
North Island Weather Events – Temporary Accommodation Assistance (NIWE TAA)



The Government is delivering certainty to displaced homeowners affected by the recent North Island extreme weather events, providing an interim payment to support them when their insurance payments for temporary accommodation run out.

Who is this assistance for?

Homeowners who are unable to get back to their homes due to their homes being assigned a red or yellow placard, are paying for alternative temporary accommodation in the private rental market and have two sets of accommodation costs.

While insurance covers these costs for a period, we are seeing these payments begin to stop and the need for the Government to provide certainty for these homeowners.

How many people are likely to be in this situation?

As of 13 June 2023, 3,884 properties in New Zealand have been assigned a red or yellow placard. However, most of these properties were tenanted rather than owner-occupied. 500 households are also already receiving support through the Temporary Accommodation Service.

MBIE has so far received 52 requests for financial assistance for households in situations where insurance payments for temporary accommodation will be ending from July 2023 onwards. However, officials expect this number will grow as insurance payments begin to run out. We expect to support around 300 households, but it will depend on uptake.

When will this take effect?

The interim payment will be available from 4 September 2023, made weekly and directly to homeowners

Displaced homeowners who are eligible for the interim payment announced today can receive a lump-sum payment covering them from as early as 1 June 2023, to ensure that there is not a gap in support during this difficult time.

How many people will this support and for how long?

\$10 million has been allocated for this support. How long this will last will depend on the number of people who come forward needing support. Officials have estimated that, for example, if 300 households apply for relief under the scheme it could support them for up to 12 months.

If a longer-term solution is needed, there is work underway on what that might look like.

How much support will homeowners receive?

NIWE TAA will be provided as a flat-rate payment based on location and household make-up, paid weekly to the affected homeowner.

Set at 100 per cent of the average rent declared by Accommodation Supplement recipients in the region where the household's temporary rental accommodation is located.

NIWE TAA will be payable at either the household's actual rent or the maximum weekly payment rate, whichever is the lower. For some households, where their rent is higher than the maximum payment rate outlined in the table below, this means that they will only be subsidised for a proportion of their temporary accommodation costs.

Why doesn't insurance continue to cover these costs?

MBIE has been advised that a typical amount of insurance cover for temporary accommodation is up to \$20,000. This is likely to cover the cost of temporary rental accommodation for a period of six to 12 months, depending on the cost.

For example, with a rent of \$770 per week, a household would likely be able to pay for six-months of rental payments before their insurance cover was exhausted.

The maximum weekly payment rates are outlined below:

NIWE TAA Maximum Weekly Payment Rates (payment is the lower of actual temporary accommodation costs or the maximum amount)				
Family Type	Location of Temporary Rental Accommodation			
	AS Area One	AS Area Two	AS Area Three	AS Area Four
Single (no children)	\$330	\$270	\$260	\$250
Couple (no children) or Sole Parent (one child)	\$480	\$420	\$380	\$340
Couple (one child) or sole parent (two children)	\$560	\$480	\$430	\$380
Couple (2+ children) or sole parent (3+ children)	\$610	\$510	\$460	\$400

Broadly, Auckland is in AS area one, Hawke's Bay is in AS area two, Gisborne is in AS area three and rural areas are in AS area four.

Is the payment income or asset tested?

Given the impact on these homeowners, and as they are paying housing-related costs on two properties, homeowners will not need to meet an income or asset test to be eligible for the NIWE TAA. However, applicants will be asked to declare that they have taken reasonable steps to limit the cost of their temporary accommodation and MSD will be able to take into account the wider financial circumstances of the applicant.

Who is eligible?

New Zealand residents or citizens, or people recognised as a refugee or a protected person in New Zealand under the Immigration Act 2009, and are ordinarily a resident in New Zealand, who:

- are displaced from their home, which has received a red or yellow placard as a result of NIWE and continue to have costs associated with their damaged home (e.g., mortgage, rates, insurance etc).
- have a tenancy agreement under the Residential Tenancies Act 1986 (the RTA) before 19 July.
- have previously been receiving payment for temporary accommodation from their insurer but are no longer receiving this payment.

- are not currently in TAS supplied accommodation, but are registered.
- are not receiving another government payment for their temporary accommodation costs in the same property (such as the Accommodation Supplement or the Student Allowance Accommodation Benefit).

What is not covered?

Costs of commercial accommodation (such as motels and hotels), as the NIWE TAA is intended for people currently living in private rental accommodation with a tenancy under the RTA.

Homeowners who are currently receiving payment for temporary support from their insurer. Where the affected homeowner received an upfront lump sum from their insurer for temporary accommodation costs, they will not be eligible for NIWE TAA until their cover runs out.

Homeowners receiving the Accommodation Supplement or the Student Allowance Accommodation Benefit in respect of the costs of their temporary accommodation. This will ensure the payment is targeted to people who are not being otherwise supported to pay for temporary private rental accommodation.