

23	SEP	2016		
Dear				

On 30 August 2016 the Ministry received your letter requesting, under the Official Information Act 1982, the following information:

- All information that relates to the announcement this year that certain benefits had been underpaid for many years gone by.
- What benefits were affected?
- The total amount of under payments.
- Can you please advise how to make a claim for past benefit under payments?

As you are aware, the Ministry has identified and subsequently fixed an error in its automated payment system which resulted in incorrect Accommodation Supplement payments being made to certain clients. The error dates back to 1993 and the Ministry is currently reviewing the scope and scale of the impact on people who received the Accommodation Supplement from this date.

I can confirm that people who have been granted the Accommodation Supplement since December 2014 are receiving the correct rate of payment. Our initial modelling estimates that of the people who received the Accommodation Supplement historically over the 21 year period, around 87,000 people had discrepancies that affect their payment.

Of these, it is estimated that just over 41,000 people have been underpaid with total underpayments of around \$23 million and fewer than 46,000 people have had overpayments of around \$32 million.

Information including e-mails, advice and reports regarding the incorrect payment error is withheld at this point, until such time that decisions related to this issue have been finalised. As such, this part of your request is refused under section 9(2)(f)(iv) of the Official Information Act. The release of this information is likely to prejudice the ability of government to consider advice and the wider public interest of effective government would not be served.

The Ministry is yet to finalise decisions to allow clients who may have been affected by the error in their payments to have their situation assessed to ascertain whether or not they qualify for a repayment.

If you wish to discuss this response with us, please feel free to contact OIA Requests@msd.govt.nz.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or 0800 802 602.

Yours sincerely

Ruth Bound

pp l'Advads

Deputy Chief Executive, Service Delivery