



3 July 2023

Amanda Murtagh

fyi-request-22975-860c2b93@requests.fyi.org.nz

Tēnā koe Amanda Murtagh

On 1 June 2023, you emailed the Ministry of Social Development (the Ministry) requesting, under the Official Information Act 1982 (the Act), the following information:

What is the standard operating procedure, when MSD (WINZ) approve to pay a utility provider on behalf of a client.

On 30 June 2023, the Ministry notified you that we had decided to grant your request, but we required more time to respond to you and to finalise the information for release. We advised you that the information will be sent to you by 7 July 2023.

The Ministry provides recoverable and non-recoverable financial assistance to people who have an immediate need for emergency or essential items and services, including utility costs (electricity, gas and water). Financial assistance for these items is available to those who meet the relevant qualifications, meet an income and asset test, and are unable to meet the need from their own resources or through other sources. Utility costs are paid as recoverable assistance.

The type of payment made by the Ministry depends on the client's individual circumstance.

An Advance Payment of Benefit (Advance) may be granted to clients receiving a Main Benefit (e.g. Jobseeker Support), if they are in hardship, have an immediate and essential need and meet an income and asset test. Costs we can help with include:

- outstanding electricity, gas and water bills
- the cost of reconnecting electricity, gas and water supplies.

For more information about Advances, please see the following:
www.workandincome.govt.nz/products/a-z-benefits/advance-payment-of-benefit.html.

Clients not receiving a Main Benefit may be able to get a Recoverable Assistance Payment, subject to meeting specific eligibility criteria.

Further information on RAP assistance for electricity, gas, water assistance can be found here: www.workandincome.govt.nz/map/income-support/extra-help/recoverable-assistance-payment/electricity-gas-or-water-01.html.

Please note that financial assistance for a water tank refill is non-recoverable.

Before approving any payments, Ministry staff are required to explore any other alternative sources of payment that may be available to the client. For example, Ministry staff must consider whether an arrangement can be made between the client and their provider to pay off the outstanding amount or reconnecting charges.

The client should also have discussed with their retailer, any alternative payment options available to them, such as:

- payment arrangements to recover debt within a reasonable timeframe
- prepayment meters
- smoothed payments
- regular direct credits

Clients can also request for a redirection of benefit payment to be set up where part of their benefit payment is paid directly to their supplier. In some specific situations, staff may recommend this option to clients if they are struggling to keep up with their utility bills. It is important to note that for a redirection of benefit payment to be set up, there needs to be a good cause. For more information about redirection of benefit payment, please see the following: www.workandincome.govt.nz/map/income-support/core-policy/redirection-of-benefit-payment/redirection-of-benefit-payment-01.html.

Specific payments for assistance with utility bills are made directly to the providers, who are required to register as suppliers with the Ministry. Clients need to provide staff with verification of the amount that needs to be paid, either through their MyMSD account, or at their closest service centre.

If the client is not able to provide verification, Ministry staff may be able to call their provider. If the client has called for assistance through our contact centre, staff can ask for permission to speak to the provider on their behalf. If this is not possible, the client may be required to ring ahead to provide permission.

Once the payment has been approved, staff can confirm with the provider that a payment has been made on behalf of the client, but only if the client

consents to their information being shared. Alternatively, the client may prefer to advise the provider themselves.

Depending on how the provider prefers to be paid, the Ministry will usually direct credit payments to the supplier for utility costs. For some smaller utility providers, or where power is pre-paid, the client will receive a payment card with money loaded onto it, and clients have up to seven days to spend the money before this expires.

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.

The Ministry fully supports those principles and purposes. The Ministry therefore intends to make the information contained in this letter and any attached documents available to the wider public. The Ministry will do this by publishing this letter on the Ministry's website. Your personal details will be deleted, and the Ministry will not publish any information that would identify you as the person who requested the information.

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 utility providers, 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 Thomas Dalzell

Bridget Saunders
**Manager Issue Resolution
Service Delivery**