

21 June 2021

s9(2)(a)



Thank you for your email of 4 May 2021 to the Ministry of Social Development requesting the following information under the Official Information Act 1982 (OIA):

- *The total amount of rent owed by tenants in state housing as of today's date (04/05/2021)*
- *The separate amounts of arrears written off and rent owed by state housing tenants for:*
 - *May 2021 – May 2020 & April 2020 – 2019*
- *Is it policy to wipe rent arrears and not evict state housing tenants?*
 - *If so, who decided on that policy? Please provide any advice they were supplied with.*
- *How many state home tenancies have been terminated due to unpaid rent in the last year?*
- *Top 5 largest amounts written off per tenancy (i.e. a tenant might have had multiple sets of arrears)*
- *Please provide the 5 largest amounts of rent arrears that have been wiped per tenancy (i.e. a tenant might have had multiple sets of arrears wiped over a single tenancy).*

On 4 May 2021 your request was transferred to Kāinga Ora – Homes and Communities. I have considered your request under the OIA and have answered your queries below.

Financial hardship is a primary driver of public housing need. As many of our customers live on very low incomes and have little or no money in reserve, even small unexpected life events can push a person or family into debt that can be difficult to recover from.

Kāinga Ora is committed to supporting customers to successfully sustain their tenancies. We apply a customer-centred approach to tenancy management and assist our customers to access any support services that they may need to sustain their tenancies, stay connected to their communities, and to lead lives with dignity and the greatest degree of independence possible.

This approach aims to maximise housing security, as a fundamental requirement to enable people to build their lives and communities. Kāinga Ora avoids evictions and exits into homelessness and seeks to help our customers remain in, or get back to a state of wellbeing.

Supporting our customers to regularly pay rent can be a sensitive and time consuming task. The support we provide aims to build trusted relationships with our customers, and identify root causes of debt, such as low financial capability and sporadic employment patterns.

Kāinga Ora expects its staff to manage these situations in a kind, empathetic way that fosters the trust required to achieve positive outcomes over the long term. When our customers understand our intentions are to support them in financial wellbeing they have a greater willingness to engage with us before falling into arrears.

The total amount of rent owed by tenants in state housing as of 4 May 2021

Kāinga Ora reports debt figures at the end of each month. As at 30 April 2021 customers living in Kāinga Ora homes owe a total of \$8,696,840.29 in rent arrears.

As part of our response to COVID-19, we ceased all debt recovery activities and instead introduced a welfare approach to support our customers through uncertain times. This includes supporting those customers who fall behind in their rent by looking to address any issues that have contributed to this and working with them to make suitable arrangements to have any arrears paid over time.

The separate amounts of arrears written off and rent owed by state housing tenants for May 2021 to May 2020, and April 2020 to April 2019.

Kāinga Ora does not permanently write off debt. While rent arrears can be temporarily written off for customers who no longer reside in our homes, we still actively work to recover amounts owed. Kāinga Ora moves debt to a "write off" account, while we actively put arrangements in place to repay arrears and collect payments.

I have attached Appendix one to this request, which is a table including the end of month snapshot of rent arrears.

Is it policy to wipe rent arrears and not evict state housing tenants?

Kāinga Ora does not have such a policy.

How many state home tenancies have been terminated due to unpaid rent in the last year?

Kāinga Ora has terminated a total of 31 tenancies in the last year for reasons of non-occupation, possession and abandonment, of which a component in some cases has also been unpaid rent.

Top 5 largest amounts written off per tenancy (i.e. a tenant might have had multiple sets of arrears)

As noted above, Kāinga Ora does not permanently write off debt. I am therefore declining this request under section 18(g) of the OIA as this information is not held.

You have the right to seek an investigation and review by the Ombudsman of this response. Information about how to make a complaint is available at www.ombudsman.parliament.nz or Freephone 0800 802 602.

Yours sincerely



Rachel Kelly
Manager Government Relations

