregate emergency housing hardship payments from other types of assistance granted under the 'other emergency grants' category and any information regarding emergency housing grant payments prior to the December 2016 quarter is recorded in notes on individual case files. As such, that part of your request that relates to emergency housing payments prior to October 2016 is refused under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

3. How many children whose parents or caregivers were MSD clients and evicted from HNZ properties due to methamphetamine contamination stayed in emergency accommodation provided by MSD (motels, hotels etc., following the eviction)?

The Ministry does not record the number of children staying in accommodation funded by an Emergency Housing Special Needs Grant, as this is not necessarily a factor in determining whether a client needs such a grant. As such, your request for this information is refused under section 18(g) of the Act as it is not held by the Ministry and there are no grounds to believe that it is held by another department, Minister of the Crown, or organisation.

4. What are the five longest periods MSD clients evicted from HNZ properties due to methamphetamine contamination stayed in emergency accommodation provided by MSD (following their eviction)?

The Ministry does not centrally record continuous periods of time in which a client is in receipt of an Emergency Housing Special Needs Grant. In order to identify this information, Ministry staff would need to manually check the case file of each of the 196 primary signatories who have received an Emergency Housing Special Needs Grant. As such, your request for this information is refused under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

The Ministry can advise you that the five clients named in the HNZ list of primary signatories who have received the most Emergency Housing Special Needs Grants have had 409, 352, 295, 266, and 230 nights granted respectively. Please note that these nights may not be consecutive and clients may have moved in and out of alternative stable accommodation.

5. How many MSD clients evicted from HNZ properties due to methamphetamine contamination stayed in emergency accommodation via MSD had to pay for the costs of their emergency accommodation? (either part of the costs or all of the costs)

The Ministry has interpreted this question to refer to Transitional Housing, as the only form of housing assistance provided by the Ministry of Social Development is the Emergency Housing Special Needs Grant and the responsibility of clients to pay regarding these cases is addressed in response to question seven.

The Ministry has considered transferring this request to the Ministry for Housing and Urban Development (MHUD) as the agency responsible for contracting Transitional Housing, however MHUD has advised that they do not hold information regarding individual tenants and as such would be unable to identify which of the 598 clients identified by HNZ have stayed in Transitional Housing, and under what terms. As such, this part of your request is refused under section 18(g) of the Act. This information is not held by the Ministry and there are no grounds to believe that it is held by another department, Minister of the Crown, or organisation.

- 6. What was the total amount MSD paid for MSD clients to stay in emergency accommodation after they were evicted from their HNZ properties due to meth contamination?
- 7. What is the total amount of costs for emergency housing MSD made recoverable for clients that stayed in emergency accommodation after being evicted from their HNZ properties due to meth contamination?

As at 30 September 2018, 1,626 Emergency Housing Special Needs Grants had been made to 196 primary signatories identified by HNZ, worth a total of \$1,959,417.77. Of these grants, 231 (14 per cent), worth a total of \$253,210.53, were recoverable.

As per the response to question two, this includes only those emergency housing payments made from 1 October 2016. In order to identify payments made before this period, Ministry staff would need to manually check each individual file. As such, this part of your request is refused under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

This data includes all Emergency Housing Special Needs Grants paid to these clients between the date of their tenancy ending, or 1 October 2016 if their tenancy was ended before this date, and 30 September 2018. This grant may not be related to the ending of their HNZ tenancy, and a client may have found and left other stable accommodation during this period.

8. How many MSD clients are still paying MSD back for the costs they incurred for emergency accommodation after they were evicted from the HNZ properties due to meth contamination?

A client may have several debts at any one time. The order and rate at which these debts are repaid varies significantly in each instance depending on a range of factors including the size of the debt, the age of the debt, and the ability of the client to manage the repayments. Debt repayments are arranged between the client and their case manager in a way that best supports the client out of debt, while ensuring repayments are affordable.

As a result of this personalised approach, in order to identify how many clients who received a recoverable Emergency Housing Special Needs Grant have already repaid this specific debt, Ministry staff would need to thoroughly check the individual case files of these clients. As such, this request is refused under section 18(f) of the Act. The greater public interest is in the effective and efficient administration of the public service.

Consideration has been given to whether the Ministry would be able to respond to your request more fully 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.

If this work were to be carried out, the resulting information would be unlikely to be complete, as there may be individuals who received a recoverable grant who are no longer current clients. The debt records of non-current clients are transferred to a separate system where they are consolidated into a single debt for each client, and as such the Ministry cannot identify which debts have been paid off. As such, this part of your request is also refused under section 18(g) of the Act as the information is not held by the Ministry and there are no grounds to believe that it is held by another department, Minister of the Crown, or organisation.

9. Does MSD intend to compensate these clients for the costs they incurred for emergency accommodation after they were evicted from their HNZ properties due to meth contamination?

In order to write off debt related to the ending of an HNZ tenancy, government approval to create a new type of debt would be necessary, as the current rules do not allow for debt relating to the ending of tenancies due to meth contamination to be written off. The Ministry is currently preparing advice for Ministers on this issue and will be ready to take action when the decision is made by the Government.

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 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 <u>OIA Requests@msd.govt.nz</u>.

If you are not satisfied with this response regarding clients affected by the ending of Housing New Zealand tenancies due to methamphetamine contamination, you have the right to seek an investigation and review by the Ombudsman. Information about how to make a complaint is available at <u>www.ombudsman.parliament.nz</u> or 0800 802 602.

Yours sincerely

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