



11 October 2023

Tēnā koe

On 31 August 2023, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

We would like to lodge an OIA request for MSDs business grants. The information we would like:

- 1. How many business training and advice grants have been applied for in the last 5 years?
 - a. Of those applications, how many were declined and how many were accepted?*
 - b. Of all the applications, how many were from people on the Supported Living payment?
 - i. Of the applications from SLP clients, how many were declined and accepted?***
- 2. How many self-employment start-up payment grants have been applied for in the last 5 years?
 - a. Of those applications, how many were declined and how many were accepted?*
 - b. Of all the applications, how many were from people on the Supported Living payment?
 - i. Of the applications from SLP clients, how many were declined and accepted?***
- 3. How many flexi-wage grants have been applied for in the last 5 years?
 - a. Of those applications, how many were declined and how many were accepted?*
 - b. Of all the applications, how many were from people on the Supported Living payment?
 - i. Of the applications from SLP clients, how many were declined and accepted?***

On 28 September 2023, the Ministry contacted you to advise that an extension was required to make a decision on your request, with the new due date for decision being 11 October 2023.

I will first provide you with an explanation of the Flexi-Wage Self-Employment subsidy and the Self-Employment Start-Up grant before responding to your request.

Flexi-Wage Self-Employment subsidy and the Self-Employment Start-Up grant

The Flexi-Wage Self-Employment subsidy can be granted to people who are at risk of long-term benefit receipt and disadvantaged in the labour market. Self-Employment Start-Up and the Business Training and Advice Grant can be provided alongside this to help the person to meet essential business start-up costs and provide business mentoring support (including supporting them to develop a business plan).

The Flexi-Wage Self-Employment subsidy is paid at a set rate of \$600 gross (GST inclusive) a week for 28 weeks. Under exceptional circumstances the subsidy may be extended up to 52 weeks maximum. It can be pro-rated for those with part-time (or no) work obligations, but recipients must be able to support themselves from their earning in time and not need a benefit. It can be paid to couples or groups wanting to start a business together. The purpose of the subsidy is to support people while they are establishing their business.

If needed, the Self-Employment Start-Up grant of up to \$10,000 (GST inclusive) may be accessed to meet essential business start-up costs, for example, equipment required for the business, or initial start-up stock. It cannot be used to pay for living costs covered by the Business Training and Advice Grant or the Flexi-Wage Self-Employment subsidy.

Your request for information

I am able to provide you with two tables of data in response to your request. Please see the attached **Appendix** for the following information:

- **Table One:** The number of Flexi-Wage subsidies, Business Training Advice Grants, Flexi-Wage Self-Employment subsidy agreements, and Self-Employment Start-Up grants approved in the period 1 July 2018 to 30 June 2023, broken down by financial year and agreement or grant type.

- **Table Two:** The number of Flexi-Wage subsidies, Business Training Advice Grants, Flexi-Wage Self-Employment subsidy agreements, and Self-Employment Start-Up grants approved for clients receiving Supported Living Payment in the period 1 July 2018 to 30 June 2023, broken down by financial year and agreement or grant type.

The data in the tables reflects the number of approved subsidies or grants only. Please note that clients receiving Flexi-Wage Self-Employment subsidies generally also receive both the Business Training and Advice Grant, and the Self-Employment Start-Up grant.

The Ministry centrally records successful applications for these grants, however, information regarding declined applications is not centrally recorded.

Declined applications will be recorded in notes on individual client files, and in order to provide you with this information Ministry staff would have to manually review a substantial number of files. As such, your request for the total number of applications and the number of declined applications for these grants is refused under section 18(f) of the 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 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 the Flexi-Wage subsidy and Business Training and Advice Grants, 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 black ink, appearing to read 'A Orr', written in a cursive style.

Aaron Orr
Director
Employment