

Key Messages (Factsheet)

Housing Support Products

As part of the Wellbeing Budget we are increasing funding for Housing Support Products to help people with a housing need to sustain or access housing and prevent homelessness.

Budget 2019

- **Increased provision of Housing Support Products to help an additional 2,250 people per year access new housing or sustain their existing accommodation.**
- In total, the Government is investing an additional \$18.9m* over four years to expand provision of existing Housing Support products and introducing a new Rent Arrears Assistance product to help at-risk people sustain their housing and avoid homelessness.
- Housing Support Products were introduced in 2014 and targeted to people who come to the Ministry of Social Development (MSD) with a housing need or sought assistance to help people transition out of public housing.
- Housing Support Products have successfully helped people and whānau move into new housing and supported people in public housing to transition into the private market when ready.
- Because funding was capped at \$2.6 million per year, Housing Support Products have not been available to all people and whānau who could benefit from them.
- Budget 2019 expands funding for HSPs to \$7.2 million per year and will enable more people to access this support.
- This additional funding also provides for a new rent arrears product that fills a gap in MSD support to help people in need to sustain their existing tenancy.
- The rent arrears assistance product will provide one-off recoverable assistance to cover rent arrears and help people and whānau to retain their housing.
- The new rent arrears assistance product is expected to be available by early 2020.

The Housing Support Products can help people who:

- seek MSD assistance for a housing need
- are on the public housing register but could sustain a private rental
- are in public housing but would like some support to move into a private rental

Housing Support Products – Questions and Answers

Housing Support Products

Housing Support Products are a set of individual products that aim to address barriers to accessing or retaining housing by meeting needs not covered by other forms of assistance.

FAQs

What are Housing Support Products?

Existing Housing Support Products help people to move into alternative accommodation. Housing Support Products assist with a variety of tenancy related upfront payments to help people move into a suitable housing. Products available to help people move into new accommodation where other assistance is not available includes:

- **Bond Grant** – assistance for the cost of bond when moving into a new rental.
- **Rent in Advance** – payment that covers the cost of rent required in advance of a tenancy.
- **Moving Assistance** – payment to help with the cost of moving to suitable housing or other public housing that better meets the need of the household.

Also available is non-financial assistance such as a Statement of Satisfactory Tenancy, which is a standardised reference issued by public housing providers to landlords to signal tenant suitability.

What changes are being made to Housing Support Products?

Aside from the additional funding, no changes are being made to existing Housing Support Products. The key change is the introduction of Rent Arrears Assistance into the suite of Housing Support Products, which will help at risk people who meet the general criteria for Housing Support Products to retain their tenancy.

Housing Support Products – Questions and Answers

Housing Support Products

FAQs continued

Why are we introducing Rent Arrears Assistance?

Currently there are people who may have experienced a temporary setback who don't qualify for existing MSD rent arrears support. These people could be supported to stay in their rental property by helping them pay rent arrears. It can be stressful for families in this situation to face fear of eviction and potentially become homeless. Once evicted, it can be difficult for a family to secure alternative accommodation and they may have to apply for public or emergency housing. The Rent Arrears Assistance introduces a product into the broader suite of Housing Support Products that aims to help tenants retain their tenancies.

● Who is Rent Arrears Assistance intended to help?

Rent arrears assistance is intended to help people who may have experienced a temporary setback to sustain their existing tenancy and avoid becoming homeless. This payment will generally only be available once in a 52 week period. People who could receive this product will meet the existing income and asset criteria to qualify for a Housing Support Product, not be able to access this assistance from other sources and be capable of financially sustaining their tenancy once the arrears have been paid.

● What funding was available for Housing Support Products?

Funding for Housing Support Products was capped at \$2.6 million per year. This funding enabled approximately 1,500 people per year to receive one or more Housing Support Products.

● How many people could Housing Support Products now assist with the additional funding?

The additional funding will enable approximately 3,750 people per year to receive Housing Support Products, or 15,000 over four years.

● When will Rent Arrears Assistance be introduced?

Rent Arrears Assistance will become available by early 2020 [TBC]. Additional funding for existing Housing Support Products commences from 1 July 2019.