



01 MAR 2021

On 7 January 2021, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information regarding client's being housed in The Grand Hotel, 76 Dee Street, Invercargill:

- 1. I would like to know if MSD refers clients in need of housing to this accommodation?*
- 2. If so, how many people are currently living there who have been referred by MSD?*
- 3. Have any complaints been made about the conditions of living there while MSD are assisting with accommodation costs?*
- 4. How much does WINZ pay to the accommodation provider for rent each week?*
- 5. When did MSD start referring clients to the accommodation (if at all)?*

The Ministry offers a variety of financial assistance to clients in need of housing. Most commonly, payments for these clients to hotels are made in the form of emergency housing (EH) assistance.

There has been a growing demand nationally for EH as the shortage of affordable housing and rising rents continue to impact low-income whānau, particularly those who are beneficiaries. The year 2020 has seen an especially sharp increase in demand for EH, as the Ministry supported people through the COVID-19 pandemic by providing accommodation to those with an immediate and emergency need.

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 to meet the needs of them and their families. 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.

After the seven nights, the Ministry arranges an appointment with the client to discuss their housing situation and if another EH SNG is required. The Ministry works hard to support people in EH to secure a long-term housing solution, either through public housing or private rental accommodation. Other alternatives including transitional housing can also be explored as an option depending on availability and an individual's personal circumstances.

The Ministry recognises that motels are not a long-term solution or the solution that we want to deliver for people who are potentially in a vulnerable situation. They provide a short-term solution while more sustainable options are progressed. More information

about EH SNGs is available here: [www.workandincome.govt.nz/housing/nowhere-to-stay/emergency-housing.html#null](http://www.workandincome.govt.nz/housing/nowhere-to-stay/emergency-housing.html#null)

Some people may struggle to access suitable housing due to a lack of availability, or they simply may not be able to meet the high cost of housing which may result in them receiving EH SNG support for an extended period of time. There are also others that need to live in a specific area, due to the need to access specialist care or educational needs for them or their family.

For people with high and complex needs, it can sometimes be challenging to identify suitable long-term housing, which can lead to longer stays in EH. The Ministry works closely with these people to see what can be done to ensure that once they have a home of their own, they have the skills to sustain it and the support they need to keep it.

For the sake of clarity, I will address each question in turn.

- 1. I would like to know if MSD refers clients in need of housing to this accommodation?*

The Ministry can confirm that The Grand Hotel, Invercargill is currently used for EH and short-term rental accommodation. The Ministry does not refer clients to The Grand Hotel. Clients source their own EH option and apply for financial assistance from the Ministry. Ministry staff will then endeavour to identify the most appropriate accommodation for the individual based on their needs, household composition and characteristics and where required grant an EH SNG.

- 2. If so, how many people are currently living there who have been referred by MSD?*

The Ministry does not hold information on how many clients are living at The Grand Hotel at any one point in time and as noted above does not refer clients. Therefore, I am refusing this part of the request under section 18(g) of the Act as the information you have requested is not held by the Ministry and I have no grounds to believe that the information is held by another department or Minister of the Crown or organisation.

EH SNGs are reported when granted, but there is no reporting available that advises the period of occupancy of EH. The grant information the Ministry holds doesn't necessarily reflect the current activity of the clients in EH.

Furthermore, the Ministry reports on the number of EH grants to clients for the period the grant covers. For example, the EH SNG is granted for a period of seven nights. A client may check out of EH early which may not be updated in the Ministry's system until the client has informed us or the EH supplier has contacted us to refund part of the grant for the period the client has checked out early. Therefore, any information on active clients at a point in time would be held by the EH suppliers, who are not subject to the Official Information Act.

To be helpful the Ministry has provided you with information below which details for the quarter ending December 2020 all types of payments and the need the payments were granted for, issued to the supplier receiving payments on behalf of The Grand Hotel.

**Table One: The number of payments made to the supplier on behalf of The Grand Hotel for the quarter ending December 2020.**

Grant Type and Need Type		Grants	Distinct Clients	Amount
ADV	Other Emergency Payment	8	S	\$1,625
	Rent Arrears	7	7	\$2,970
	Rent in Advance	26	25	\$7,255
	Tenancy Bond	28	27	\$31,170
RAP	Other Emergency Payment	S	S	\$195
	Rent Arrears	S	S	\$700
	Tenancy Bond	S	S	\$1,160
SNG	Emergency Housing	31	20	\$10,595
	HSP Rent Arrears	S	S	\$1,400

**Notes:**

- **ADV:** Advance payment of benefit is a recoverable payment available to people receiving a main benefit (e.g. Jobseeker Support, Sole Parent Support, Supported Living Payment) who require assistance to meet a particular immediate need for an essential item, such as a tenancy bond. Clients accessing this type of assistance can receive an advance of up to six weeks of their net benefit entitlement
- **RAP:** Recoverable Assistance Payment provides non-taxable, interest-free, recoverable financial assistance to non-beneficiaries to meet an essential immediate need for specific items or services, such as a tenancy bond. It is only available to people who meet an income and asset test and is paid up to a maximum amount of six weeks of the rate of the Supported Living Payment
- **SNG:** Special Needs Grant is non-recoverable (unless otherwise stated) payment available to people either on a main benefit or non-beneficiary who have an immediate, essential need. It is only available to people who meet an income and asset test.
- **HSP:** Housing Support Product can be both recoverable and non-recoverable and is available to clients to access or retain housing. HSP is discretionary and available where the client's needs cannot be met by existing products and services offered by the Ministry such as, Advance Payment of Benefit, Recoverable Assistance Payment and Special Needs Grant.
- The number of grants is not the number of individuals. A client can have more than one grant for each grant type and need.
- Amount is the amount granted. The total amount granted may not be the same as the amount spent.
- Distinct clients should not be summed up across grant types and need types as they may be represented in multiple categories.
- In certain circumstances low numbers may potentially lead to individuals being identified. Due to these privacy concerns, numbers for some categories of clients have been suppressed or aggregated.
- Secondary suppression rules have also been applied when required. Suppressed numbers have been replaced by an 'S' The Ministry is unable to provide you with the exact number as releasing this information is likely to risk identifying the individuals concerned. As such, this information is withheld under section 9(2)(a) of the Act. The need to protect the privacy of these individuals outweighs any public interest in the information.

**3 Have any complaints been made about the conditions of living there while MSD are assisting with accommodation costs?**

In the first instance, local councils are responsible for Emergency Housing accommodation compliance. The Ministry's regional housing teams pass on any identified issues to the councils when raised.

Clients provide feedback about emergency housing accommodation suppliers in various ways including face to face, phone, or email discussions with Ministry staff at Work and Income Service Centres.

The Ministry is aware of prior complaints about The Grand Hotel, these were typically about noise, anti-social behavior and dated room facilities. The Ministry has recently conducted a check to ensure that there are no on-going issues with the quality of accommodation or services being provided by The Grand Hotel to Ministry clients.

To ensure suppliers for emergency housing deliver accommodation to a suitable standard, the Ministry:

- checks in regularly with clients on issues or concerns with their accommodation when approving subsequent EH SNGs
- escalates concerns or complaints to the housing team who follow up directly with the supplier
- monitors all ongoing issues or complaints received in relation to EH SNG accommodation.

*4. How much does WINZ pay to the accommodation provider for rent each week?*

The Ministry is refusing this under section 18(f) of the Act as the Ministry would have to manually review payments made for The Grand Hotel. This is because information about EH SNGs is reported by grant, and one grant in a particular week will fluctuate depending on the timeframes granted for EH. Some clients will receive 7-day grants, whereas others will receive 21-day grants, depending on multiple factors and individual client situations. This will also affect the rate paid dependent on each individual situation. Therefore, determining the amount paid to The Grand Hotel each week would involve manual inspection of the grant records stored on individual client files dating back a number of years. 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.

To be helpful, Table One on the previous page also includes the amounts granted to the supplier currently associated with The Grand Hotel.

*5. When did MSD start referring clients to the accommodation (if at all)?*

The Ministry is refusing this under section 18(f) of the Act. As noted above, the Ministry does not refer clients to EH. Furthermore, the date a particular address started being used for EH is not always centrally recorded.

This is because one registered supplier may provide accommodation across multiple premises with different trading names receiving payment through the single supplier record, which may change over time. In this instance information about when The Grand Hotel started being used for EH is not centrally recorded and in order to retrieve this information the Ministry would have to manually collate and review notes for EH SNG grants from individual client files over a number of years. 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 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](mailto:OIA_Requests@msd.govt.nz).

If you are not satisfied with this response regarding client's referred to The Grand Hotel, 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](http://www.ombudsman.parliament.nz) or 0800 802 602.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Karen Hocking', with a long, sweeping underline that extends to the right and loops back under the signature.

Karen Hocking  
**General Manager**  
**Housing**