



11 April 2025

Tēnā koe

Official Information Act Request

Thank you for your email of 27 March 2025, requesting information about ACC weekly compensation back payments.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below.

When a Ministry client receives an ACC weekly compensation back payment while also receiving Ministry assistance for the same period, their entitlement to both benefits and supplementary assistance must be reassessed for any overlap.

The Ministry will establish an overpayment for any payment of a main benefit in excess of the amount the client would be eligible for after deducting the ACC weekly compensation. For clients with a partner, an overpayment will also be established for any excess main benefit paid to the partner. ACC will reimburse the Ministry for this overpayment from the ACC weekly compensation backdated arrears that are due to the client, then pay the balance (if any) to the client.

In cases where a client's main benefit for the backdated period has been reduced to zero after deduction of their ACC weekly compensation, the Ministry will also review any supplementary assistance the client received for the same period, as if the client had been a non-beneficiary at the time. Any debt that is established for supplementary assistance will be recovered by the Ministry directly from the client.

For more information on this, please refer to the links below:

- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/weekly-compensation-granted-after-benefit-granted-01.html
- www.legislation.govt.nz/act/public/2001/0049/latest/DLM103121.html?search=ta%40act%40act%40ainf%40anif%40anif%40bn%40rn%4025%40a&p=1

Specified Benefits (Main Benefits)

ACC weekly compensation is paid with the purpose of replacing income a person would have received if not injured. Due to this, weekly compensation payments are a direct deduction from a client's specified benefit. This includes all main benefits, Orphans Benefit, Unsupported Childs Benefit or a Veterans Pension which is subject to abatement.

For every \$1.00 of net ACC weekly compensation payment received by a client, \$1.00 will be deducted from a client's net specified benefit rate for the corresponding period. This includes weekly compensation payments paid to a client, their partner or in respect of dependent children in their care.

The policy intent behind this dollar-for-dollar deduction is the "one benefit" principle, which specifies that a person cannot receive two forms of publicly funded support for a similar purpose.

For more information on this, please refer to the links below:

- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/weekly-compensation-01.html
- www.legislation.govt.nz/act/public/2018/0032/latest/DLM6783521.html

Supplementary Assistance (Extra help)

Supplementary assistance includes supports like Accommodation Supplement, Disability Allowance, Child Disability Allowance, and Temporary Additional Support and are also affected by ACC weekly compensation payments. The purpose of these supports is to provide assistance towards specific ongoing costs.

- While a person is receiving a main benefit ACC weekly compensation will not have an effect on their Accommodation Supplement. If the direct deduction is enough to reduce their main benefit to zero (or they are a non-beneficiary) then ACC weekly compensation will be treated as income for their non beneficiary Accommodation Supplement.
- While a person is receiving a main benefit ACC weekly compensation will not have an effect on their Disability Allowance. If the direct deduction is enough to reduce their main benefit to zero (or they are a non-beneficiary) then weekly compensation will be treated as income for their non beneficiary Disability Allowance.
- Child Disability Allowance cannot be paid where ACC weekly compensation is received by or for the child.
- ACC weekly compensation will be treated as chargeable income for Temporary Additional Support and Special Benefit.

For more information on this, please refer to the links below:

- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/effect-on-accommodation-supplement-01.html
- www.legislation.govt.nz/regulation/public/2018/0202/latest/LMS96265.html
- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/effect-on-disability-allowance-01.html
- www.legislation.govt.nz/act/public/2018/0032/latest/DLM6783280.html
- www.legislation.govt.nz/act/public/2018/0032/latest/DLM6784890.html#DLM6784890
- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/effect-on-child-disability-allowance-01.html
- www.legislation.govt.nz/act/public/2018/0032/latest/DLM6783276.html

- www.workandincome.govt.nz/map/income-support/core-policy/income/types-of-income/effect-on-temporary-additional-support-and-special-01.html
- www.legislation.govt.nz/regulation/public/2018/0202/latest/LMS96343.html
- www.legislation.govt.nz/regulation/public/2018/0202/latest/LMS96430.html#LMS96430

I will be publishing this decision letter, with your personal details deleted, on the Ministry's website in due course.

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 my decision on your request, 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

pp. 

Anna Graham
General Manager
Ministerial and Executive Services