



31 AUG 2015

Mr Cody Cooper
fyi-request-2977-93f998b4@requests.fyi.org.nz

Dear Mr Cooper

On 26 July 2015 you emailed the Ministry requesting, under the Official Information Act 1982, a response to a series of questions regarding the \$3k to Christchurch payment.

As you are aware, on 6 May 2014 the Prime Minister announced a new initiative to help beneficiaries find full-time work and support the Christchurch rebuild.

\$3k to Christchurch is an 'Incentive Payment' to assist applicants who have secured sustainable, full-time employment, to move to the Christchurch area. The financial incentive is a non-taxable payment of \$3,000 to beneficiaries who currently reside outside of the 'Christchurch area' and who have secured full-time employment with an appropriate business in the Canterbury region. Applicants need to provide proof of a confirmed full-time job offer of at least 30 hours per week, which involves being continually employed for more than 91 days.

Applicants must meet all of the qualifying criteria to receive the \$3k to Christchurch payment. Please see the following link to the Work and Income website that outlines the qualifying criteria:

<http://www.workandincome.govt.nz/individuals/brochures/3k-to-christchurch-factsheet.html>

I will address each of your questions in turn.

- *Number of people that applied for the grant vs. number of people approved, alongside reason for the decline (if applicable)*

As at 26 July 2015, 2,119 people had applied for the \$3k to Christchurch payment. Of these, 1,578 people received the payment and 541 people were declined.

Applications were declined because the job did not meet the grant criteria, which includes reasons such as the job did not start within 28 days of application, the employment was in an unsuitable business, the offer was for a job outside of the Christchurch area, the job was for less than 30 hours per week, and the job was for less than 91 days or the person intended to move into self-employment.

- *Number of people granted who remained in work past the 90-day threshold*

As at 26 July 2015, 1,470 people who received the \$3k to Christchurch payment remained off benefit.

- *Number of people granted who did not move.*
- *Number of people granted who did move but did not start or continue work.*
- *Number of people granted who did move but did not continue work due to "good and sufficient reasons", along with what these reasons were (with private information redacted).*

Within the first two weeks of the employment start date, Work and Income contacts the employer and the recipient of the \$3k to Christchurch payment. If it is identified that the person did not commence employment, Work and Income contacts the recipient of the \$3k to Christchurch payment to discuss their reasons for not commencing employment, and helps them to get another job. If they do not have a good reason for not taking up employment, then they are required to repay the \$3k to Christchurch payment.

There are 108 people who received the \$3k to Christchurch payment but who are back on benefit. Of these people, 69 returned to benefit within 91 days but had a good and sufficient reason and are not required to repay the \$3k to Christchurch payment.

The Ministry does not report any further break down on what the good and sufficient reasons were for these people, so this part of your request is refused under section 18(e) of the Official Information Act as this information does not exist. However, the most common good and sufficient reasons are changes to family circumstances and health issues.

- *The number of people investigated in relation to the \$3k Christchurch grant alongside the reason for the investigation?*

As at 26 July 2015, 30 people who have received the \$3k to Christchurch payment have been referred to the Ministry's Investigation Unit for not having used the \$3k to Christchurch payment for the purpose it was intended.

A further 19 people who applied for, but did not receive, the \$3k to Christchurch payment have also been referred to the Ministry's Investigation Unit for falsifying information used in support of their application.

- *The number of people made to repay the grant?*

Of the 108 people who returned to benefit within 91 days of receiving the \$3k to Christchurch payment, 39 people are required to repay this payment. A further 8 people (who have not returned to benefit) are also required to repay the \$3k to Christchurch payment.

- *Amount recovered vs. total amount owing in relation to the grant?*

The Ministry is unable to provide this information as our systems do not record specific debt repayment information. For example, once a person is no longer on benefit, benefit debts are consolidated and debt types cannot be disaggregated. As such, this part of your request is refused under section 18(e) of the Official Information Act as this information does not exist.

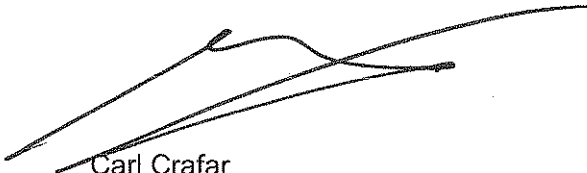
- *Number of people prosecuted in relation to the grant, the reasons for this and whether they were made to repay the grant*

As at 26 July 2015, two prosecutions have been finalised, and these people have been charged with 'obtaining by deception.' In one case, the person was sentenced to three months' home detention and ordered to repay the \$3k to Christchurch payment. In the second case, two people were charged – one person was charged as a party to the offence and discharged without conviction and the other person is awaiting sentencing and has been ordered to repay the \$3k to Christchurch payment.

I hope you find this information helpful. You have the right to seek an investigation and review of my response by the Ombudsman, whose address for contact purposes is:

The Ombudsman
Office of the Ombudsman
PO Box 10-152
WELLINGTON 6143

Yours sincerely

A handwritten signature in black ink, appearing to read 'Carl Crafar', written over a horizontal line.

Carl Crafar
Deputy Chief Executive - Service Delivery