



26 March 2025

Tēnā koe

### **Official Information Act request**

Thank you for your email of 27 January 2025, requesting a breakdown of business grant applications in the past 5 financial years, by decline reason, region, and amount granted.

I have considered your request under the Official Information Act 1982 (the Act). Please find my decision on your request set out below. For the sake of clarity, I will respond to your request in parts.

#### *Applicant and Success Statistics*

- 1. How many business grant applications were received in the past 5 financial years?*
- 2. How many applications were approved, and how many were declined in the past 5 financial years?*
- 3. What are the most common reasons for declining an applications?*
- 4. What is the success rate of applications (percentage of approved applications)?*

Please find the number of applications approved attached in **Appendix A**.

Please note that the Ministry of Social Development (the Ministry) does not record declined applications, or reasons for declining applications. If held, this information would only be contained within individual client files, which would each require manual review to respond to your request. Accordingly, the Ministry also cannot provide a success rate for applications, or a total number of applications. As such, these aspects of your request are refused under section 18(f) of the Act, as substantial manual collation would be required to collate this information. 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.

I note that applications will be refused due to failure to meet the qualifications required to be eligible for support. These are outlined on our website here: [www.workandincome.govt.nz/map/employment-and-training/employment-and-work-readiness-assistance/qualifications.html](http://www.workandincome.govt.nz/map/employment-and-training/employment-and-work-readiness-assistance/qualifications.html).

5. *What proportion of successful applicants are sole traders versus partnerships or limited liability companies?*

Please note that Business Training and Advice Grant (BTAG) contracts are awarded for individuals, not for companies. As such, any record of this information would only be contained within individual client files, which would each require manual review to respond to your request. This information is therefore refused under section 18(f) of the Act, as substantial manual collation would be required to collate this information. 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.

Financial Data

6. *What is the total amount of funding allocated to the business grant program in the past 5 financial years?*
7. *What is the average grant amount approved for applicants?*
8. *What is the total amount of wage support disbursed through the program in the past financial year?*
9. *What is the range of wage support amounts provided (minimum, average, and maximum)?*

Please find the information requested attached in **Appendix A**.

Post-Approval Data

10. *What reporting or accountability requirements are in place for grant recipients?*
11. *How many recipients of the business grant defaulted or failed to meet the conditions of the grant in the past financial year?*
12. *What measures are taken to ensure the grants are used for their intended purpose?*

The Ministry conducts 1, 3, and 6-month milestone check-ups on recipients of Flexi-wage for self-employment (FWSE):

- At one month the client is required to provide receipts for what the Self-employment Start-up funding was spent on. This is to check that they used the money for the purpose it was paid.
- The three- and six-month check-ins are to determine how business is going and offer any additional support their client may require.

Where recipients are found to have breached the conditions of their grant, the Ministry can establish a debt for all, or part of the assistance granted as deemed necessary.

The Ministry does not centrally report on whether recipients of the business grant defaulted or failed to meet the conditions of the grant. As such, this aspect of your request is refused under section 18(f) of the Act, as substantial manual collation would be required to collate this information. If held, this information would only be contained within individual client files, which would each require manual review to respond to your request. 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.

### Demographic Insights

*13. What regions have the highest number of successful applications?*

*14. Are there any demographic breakdowns (e.g., age, gender, ethnicity) of successful applicants?*

Please find the information requested attached in **Appendix A**.

### Long-Term Outcomes

*15. What proportion of successful applicants are first-time business owners?*

This aspect of your request is refused under section 18(f) of the Act, as substantial manual collation would be required to collate this information. If held, this information would only be contained within individual client files, which would each require manual review to respond to your request. 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.

*16. What is the estimated success rate of businesses that received the grant (e.g., still operational after one year, three years, or five years)?*

Findings from a recent evaluation of Flexi-wage Self Employment (FWSE) suggested that one-third of participants were generating business income one year after starting FWSE, which falls to one-fifth six years after starting the programme.

*17. Are there statistics on the average income of businesses that received the grant versus those that did not? If this data is not collected or is unavailable, please explain why or why not?*

Reporting income earned after leaving benefit is not a requirement for clients who receive FWSE. As such, this aspect of your request is refused under section 18(g) of the Act, as this information 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.

*18. What is the average time taken for wage support payments to be disbursed after approval?*

This aspect of your request is refused under section 18(f) of the Act, as substantial manual collation would be required to collate this information. If held, this information would only be contained within individual client files, which would each require manual review to respond to your request. 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.

### Administrative and Operational Details

*19. Are there plans to increase the budget for the business grant or revise its eligibility criteria in the future?*

The Ministry regularly reviews its budget for programmes and services through an annual planning process. At time of writing there are no specific changes planned for eligibility settings.

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](mailto: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](http://www.ombudsman.parliament.nz) or 0800 802 602.

Ngā mihi nui

pp.



Anna Graham  
**General Manager**  
**Ministerial and Executive Services**