



21 April 2022

M.R.M.

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Tēnā koe M.R.M.

On 14 March 2022, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

- *Please provide me with the relevant data in relation to Accommodation Supplement increases over the past 15 years*
 - *The effective date of every Accommodation Supplement increase*
 - *The percentage of the increases on all of the abovementioned increase dates*
 - *How many people on the abovementioned increase dates were receiving Accommodation Supplement*
 - *The historical Accommodation Supplement entry thresholds and maximum rates for all regions/areas in NZ, and, what locations were included in each identified area*
 - *Definitions of areas prior to 1 April 2005*
 - *Definitions of areas from 1 April 2006 to 31 March 2018*
 - *If there was a change to the definitions of areas between 1 April 2018 and the date of processing this information request, those definitions too*
- *It would be appreciated in your reply if you could comment on why the abovementioned information is not published at the Ministry of Social Development's various agency websites as used to be the case? (Note that all links provided do not return appropriate results with the information one expects to find readily available).*
- *Lastly, it would be appreciated in your reply if you could also comment on why Accommodation Supplement is not increased annually given the massive hikes in rents, interest rates, etc. in recent years?*

On 11 April 2022, the Ministry emailed you to advise that more time was required to complete the consultations necessary to make a decision on the request.

The Accommodation Supplement is a non-taxable benefit that provides assistance towards a client's weekly accommodation costs – rent, board or homeownership. A person does not have to be getting a main benefit to qualify for Accommodation Supplement. In order to receive Accommodation Supplement, a client must meet certain eligibility and entitlement criteria. You can see more about Accommodation Supplement here: www.workandincome.govt.nz/products/a-z-benefits/accommodation-supplement.html.

For the sake of clarity, I will now respond to your questions in turn.

- *The effective date of every Accommodation Supplement increase*
- *The percentage of the increases on all of the abovementioned increase dates*

The most recent increases occurred on 1 April 2005 and 1 April 2018. Please see **Tables One to Five** below to see information about maximum rate increases of Accommodation Supplement from 1 July 1997 to 1 April 2018.

Table One: Maximum rates of Accommodation Supplement from 1 July 1997.

	1 person household	2 person household	3+ person household
Area 1	\$100	\$115	\$150
Area 2	\$65	\$75	\$100
Area 3	\$45	\$55	\$75

Note for Table One:

- While 1 July 1997 is outside of the date range that you have requested, this table has been included to contextualise the information within the following tables.

Table Two: Maximum rates of Accommodation Supplement from 1 April 2005.

	1 person household	2 person household	3+ person household
Area 1	\$145	\$160	\$225
Area 2	\$100	\$125	\$165
Area 3	\$65	\$75	\$120
Area 4	\$45	\$55	\$75

Table Three: Percentage increase in maximum rates of Accommodation Supplement from 1 April 2005 compared to 1 July 1997.

	1 person household	2 person household	3+ person household
Area 1	45%	39%	50%
Area 2	54%	67%	65%
Area 3	44%	36%	60%
Area 4	n/a	n/a	n/a

Note for Tables Two and Three:

- From 1 April 2005, the number of Accommodation Supplement areas was increased from three to four with Auckland divided into two areas. Some localities were moved into higher maxima areas and the maximum supplement payable was increased. I will address your questions regarding Accommodation Supplement areas later in this response.

Table Four: Maximum rates of Accommodation Supplement from 1 April 2018.

	1 person household	2 person household	3+ person household
Area 1	\$165	\$235	\$305
Area 2	\$105	\$155	\$220
Area 3	\$80	\$105	\$160
Area 4	\$70	\$80	\$120

Table Five: Percentage increase in maximum rates of Accommodation Supplement from 1 April 2018 compared to 1 April 2005.

	1 person household	2 person household	3+ person household
Area 1	14%	47%	36%
Area 2	5%	24%	33%
Area 3	23%	40%	33%
Area 4	56%	45%	60%

- *How many people on the abovementioned increase dates were receiving Accommodation Supplement*

Please see **Table Six** below for the number of people receiving Accommodation Supplement on the increase dates. The Ministry is providing data from the end of March for each year, as this is representative of those clients receiving Accommodation Supplement at the start of April.

Table Six: The number of clients receiving Accommodation Supplement as at the end of March 2005 and March 2018.

	Month end	
	March 2005	March 2018
Number of clients	236,472	279,282

Notes for Table Six:

- The number of clients receiving Accommodation Supplement is the number of individuals, couples, or families and not necessarily a count of households.
- To protect confidentiality the Ministry uses processes to make it difficult to identify an individual person or entity from published data. This data table has had random rounding to base three applied to all cell counts in the table. The published counts will never differ by more than two counts.
- *The historical Accommodation Supplement entry thresholds and maximum rates for all regions/areas in NZ, and, what locations were included in each identified area*
- *Definitions of areas prior to 1 April 2005*
- *Definitions of areas from 1 April 2006 to 31 March 2018*

The information you have requested is publicly available, and so these aspects of your request are refused under section 18(d) of the Act.

Please refer to the following link, which shows the historical Accommodation Supplement entry thresholds and maximum rates. For each benefit type within this link, there are multiple changes. For example, you can see the changes in entry thresholds and maximum rates for clients receiving Jobseeker Support or for clients not currently on a main benefit. You can view this in the public domain, here: www.workandincome.govt.nz/map/deskfile/extra-help-information/accommodation-supplement-tables/entry-thresholds-and-maximum-rates.html.

The definitions of areas for Accommodation Supplement prior to 1 April 2005 is available in the public domain, here: www.workandincome.govt.nz/map/deskfile/extra-help-information/accommodation-supplement-tables/definitions-of-areas-prior-to-1-april-2005-01.html.

The definitions of areas in the period 1 April 2005 to 31 March 2018 is available in the public domain, here: www.workandincome.govt.nz/map/deskfile/extra-help-information/accommodation-supplement-tables/definitions-of-areas-from-1-april-2005-to-31-march-2018.html.

- *If there was a change to the definitions of areas between 1 April 2018 and the date of processing this information request, those definitions too*

There were no changes to the definitions of areas between 1 April 2018 and the date of your request.

- *It would be appreciated in your reply if you could comment on why the abovementioned information is not published at the Ministry of Social Development's various agency websites as used to be the case? (Note that all links provided do not return appropriate results with the information one expects to find readily available).*

The Ministry disagrees that this information is not available. Please refer to the links provided above.

- *Lastly, it would be appreciated in your reply if you could also comment on why Accommodation Supplement is not increased annually given the massive hikes in rents, interest rates, etc. in recent years?*

Unlike main benefits and New Zealand Superannuation, there is no statutory requirement to adjust Accommodation Supplement maxima every year. There is also no set review period to review the maxima in relation to rents.

Main benefit rates are indexed to the net average wage, meaning that the rates increase by the same percentage that the net average wage increases. As Accommodation Supplement is not indexed it requires specific policy decisions from Cabinet and additional funding through the annual Budget process.

Please refer to the November 2021 update on the Welfare Overhaul work programme, which includes a fundamental review of housing subsidies in the Ministry's long-term work programme referenced in Appendix One, available here: www.msd.govt.nz/about-msd-and-our-work/publications-resources/information-releases/cabinet-papers/2021/welfare-overhaul-work-programme-update.html

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.

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 Accommodation Supplement, 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 blue ink, appearing to read 'Alex McKenzie', written over a horizontal line.

Alex McKenzie
Policy Manager
Employment and Housing Policy